



ADMINISTRATIVE POLICY

Administrative Faculty Merit Pay Policy (AD 1)

POLICY STATEMENT

The Nevada State College (NSC) Administrative Faculty Merit Pay Policy supports the College's commitment to reward excellence. Merit Pay is awarded to recognize and retain high-performing Administrative Faculty who make significant contributions to the mission and goals of NSC.

This policy defines a College-wide framework for Merit Pay determination, in compliance with Chapter 6, Section I of the NSC Bylaws. The policy is pursuant to the preservation of transparency in Merit Pay awards.

DEFINITIONS

Academic Faculty: Generally consists of those professional staff members who specifically create and disseminate scholarly information through teaching, or providing counseling or library services closely and directly supportive of teaching and research. (See NSHE Code, Title 4, Chapter 3, Section 2(1)(d) and Chapter 3, Section 2 (a) and Section 3 (a) of the NSC Bylaws).

Administrative Faculty: A subset of the category of administrators defined in section 1.1.b of the NSHE Code and Title 4, Chapter 3, Section 2(1)(d) of the NSHE Board of Regents Handbook. (Nevada System of Higher Education CODE, Chapter 7, section 7.2.'1.; Chapter 3, Section 2(b) and 3(b) of the NSC Bylaws).

Executive Staff: Administrative faculty who have been hired by NSC through a competitive search or have been granted a search waiver. Administrative faculty hired in one-year, nonrenewable contracts are excluded.

Fiscal Year: Period beginning July 1 of one year and extending through June 30 of the next year.

Institutional base salary (IBS): The annual compensation paid by the College for an individual's appointment, whether that individual's time is spent on research, instruction, administration, or other activities. IBS excludes any income that an individual earns outside of duties stipulated in the employee's basic appointment.

Merit Pay: Addition to Institutional Base Salary earned by eligible Administrative Faculty for high levels of performance as documented in the annual evaluation report.

Merit Pool: Total funds allocated as a designated percentage of NSC'S annual budget; funding is determined and appropriated by the Nevada State legislature through the budget process. The State legislature may modify or rescind merit funds at any time before they are distributed.

Working Day: Monday through Friday when college classes are scheduled and in session during fall and spring semesters.

PROCEDURES

I. Introduction

The Merit Pay award was created by the Nevada State Legislature. Title 4, Chapter 3, Section 25 of the NSHE Code provides that NSHE professional employees shall be eligible to be considered for Merit Pay during Fiscal Years when a Merit Pool appropriation is provided. NSHE institutions are authorized to develop written policies and criteria for Merit Pay recommendation. The award of Merit Pay is intended to recognize, reward, and reinforce exemplary performance. Merit Pay must be earned each year.

Merit Pay is awarded to Administrative Faculty members based on their contributions, accomplishments, and ongoing high levels of performance. The ability to earn Merit Pay serves as an incentive to perform well. A fundamental premise of an equitable Merit Pay system is that it is built upon a sound and valid performance management system, one that is perceived as being fair, equitable, measurable, and objective.

The policy is administered by the Office of Finance and Business Operations based upon recommendations by Department Heads and Vice Presidents/Provost. The President makes final determinations of awards and the amount given to each eligible Administrative Faculty member, upon recommendation by the Vice President of Finance & Business Operations.

Merit Pay is added to Institutional Base Salary (IBS) when calculating the IBS for the new Fiscal Year.

II. Criteria for Administrative Faculty Merit Pay

The annual evaluation report provide the basis for consideration of annual Merit Pay increases. Merit Pay is awarded to Administrative Faculty who receive an overall rating of “commendable” or “excellent” on their annual evaluation reviews. All annual evaluation reports should provide sufficient information to allow for full and fair evaluation of Administrative Faculty in compliance with Chapter 5, section 7 of the NSC bylaws.

Based on annual evaluation reports, Departmental supervisors submit to their respective Vice President/Provost recommendations of Administrative Faculty eligible for Merit Pay consideration. The list of eligible Administrative Faculty must be accompanied by supporting documentation.

