

SAN JUAN COLLEGE BUSINESS SERVICES PROCEDURES

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

Annual Professional Salary Increases

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 professional wage/salary and merit pool dollars are split 96/4% 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 professional staff are allocated only after the first annual performance evaluation has been completed.

Determining Individual Merit Awards for Professional Staff

1. Personnel Office distributes blank Performance Evaluation Report (PER) forms to the three Vice Presidents.
 - a. PER's are completed and returned to Personnel Office by the end of January.
 - b. Base salaries of current professional staff by each division are totaled. The base salary total is multiplied by current professional staff merit pool percentage (i.e., 4%).
 - c. 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:

Professional staff base salaries	=	\$1,000,000
4% of base, for professional merit pool	=	40,000
4% of professional merit pool, for purchasing power	=	<u>+1,600</u>
Total NEW merit dollars	=	\$ 41,600

2. Relative ranking of professional staff members.
 - a. The average professional staff merit award is determined by dividing the total number of professional staff eligible for merit dollars into the new total merit dollar pool.

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Example: $\frac{\$41,600}{29} = \$1,435$ average professional staff merit award

- b. The actual spread in merit points awarded (by Vice Presidents and supervisors) to all professional staff is determined by subtracting the lowest merit point awarded from the highest merit point awarded (40 points possible).

Example: $38-25 = 13$ point spread

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

Example: $\frac{\$1,435}{13} = \110.39

3. Calculate individual professional staff faculty merit dollars.
- a. Each department's professional staff are grouped together and their individual merit points averaged.
 - b. The department's merit point average and deviation of each professional staff member is determined.
 - c. The professional staff member's number of deviation points from the department 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 Merit Point</u>	<u>of Total Deviation \$'s</u>
Fred	38	30	+8	\$110.39	\$883.12
Kathy	35	30	+5	110.39	551.95
Roger	30	30	0	110.39	0
Sandy	28	30	-2	110.39	(220.78)
Russ	26	30	-4	110.39	(441.56)
Karen	25	30	-8	110.39	(883.12)

- d. Professional staff merit award is determined by either adding or subtracting the total deviation dollar amount from the average professional staff 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 (\$)</u>
Fred	\$1,435.00	\$883.12	\$2,318.12
Kathy	1,435.00	551.95	1,986.95
Roger	1,435.00	0	1,435.00
Sandy	1,435.00	(220.78)	1,214.22
Russ	1,435.00	(441.56)	993.44
Karen	1,435.00	(883.12)	551.88

4. Professional staff contract amount.
 - a. The merit award is added to the professional staff member's base salary and displayed on their employment agreement for the subsequent fiscal year.

Observation About Professional Staff Merit Dollars

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