

Policy 5.15 Performance Bonus Program for Full-Time Excluded Instructional Staff

Performance bonus programs are used to motivate employees, and it is generally accepted that they have a positive impact on employee performance. They can help attract and retain key staff, and allocate scarce resources to focus on performance rather than entitlement. Basic considerations for a performance bonus program are that (BTM,2007,01-29,004,_F):

- a) Rules for eligibility and for payout of a bonus must be very clear, create a motivational environment, and limit risk
- b) Employees must have an understanding of the level of performance most likely to result in receiving a bonus

Excluded employees are in titles or functions not represented by a Union. The PSC Contract lists excluded instructional positions. The designation of employees as excluded requires approval by the Office of Instructional Staff Labor Relations. (BTM,2007,01-29,004,_F)

Eligible employees should be informed of the program. (BTM,2007,01-29,004,_F)

2 Responsibilities

- a) College Human Resource Directors (BTM,2007,01-29,004,_F):
 - (i) Ensure managers understand roles and responsibilities, and provide information on the process
 - (ii) Ensure excluded employees are notified of the existence of the program and eligibility/performance criteria
 - (iii) Work with college president or designee to determine funds available for bonus payments, and to finalize and approve bonus decisions
 - (iv) Work with Affirmative Action Office to assure absence of bias or adverse impact
 - (v) Work with finance, business, and/or payroll units to provide for accurate and prompt payment of bonuses
 - (vi) Enter bonus recommendations in the Chancellor's University Report for Board of Trustees approval
 - (vii) Maintain required records for at least six years in accordance with the University's Records Retention Policy
- b) College Presidents (BTM,2007,01-29,004,_F):
 - (i) Make a determination as to whether college will participate in any given year and determine funds available
 - (ii) Review recommendations to assure bonus payments fairly reflect performance
 - (iii) Approve final bonus recommendations for submission to the Board
 - (iv) Assure bonus decisions are communicated
- c) Managers of Excluded Staff (BTM,2007,01-29,004,_F):
 - (i) Establish performance expectations
 - (ii) Prepare complete and accurate performance assessments

- (iii) Forward performance assessments and recommendations to the college's office of human resources

3 Process

3.1 Establishing Schedule

Annual bonus assessments should be completed at the same time for all eligible employees at a College. While not required, it may be easiest to coordinate bonus reviews with other reviews such as the annual performance review process or reviews for merit increases. Each College should plan the bonus review process to assure that bonus recommendations are included in the June Chancellor's University Report. (BTM,2007,01-29,004,_F)

3.2 Establishing Funding

Each College will determine whether to participate in a given year. Each participating College will be responsible for identifying funding sources for bonus payments. (BTM,2007,01-29,004,_F)

3.3 Determining Eligibility

Eligible employees (BTM,2007,01-29,004,_F):

- a) Serve in an excluded instructional title (i.e., HEO, Faculty, or CLT series) as of the end of the appointment year—30 June
- b) Are full-time employees in a regular appointment—not substitute
- c) Have served in an excluded position for a minimum of one full appointment year

Employees who have been on leave during the evaluation—1 July to June 30—year may be considered for a bonus provided they have worked at least six months during the evaluation year. Employees lose eligibility upon leaving employment or transferring to a position that is not excluded or is covered by a separate bonus program—such as Classified Managerial service. Eligibility is not related to FLSA status. Employees can only receive a bonus payment once a year. (BTM,2007,01-29,004,_F)

3.4 Conducting Evaluations and Determining Bonuses

A bonus recommendation is intended to reward high performance and recognize exceptional service. Managers must document achievements that have made important, measurable contributions, and provide specific examples of exceptional overall performance. A lump sum up to and including seven percent of the employee's annual salary may be awarded. The bonus recommendation form illustrates the information that should be collected for a bonus recommendation. (BTM,2007,01-29,004,_F)

3.5 Implementation

Directors of Human Resources will work with their College President and/or designee, Vice President for Administration and Finance, and Affirmative Action Officer to finalize bonus recommendations. Directors of Human Resources will complete a program summary and

submit it to the Affirmative Action Officer (AAO) for sign off. Once signed off on by the AAO, the form is submitted to the President for final approval. Colleges will process bonus payments through payroll with a payment in July. Bonus amounts are not added to base pay, but are pensionable. They are subject to all required payroll deductions. Bonuses are discretionary and not subject to appeal. (BTM,2007,01-29,004,_F)