

STANDARD ADMINISTRATIVE PROCEDURE

31.01.01.M5.02 One-Time Merit Payments

Approved July 6, 2001

Revised April 1, 2004

Revised July 13, 2004

Revised July 29, 2004

Revised June 8, 2006

Revised April 30, 2010

Revised July 2, 2012

Revised August 5, 2014

Next scheduled review: August 5, 2019

Standard Administrative Procedure Statement

This SAP provides the proper process for the appropriate administration, funding and approvals for One-Time Merit Payments.

Procedures and Responsibilities

1. GENERAL

- 1.1 One-time merit payments reward employees with an incentive payment up to \$5,000 (gross) that is not added to the employee's base salary.
- 1.2 Awards may be paid from any source of funds from existing departmental budgets. A one-time merit payment is dependent upon employee job performance and must be approved through appropriate channels. One-time merit payments are not entitlements.
- 1.3 One-time merit payments may be combined with a merit raise and awarded on the same effective date.

2. CRITERIA

- 2.1 Criteria for awarding one-time merit payments in conjunction with the regular budget cycle are the same as the criteria for merit raises included in [University Rule 31.01.01.M7, Employee Compensation Administration](#).
- 2.2 A one-time merit payment may be granted outside of the regular budget cycle if all of the following criteria are met:

- 2.2.1 the employee must not have received a merit salary increase (merit raise or one-time merit payment) within the past six months prior to the effective date of the merit salary increase. Note: In any instance where an employee received a merit salary increase effective September 1st, the first opportunity for that employee to be awarded another merit salary increase would be March 1st. A merit salary increase awarded after March 1st will make the employee ineligible to receive a merit salary increase the following September 1st. For the purpose of this section “merit salary increase” references merit raises and/or one-time merit payments;
- 2.2.2 the employee must have demonstrated meritorious performance evidenced by an “achieves” or higher overall rating, [or equivalent language in modified performance evaluation forms approved by Human Resources], on his or her most recent performance evaluation; or has successfully completed a special project of significant importance to warrant special recognition;
- 2.2.3 the employee has been employed by Texas A&M University for at least six continuous months immediately preceding the effective date of the payment (wage employees are not eligible to receive one-time merit payment); and
- 2.2.4 the organization prepares documentation for granting a one-time merit payment that indicates fulfillment of the preceding criteria and substantiates the performance or project completion.

3. PROCEDURES AND RECORDKEEPING

- 3.1 Vice presidents are authorized to approve one-time merit payments up to \$5,000 (gross) for employees of their respective divisions provided the criteria of this Standard Administrative Procedure are met and the funding is available in departmental budgets.
 - 3.1.1. Approval of one-time merit payments for up to \$5,000 may be further delegated by a vice president. Written confirmation of delegation to approve one-time merit payments should be sent to [Payroll Services](#).
 - 3.1.2 Requests for exceptions to the \$5,000 limit shall be sent through administrative channels to the Provost and Executive Vice President, for academic units, or the President for approval.
- 3.2 Vice Presidents or designees who approve one-time merit payments must certify that all requirements of this Standard Administrative Procedure have been met prior to forwarding the request for one-time merit payments to Payroll Services.

- 3.3 Payroll Services is required to determine that the certification of compliance with the provisions of this Standard Administrative Procedure is completed before processing payment for one-time merit payments.
- 3.4 A copy of the approval document shall be routed to Payroll Services for processing.
- 3.5 In any division where the approval of one-time merit payments has been delegated, a copy of the approval documents shall be forwarded to the office of the appropriate vice president.
- 3.6 A copy of the approved one-time merit payment documents shall be placed in the employee's personnel file.

Related Statutes Policies, Regulations and Rules

System Policy 31.01: Compensation

<http://policies.tamus.edu/31-01.pdf>

System Regulation 31.01.01: Compensation Administration

<http://policies.tamus.edu/31-01-01.pdf>

System Regulation 31.01.08 : Merit Salary Increases

<http://policies.tamus.edu/31-01-08.pdf>

System Regulation 31.01.10: Service Awards

<http://policies.tamus.edu/31-01-10.pdf>

University Rule 31.01.01.M5: Flexible Compensation Programs

<http://rules-saps.tamu.edu/PDFs/31.01.01.M5.pdf>

Contact Office

For information on clarification on this Rule contact [Human Resources, Classification & Compensation](#) at (979) 845-4170 or by email at hrcomp@tamu.edu.

OFFICE OF RESPONSIBILITY: [Human Resources](#)