Each Vice President/Provost forwards their recommendations to the Vice President of Finance & Business Operations, who reviews the recommendations and determines the final composition of the Administrative Faculty Merit Pool. The final list of Merit Pay awardees and the amounts of Merit Pay increase will be provided in writing to the Vice Presidents/Provost by the Vice President of Finance & Business Operations with an explanation of the components of the merit evaluation.

The recommendations regarding Administrative Faculty eligible for Merit Pay award consideration shall be made by the Vice Presidents/Provost to the Vice President of Finance & Business Operations no later than mid-May.

Since annual evaluation reports are the basis for Merit Pay increases, those records are considered confidential and not a matter of public record. Once awarded, the amount of the merit increase is a matter of public record.

- A. *Ineligibility.* Administrative Faculty members are not be eligible for Merit Pay if they receive a rating of “unsatisfactory” in any category on their annual evaluation review.

Administrative Faculty who would otherwise be considered for Merit Pay will be considered ineligible if they fall into any of the following categories:

1. Administrative Faculty who are not continuing employment at NSC for the next Fiscal Year;
2. Newly-hired Administrative Faculty who begin employment at NSC on or after the first Working Day in October;
3. Administrative Faculty who received a promotion on or after the first Working Day in October, unless Merit Pay eligibility is specifically included in the negotiated contract;
4. Administrative Faculty who are in a temporary appointment.

B. *Exclusions:* The Administrative Faculty Merit Pay Policy does not apply to:

1. Academic faculty;
2. Part-time instructors;
3. Classified staff;
4. Casual labor;
5. Student workers;

III. Award Process for Administrative Faculty Merit Pay

Merit Pay salary increases will be awarded once annually.

Administrative Faculty Merit Pool funds are awarded automatically based on evaluation ratings. Employees who receive an overall rating of “commendable” or “excellent” are automatically eligible for a share of the Merit Pool, with 1 share for those with a “commendable” rating and 2 shares for those with an “excellent” rating.

The Vice President of Finance and Business Operations and/or Director of Human Resources is responsible for calculating the amount of Merit Pay awarded per share. This amount is calculated by adding up the total number of shares given in the merit process, then dividing the Merit Pool by the number of shares.

IV. Notice of Merit Pay

When an Administrative Faculty member has been awarded Merit Pay, the Administrative Faculty member shall be informed about the amount of the increase in writing.

The official date of notification of Merit Pay awards for the purpose of review and grievance shall be the day the Merit Pay list is released to the campus. The Merit Pay list is considered a public record subject to disclosure.

V. Availability of Merit Funds

Merit funds are available for positions regardless of state, self-support, or other non-state funding sources; the Executive Staff are responsible for ensuring that appropriate funding is available and that all merit awards are made consistently to assure equitable treatment of similarly situated employees, regardless of funding source. Additionally, supervisors are required to ensure that Merit Pay is used solely for the recognition of meritorious performance and not for other purposes, such as restoration of Institutional Base Pay, longevity of service, equity, or to relieve salary compression.

VI. Review of Merit Pay Evaluation

Pursuant to Title 2, Chapter 5, Section 5.16 of NSHE Code, Administrative Faculty members who are in disagreement with their particular award of Merit Pay may seek review in accordance with the procedure adopted in the NSC bylaws.

FORMS/INSTRUCTIONS

CONTACTS

OFFICE/UNIT	CONTACT	PHONE	EMAIL
Vice President of Finance & Business	Kevin Butler	702-992-2302	Kevin.butler@nsc.edu
Human Resources	Eric Gilliland	702-992-2320	Eric.gilliland@nsc.edu

RELATED INFORMATION

- NSHE Code, Title 2, Chapter 5, Section 5.12 Evaluation, 5.16 Review of Evaluations and/or Denials of Salary Increase
 - NSC Bylaws, Chapter 6, Section 7 Evaluations
 - NSC Bylaws, Chapter 6, Section 9 Merit Determinations
 - NSC Bylaws, Chapter 6, Section 3 Grievance Procedures for Faculty
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HISTORY

Updated 4/1/2019 to add HR Director contact information.

APPROVAL SIGNATURES PAGE



Bill Patterson, President

12/31/14

Date