

**ARKANSAS FORESTRY COMMISSION  
EMPLOYEE PAY INCREASE  
POLICY & PROCEDURE STATEMENT**

**§ 55**

1. Pay increases for AFC employees are available under state law for:
  - a. Promotions: 10 %
  - b. cost of living adjustment:
    - Cost of living adjustments (COLAs) are mandated each year of the biennium by state law. Amount may vary or may not be available based on state revenues and available funds.
  - c. Performance Evaluation scores
  
2. Merit increases/bonuses may be awarded to employees who receive annual performance evaluations of:
  - a. an overall satisfactory rating
  - b. an overall above average rating
  - c. an overall exceeds standards rating
    - The Chief Fiscal Officer (CFO) of the State determines whether general revenue funds are sufficient to implement the authorized merit increase/bonus. The CFO of the State, upon approval of the Governor, may reduce the percentage of all authorized merit increases/bonuses for all state employees without regard to whether the employees are compensated by general or special revenues, federal funds, or trust funds.
  
3. Lump sum merit payments are considered salary for the purposes of retirement eligibility.
  
4. Employees will retain their merit eligibility date but will receive a merit lump sum payment at the end of the fiscal year when approved by Chief Fiscal Officer of the State.
  
5. AFC Human Resources will process annual performance evaluation scores based on employee eligibility dates.
  
6. Employees hired before October 1, 2006 have an October 1 merit increase eligibility date.
  
7. Employees hired after October 1, 2006 have a merit increase eligibility date one year from their hire date.
  
8. Supervisory personnel who fail to complete an annual evaluation of employees they supervise shall not be eligible for merit payments.
  
9. Employees must have twelve months continuous employment with a satisfactory performance evaluation rating to be eligible for a merit increase.

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10. Employees who receive a written performance-based or disciplinary incident report during the twelve-month performance evaluation rating period are not eligible for a merit increase/bonus.
  
11. This revised AFC Employee Pay Increase Policy § 55 supersedes all earlier versions of AFC Policy § 55 and interpretive memoranda, which are hereby repealed.