

**Office of Finance and Administration
Administrative Memo**



DATE: November 8, 2001

Number: P-01

TITLE: East Stroudsburg University Special Performance Awards for Managers

RATIONALE:

Special Performance Awards are included in the System's pay delivery vehicles to expand the options available to supervisors and senior managers for recognizing outstanding contributions to the System's and/or University's success.

POLICY:

The following guidelines and procedures define the method by which managers can receive a Special Performance Award during any fiscal year. The guidelines are designed to provide a clear and standardized method for allocation of those awards.

GUIDELINES AND PROCEDURES:

Guidelines and procedures governing the allocation of Special Performance Awards for managers appear below. Questions concerning the rationale, the policy, or the guidelines should be directed to the relevant Vice President or the Director of Human Resource Management.

1. All full-time permanent managers in a non-probationary status are eligible to receive a Special Performance Award annually. There is no limit to the number of awards that can be received by any one individual.
2. The funding for the Special Performance Awards does not come from the merit increase pool and, therefore, must be approved annually by President's Council and subsequently budgeted by the Vice President of Finance and Administration.
3. Managers can be nominated for an award by a division/department manager, however, it must be concurred with and supported by the respective Vice President. The nomination must ultimately receive approval of the full President's Council. Self-nomination is not acceptable. Special Performance Awards will be much more timely in relation to the employee's performance contribution than the annual merit pay process.
4. The program can be funded annually at no more than 2 percent of 15 percent of the year's total management salaries. The Director of Human Resource Management will provide that amount to the Vice President of Finance and Administration prior to each budget cycle.

5. The awards can be made to individuals and/or teams from that source of funds. Awards per person are limited to a maximum of \$1500 or 2 percent of annual salary, whichever is greater. Awards are made through the regular payroll process and are, therefore, fully taxable and eligible toward retirement contributions. While the program does provide for smaller (\$100) awards, the goal is clearly not to make Special Performance Awards a common occurrence, but rather to reserve their use for timely extraordinary contributions to the organization. The awards should be meaningful. The number of awards given will depend on the funded amount for that year. All funds do not have to be spent.
6. "Special Performance Award Nomination Forms" (attached) are available in the Office of Human Resource Management. They should be submitted by the Director/Department Manager to the Director of Human Resource Management at the time of the significant achievement. They will be held and subsequently forwarded to President's Council. Awards are intended to be more timely in their recognition of significant accomplishments than performance recognized throughout the merit increase process, which focuses on annual performance.
7. An on-going nomination and review process is encouraged; however, in order for President's Council to manage the award process most effectively, nominations will be systematically and thoroughly reviewed and contrasted two times annually (October and April) to allow for proper consideration and a relative ranking of contribution over a reasonable period of time.
8. All awards must be thoroughly documented and supportable. The nomination form will include the manager's name, division/department, classification, recommended award amount and detailed reasons for the nomination.
9. Awards are not to be used:
 - As a retention bonus.
 - As a bonus payment for an employee whose lump sum cash payment is limited because of his/her position in the salary range.
 - To correct perceived pay inequities.
10. It is generally expected that extraordinary achievements either within or outside the scope of the manager's position may qualify. Recognition will be limited to performance-based awards for outstanding performance on special projects, other extraordinary achievements, and exceptional "out of the box" contributions.

Where Special Performance is Within the Scope of the Position

- a) Achievements must truly be significant and extraordinary.
- b) Work may be of a special project nature where the project is aligned to the job.
- c) Work may be related to a significant goal or objective assigned to the manager.
- d) The work effort should be a priority to the System and/or University.
- e) Results achieved should be of significant importance to the System and/or University
- f) Contributions may be universally recognized on campus.
- g) The achievement(s) prompting award payment should rank among the very top contributions for the University.
- h) Relativity must be applied to ensure that managers of all contribution levels are properly considered and represented in the award process.
- i) Achievements may include a demonstrated model level of behavioral competency.

Where Special Performance is Outside the Scope of the Position (i.e. temporary assignment, interim appointment, out of function task group or other special assignment, etc.)

- a) Items a, d, e, f, g and h above.
 - b) Work is of a special project nature that is not directly aligned with the manager's job. This may be, for example, an out-of-class work assignment.
 - c) Work may be related to a significant goal or objective assigned to another manager.
 - d) The achievements represent significant contribution(s) to Committee work having University and/or System-wide scope, impact and importance.
 - e) A leadership role in Committee assignments, special projects, etc., is evidenced. Contributions may receive campus recognition of a collaborative special assignment and extraordinary work effort.
 - f) In the case of team award for a special project, specific goals/milestones and the anticipated reward should be outlined at the start of the project.
11. As required by the System, the Office of Human Resource Management will submit annually to the Office of the Chancellor copies of the Special Performance Awards that were given during the preceding year. This information will be submitted in July of each year, accompanied by the University criteria that was used to determine Special Performance Award recipients. The Office of the Chancellor will share information regarding successful University implementations in an effort to continually improve the System-wide effectiveness of this pay delivery tool.
12. The President's Council reserves the right to review the Special Performance Awards program annually to determine its viability. Funding for the program will occur as part of the annual budget process. Continued funding of the program for any given year will be at the discretion of President's Council.