This administrative policy addressing faculty merit pay distribution was developed pursuant to the Report of the Merit Pay Task Force endorsed by the Campus Senate on May 22, 1991. The term “faculty” is defined as tenured/tenure-track faculty and permanent status/permanent status-track library faculty.

I. Administration, procedures and policies at the Provost and Dean level.

A. Merit dollars will be transmitted from the Provost to the Deans as a percent of total salary budget. A small percent of the merit increment may be maintained in the Provost's office to reward colleges which are exceptionally productive in the areas of research/scholarship/creative activity, teaching and advising, and service, or to address special problems.

B. Deans will distribute funds to departments using their discretion. Deans should distribute money to reward departments which are exceptionally productive in the areas of research and scholarship, creative activity, teaching and advising, and service. Deans may retain a small percentage of salary money for special problems.

II. Departments

A. The Chair has the authority and responsibility to determine merit increases with the approval of the Dean. However, the Chair will be required to follow certain procedures as outlined below.

B. Each unit shall develop a merit pay distribution plan. The plan must include approval by a majority of the tenured/tenure track faculty of the unit in a secret ballot. Following approval by the faculty, each unit's merit pay distribution plan shall be reviewed for sufficiency and consistency with University merit pay policy first by the Dean and then by the Senate’s Faculty Affairs Committee. The plan should include the following components:

1. A Merit Pay Committee. The Merit Pay Committee shall be directly elected by the tenure-track and tenured faculty and shall contain a distribution of faculty from the tenure-track and tenured ranks. In the case of the Library faculty, the Merit Pay Committee shall be directly elected by the permanent status-track and the permanent status faculty and contain a distribution of faculty from the permanent status-track and the
permanent status ranks. Insofar as possible, the Merit Pay Committee's composition shall also reflect the gender and racial distribution and the various scholarly interests of the department. It is recognized that this distribution may not be achievable on a year by year basis in some departments, but over a period of years, a reasonable degree of representativeness should be achieved. Each year the chair shall review the makeup of the Merit Pay Committee over the previous five years to assure that a reasonable representation has been achieved and if it has not, the chair is to take appropriate action to rectify the situation.

a. The Merit Pay Committee may act as an advisory committee to evaluate and rank faculty accomplishments with merit dollar distribution left to the Chair's discretion or may actually act with the Chair to distribute merit dollars. (The term Chair refers to a Chair, Director, or Dean of a non-departmentalized school or college.)

b. The method of selection of the Merit Pay Committee should be an integral part of the merit pay distribution plan.

2. The plan should include procedures for evaluation that meet the following criteria:

a. The evaluation procedure should evaluate and give significant recognition to contributions to teaching, research/scholarship/creative activity, and service, including advising and extension efforts or professional activities in the case of Library faculty. The method of evaluation in each of these areas should be articulated clearly.

b. The evaluation should reflect performance over at least the immediate past three years. For years when merit pay is not available, the achievements of the faculty members will be taken into consideration for that year (or years) during the next year in which merit pay is available.

c. Merit pay should generally be distributed in dollar increments rather than as a percentage of salary.

d. A stipulated portion of the merit pool may be reserved for the Chair's discretionary use to address special salary problems.

e. The Chair shall report to the Merit Pay Committee his or her final salary recommendations.
f. Each faculty member shall receive a letter from the chair containing his/her new salary and the salary increase. The letter should identify (at least in general terms) the Merit Pay Committee’s evaluation of the faculty member in the areas of teaching, research/scholarship/creative activity, and service and how this was used to assign the merit increase. The letter shall inform the faculty member that he/she may request a meeting with the chair to receive an explanation of the merit pay decision.

3. The Merit Pay Committee and Chair will each certify that they have followed the unit’s Merit Pay Distribution Plan, or will indicate areas where they have deviated with a rationale.

4. Each chair shall evaluate the salary structure of the department yearly and consult with the appropriate administrators (Dean or the Provost) to address salary compression or salary inequities that have developed in the unit.

5. The Plan should include an appeals process.

III. Implementation and Review

A. Each unit will submit its plan as specified in II.B by December 1, 2010. Notice of approval by the Dean and the Senate Faculty Affairs Committee shall be given to the originating unit and a copy of the approved plan shall be transmitted to the Office of Academic Affairs. The unit shall post the approved plan on its web site so that its faculty can access it.

B. No later than five years after implementation of these recommendations a task force jointly appointed by the President and the Senate shall evaluate the effectiveness of these recommendations.

C. This policy is subject to the applicable policies of the Board of Regents, including its salary policy.