



## Guidelines for PFP and Bonus Awarding

Recognizing employees with performance increases is a powerful tool for motivating, engaging, and retaining talent, as well as fostering a positive work environment and improving overall organizational performance. It's an investment in the well-being and success of both employees and the company.

### Pay for Performance

The frequency at which employees receive performance increases may vary according to individual performance, market conditions, and budget constraints because PFPs cannot be awarded unless recurring funding are available and anticipated to be available in the unit's budget to support the permanent cost.

- Cost cannot be funded by an expectation of new resources or future fee increases.
- Cost cannot have a negative impact on unit's operations.
- All units should recognize that future budget reductions are still a possibility, and any recurring commitments should be considered in the context of future priorities and decisions.

It is best practice to have an annual review of pfp's in your unit to ensure they represent a cross-section of all levels of the organization.

Staff receiving a pay for performance salary increase meet the following criteria:

- Have an EPMS (Performance Appraisal) on file with a successful or exceptional rating
- Must not be in a probationary period.
- Meet three or more of the following criteria:
  - A significant increase in service or productivity through innovation.
  - Demonstrated positive attitude and spirit of service and cooperation.
  - A record of exceptional service.
  - A substantial contribution to the goals of the unit through the performance of special assignments or the provision of exceptional customer service not previously included in performance objectives.

### Suggested Percentages based on budget.

	Rating	Percentage
<b>Successful</b>	1.5-1.9	Up to 3%
	2.0-2.4	Up to 6%
<b>Exceptional</b>	2.5-2.7	Up to 10%
	2.8-3.0	Up to 15%

Follow the University policy [HR 1.37](#) for awarding any pay per performance increases.

## **Bonus**

Bonuses may be awarded to recognize significant accomplishments and unique contributions of individual employees for:

- Increased organizational productivity.
- Development and/or implementation of improved work processes.
- Exceptional customer service.
- Realized cost savings.
- Other specific contributions to the success of the university.

The maximum amount of a bonus is \$3000.00 per fiscal year.

Bonuses are not tied to reoccurring funds.



Reminder: Bonuses or PFPs should represent a cross-section of all levels of the organization, they should not be awarded only to management staff or primarily to individuals at the top of the departmental organization chart.