



INSTRUCTIONS
ACROSS-THE-BOARD (ATB) AND MERIT PAY CALCULATIONS
 JULY 1, 2015

NOTE: The ATB increases shall be applied to all classified and non-classified employees in the Executive Branch. Merit increases shall be applied to all classified employees, but are **optional** for non-classified employees. If the appointing authority chooses to provide merit increases to non-classified employees, it is suggested that the application of the merit increase be consistent with the methodology approved for classified employees.

1. Determine June 1, 2015 monthly salary.
2. As stated in the FY 2015-16 Employee Across-the-Board and Merit Pay Increases Memo occupational groups pay plans have been adjusted.
3. Using the FY 2014-15 Compensation Plan, identify the quartile in which the June 1 salary is located. Using the Performance Rating Matrix, determine the merit pay percentage to be applied.

 **FY 2015-16 Merit Pay Table**

 **Range Minimum**
  **Range Midpoint**
  **Range Maximum**

Performance Rating	Quartile 1 0-24.99%	Quartile 2 25-49.99%	Quartile 3 50-74.99%	Quartile 4 75-100%	Above Range Maximum
3 - Exceptional	1.80%	1.60%	1.40%	1.20%	1.00%
2 - Successful	1.00%	0.80%	0.60%	0.40%	0.20%
1 - Needs Improvement	0.00%	0.00%	0.00%	0.00%	0.00%

Base Building

Non-Base Building

- a. Merit pay is base building for Q1 - Q3, and non-base building for Q4 and above.
 - b. Do not add the merit pay to the employee’s salary at this stage.
4. Apply system maintenance study results, if applicable:
 - a. June 1 salaries below new range minimum are increased to range minimum.
 - b. June 1 salaries above new range maximum are designated as Saved Pay status.

5. Determine the July 1, 2015 salary:
 - a. Apply any permanent increase in pay resulting from normal action (e.g. promotion, reallocation, etc.) effective after June 1.
 - b. Using the FY 2015-16 Compensation Plan, determine if the employee's July 1, 2015 salary is above the new pay range maximum. If so, the employee is considered in Saved Pay status for up to three years. This is their final monthly base salary for FY 2015-16.
6. Calculate the 1.0% ATB based on the July 1, 2015 monthly salary from Step 5. This is the monthly ATB increase.
7. Add the monthly ATB increase to the employee's salary.
 - a. The monthly ATB is applied as a base-building increase, up to the pay range maximum. This is the new monthly salary.
 - b. Any monthly ATB increase that exceeds the pay range maximum is multiplied by 12 and paid as a non-base, one-time lump sum in the July 2015 paycheck.
 - c. Any monthly ATB increase for a salary in Saved Pay status is multiplied by 12 and paid as a non-base, one-time lump sum in the July 2015 paycheck.
8. Apply the Merit Pay percentage (determined in Step 3) to the new monthly salary calculated in Step 7.
 - a. For employees hired after April 1, 2014, merit pay is pro-rated based on months worked during the performance cycle.
 - b. Employees hired after March 31, 2015 are not eligible for merit pay increases implemented on July 1, 2015.
 - c. If merit pay increase is base building and after applied, the salary does not exceed the FY 2015-16 pay range maximum, this is the new monthly base salary.
 - d. If the merit pay increase is base building and after applied, the monthly salary would exceed the FY 2015-16 pay range maximum, raise the base salary increase to the pay range maximum. This is the employee's new monthly salary. Then multiply the amount of the monthly increase that exceeds the pay range maximum by 12 and pay as a non-base, one-time lump sum in the July 2015 paycheck.
 - e. If the merit increase is non-base building, multiply the monthly merit pay increase by 12 and pay as a one-time lump sum in the July 2015 paycheck. The employee's final monthly base salary is the salary calculated in Step 7.
 - f. An employee whose monthly salary exceeds the pay range maximum on June 1, 2015 must receive a 2 level or 3-level performance rating to receive a merit pay increase. The increase is calculated as a non-base building, one-time lump sum paid in the July 2015 paycheck. If the employee received a 1-level rating, s/he is ineligible for a merit pay increase.
9. Compare new monthly salary to the FY 2015-16 Compensation Plan:
 - a. If the new monthly salary after the ATB and merit pay increases is still below the pay range minimum, increase the salary to the pay range minimum. This is the employee's new final monthly salary.