

SAN JUAN COLLEGE BUSINESS SERVICES PROCEDURES

TOPIC: MERIT PAY, FACULTY Related to Board Policy: 504

Annual Faculty Salary, Increase

1. Total dollars available is determined by the San Juan College Board.
2. President approves allocation of new dollars between the wage/salary and merit pools.
3. Current faculty wage/salary and merit pool dollars are split 95/5% of total salary dollars, respectively.

Allocation of Merit Dollars

1. The score received during the annual review process determines a person's eligibility for merit pay.
2. Merit dollars are allocated for standard or better performance only.
3. Less than standard performance results in no longevity increase and no merit award.
4. Individual merit dollar increases are assigned for one year only. Each year a performance is evaluated and calculated separately.
5. Merit awards for new faculty are allocated only after the first annual performance evaluation has been completed.

Determining Individual Merit Awards for Faculty

1. Personnel office distributes blank Performance Evaluation Report (PER) forms to the four academic division deans.
 - a. PER's are completed and returned to Personnel Office by the end of January.
 - b. Faculty PER's are divided into four division groups.
 - c. Base salaries of current faculty by each division are totaled. The base salary total is multiplied by current faculty merit pool percentage (i.e., 5%).
 - d. To maintain the purchasing power of the merit pool dollars the merit pool is increased by the proposed salary percent increase for the coming academic year.

Example:

Faculty base salaries	= 1,000,000
5% of base, for faculty merit pool	= 50,000
4% of faculty merit pool, for purchasing power	= <u>+2,000</u>
Total NEW merit dollars	= \$52,000

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2. Relative ranking of faculty members

- a. The average faculty merit award is determined by dividing the total number of faculty eligible for merit dollars into the new total merit dollar pool.

Example: $\frac{\$52,000}{32} = \$1,625$ average faculty merit award
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- b. The actual spread in merit points awarded to all faculty is determined by subtracting the lowest merit point awarded from the highest merit point awarded (80 points possible).

Example: $75 - 45 = 30$ point spread

- c. The value of each merit point deviation from the mean is determined by dividing the average faculty merit award by the actual point spread.

Example: $\frac{\$1,625}{30} = \54.17

3. Calculate individual faculty merit dollars.

- a. Each division's faculty are grouped together and their individual merit points averaged.
 b. The division's merit point average and deviation of each faculty member is determined.
 c. The faculty member's number of deviation points from the division average is multiplied by the dollar value of each point of deviation.

Example:					
<u>Name</u>	<u>Merit Points</u>	<u>Pool Average</u>	<u>Deviation</u>	<u>\$ Value of Merit Point</u>	<u>Total Deviation \$'s</u>
Pat	62	53	+9	\$54.17	\$487.53
Ted	60	33	+7	54.17	379.19
Ned	55	53	+2	54.17	108.34
Deb	51	53	-2	54.17	(108.34)
Sue	47	53	-6	54.17	(325.02)
Bill	45	53	-8	54.17	(433.36)

- d. Faculty merit award is determined by either adding or subtracting the total deviation dollar amount from the average faculty merit award amount, unless a below standard rating PER is submitted.

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Example:

<u>Name</u>	<u>Average Faculty Merit</u>	<u>Total Deviation \$'s</u>	<u>Merit \$'s</u>
Pat	\$1,625.00	\$487.53	\$2,112.53
Ted	1,625.00	379.19	2,004.19
Ned	1,625.00	108.34	1,733.34
Deb	1,625.00	(108.34)	1,516.66
Sue	1,625.00	(325.02)	1,299.98
Bill	1,625.00	(433.36)	1,191.64

4. Faculty contract amount

- a. The merit award is added to the faculty member's base salary (see annual Faculty Salary Plan) and displayed on their teaching contract for the subsequent academic year.

Observation About Faculty Merit Dollars

1. All faculty receive a merit award amount unless a below standard rating PER is submitted.
2. A faculty member's merit award is affected by their score and their divisional merit average score.
3. A faculty member's relationship to the divisions average score can and does change every year.
4. If evaluations by a division director lead to PER scores that are close together, faculty members will receive similar merit dollar amounts. Conversely, evaluations by a division dean which lead to PER scores with a wide range, faculty member merit awards will reflect wider merit dollar differences.
 - a. If in one year a division dean scores an individual relatively low compared to the rest of the divisional pool, the other faculty will receive more merit dollars.
 - b. In the following year if the division dean scores the previously lower scored faculty member much higher, the other faculty could receive fewer merit dollars. This happens because the divisions average PER score is affected, which in turn changes the way deviations from the average are valued.