Faculty, Administrative and Professional (A&P), and Classified Employees
Merit Guidelines and Instructions

Effective Date: One Time Payment during Fiscal Year 2011
for meritorious performance during 2/1/09 – 1/31/10
Paycheck Date: December 7, 2010

I. General Information

Merit is a salary award to employees as recognition of their contribution to meeting the goals
and objectives of the department, college, and university during the previous year. Merit awards
are based on evaluation of performance for the respective position and job requirements. This
salary award will be paid as a lump-sum in December subject to a flat income withholding tax
rate of 25% consistent with IRS regulations.

II. Employee Eligibility

A. An employee must be hired on or before February 28, 2010, with cumulative
appointments of 50% or greater, and be a regular, benefits-eligible employee.

B. Employees must be continuously employed for the 6 months preceding payout of
the one-time merit award and be employed on the payout date.

C. Employees in student titles (those titles requiring student status as a condition of
employment) are not eligible.

D. Benefits eligible non tenure track faculty may be eligible for merit based on the
criteria established by the Provost.

E. For Classified and A&P employees, a performance appraisal must be current
(completed within the last year) and be on file at Human Resources. For
Probationary employees, the appropriate probational evaluation (30/90/160) must be
on file in HR.

III. Merit Pools

A. Merit pools will be based on salaries as of May 1, 2010.

B. Merit awards are subject to funding availability and pending Board of Regents' approval.

C. The funding to cover one-time merit awards of employees paid from Educational &
General 14-accounts will be allocated from central budget sources. The cost of merit
for those employees paid from non-E&G fund sources such as 18-service rate
recovered ‘chargeback’ funds; 19-designated/local funds; 29-auxiliary enterprises; or
30-gift accounts, must be covered from revenues of those fund sources.
Faculty, Administrative and Professional (A&P), and Classified Employees
Merit Guidelines and Instructions

Effective Date: One Time Payment during Fiscal Year 2011
for meritorious performance during 2/1/09 – 1/31/10
Paycheck Date: December 7, 2010

i. **26-accounts - Grant funded employees:** OMB Circular A-21 J.10 d(1) does not allow lump sum payments\(^1\) and therefore merit awards may not be paid from grant/contract accounts. For this one time merit award the university has agreed to pay the recommended awards from discretionary, institutional funds\(^2\).

D. **Computation of Pool Amounts:** Salary costs on May 1, 2010, will be computed for all benefits eligible employees on the payroll as of February 28, 2010. The pools will be separated by division/college/area, and employee category (Faculty, A&P, and Classified). The pool will not reflect any changes in employee’s salaries after May 1, 2010 due to employee reclassifications, or promotions.

i. **Allocation pools:**
   1. A pool equivalent to 2.7% of eligible **Classified** employee salaries will be allocated.
   2. A pool equivalent to 2.2% of eligible **Faculty** employee salaries will be allocated.
   3. A pool equivalent to 2.2% of eligible **Administrative & Professional (A&P)** employee salaries will be allocated.

ii. A Vice President may internally reallocate and/or redistribute pool amounts within their division/colleges (subject to the exception IV. A. below), but the overall amount within a fund group cannot exceed the overall pool allocation awarded to that division.

IV. **Merit Awards**

A. Although there is no minimum or maximum percentage that may be awarded, the total pool amount for each employee category cannot be exceeded, with the exception that A&P merit pools may be used to supplement classified staff awards, but not vice-versa. Human Resources will provide general allocation guidelines.

B. Departments are required to develop allocation methodology which must be reviewed and approved by HR prior to submission of spreadsheets to Budget

C. If an award is granted to an employee for the performance period 2/1/09 – 1/31/10, and the employee transfers to another UTSA position, the specific dollar amount of the merit award will follow the employee. In all cases, the prior department head will make the decision about the amount of merit to be awarded based on performance in the previous position for that review period.

---

\(^1\) This section reads: “In no event will charges to sponsored agreements, irrespective of the basis of computation exceed the proportionate share of the base salary for that period.”

\(^2\) Affected departments will be advised of the account number to use for processing merit pay.
Faculty, Administrative and Professional (A&P), and Classified Employees
Merit Guidelines and Instructions

Effective Date: One Time Payment during Fiscal Year 2011
for meritorious performance during 2/1/09 – 1/31/10
Paycheck Date: December 7, 2010

D. The Office of General Counsel has determined that the Fair Labor Standards Act requires overtime payments made during the performance period (2/1/09 through 1/31/10) be added to the base salary of affected employees. The percentage value approved by the Vice President using the employee’s base salary will be used to recompute the employee’s new one time merit award.

E. For E&G funded positions, budget will be allocated to cover the one time payment to the department where the employee is appointed at the time of payment. All other funding sources will pay for the merit of employees that have transferred into a non-E&G funded position due to an internal recruitment.

F. If merit awards are communicated to the employee prior to the date the UTSA budget is scheduled for approval by the Board of Regents in August, the written correspondence should indicate that the merit payment is one-time, not a base salary adjustment and subject to approval by the Board of Regents and availability of funding.

G. No funding will be allocated for employees who are terminated when the payroll processing for the one-time payment occurs. Likewise, terminated employees will not receive one-time merit awards.

H. Changes to any employee’s merit award recommendation after a President/Vice President has signed and forwarded the official award template to Budget / HR, will require a new form and new President/VP signature that denotes authorization of the changed merit award. These signed changes must be submitted to HR for review and approval prior to submission to the Budget Office. No exceptions.

I. Deadlines for submission of merit award templates will be strictly enforced. The merit award processing timeline is attached.