



*University Staff/American Federation of State, County  
and Municipal Employees AFL-CIO (AFSCME)*

SUBJECT (R*)	EFFECTIVE DATE (R*)	POLICY NUMBER (O*)
BONUS POLICY (AFSCME)	June 2, 2017	1725.038

**POLICY STATEMENT (R\*)**

The University shall consider providing incentive bonuses to employees to meet recruitment and retention needs and to encourage and reward exceptional performance and services to the University.

**REASON FOR POLICY (O\*)**

To provide incentive bonuses and rewards to recruit, reward and retain quality employees.

**DEFINITIONS (R\*)**

**Bonus:** A one-time monetary award given to an employee in addition to the employee’s regular compensation.

**Educational Incentive Award:** To encourage professional development and reward employees who acquire a degree, a professional license or professional certification from an accredited institution or professional organization.

**Performance-Based Performance:** To recognize an employee that has sustained exceptional performance over an extended period of time and has clearly demonstrated the acquisition of new competencies.

**Project Based Bonus:** To recognize an employee upon the successful completion of a special project or assignment of significance that is in addition to the employees regularly assigned duties.

**Retention Bonus:**

A retention bonus is typically used to provide financial incentive in retaining an employee with unique skills and abilities, and whose contributions are critical to the success of the unit, college, or department. Retention bonuses are typically extended to those employees having an overall performance rating of 4 or above.

**Sign-on Bonus:** As a recruitment incentive, a sign-on bonus may be awarded to a new, highly qualified employee hired into a position considered critical to the University’s operations and strategic mission and/or deemed difficult to fill.

**Spot Award:** To provide employees with positive feedback, foster continued improvement and reinforce good observable performance after an event or task has been completed, usually without pre-determined goals or performance levels.

**Variable Compensation Plan:** To reward employees based on a pre-approved plan based on employee’s contribution, departmental objectives, revenue generated, targets achieved, and payout schedules.

**PROCEDURES (O\*)**

I. Educational Incentive Award

Employees may be granted an Educational Incentive Award upon completion of a program of study, degree and/or certification from an accredited institution or professional organization. Course of study should be relevant to the position and/or departmental needs. Participation by the employee should be pre-approved by the Department Head with endorsement by the Vice President of Human Resources or designee. Upon completion of program/degree/certification, employee submits written confirmation of the completed coursework/license/certification to supervisor.

The Educational Incentive Awards are paid as a bonus upon submission of proof of completion. Only one degree at one time (does not include a second degree obtained simultaneously with the first degree by obtaining 30 more credit hours):

Associate Degree \$ 500  
 Baccalaureate Degree \$ 1,000  
 Master's Degree \$1,500  
 Doctorate Degree/Juris Doctor \$2,000  
 Apprenticeship \$ 500  
 Journeyman \$ 750  
 Professional Registration or License \$1,000  
 Professional Certification \$ 500 excluding programs sponsored by the Division of Human Resources (e.g. HR Certification and LDI Certification)

## II. Operational Excellence Award

The Operational Excellence Award is recommended for employees who exceed the expectations set forth of their position, have demonstrated continuous outstanding performance, have made significant contributions to the department's mission or strategic plan and/or have provided consistent support to the department's objectives. The OEA process will be directed by the University President and CFO including determining availability of funds and distribution. The final process will be monitored and approved by the Divisional Vice Presidents or Provost in conjunction with the Division of Human Resources.

## III. Performance Based Bonus

A pay increase up to 5% will be considered when an employee's contribution have been so exceptional that a pay increase is warranted. A business case must be presented to the appropriate unit head for concurrence and submitted to Compensation Administration for review. Requests for salary increases larger than 5% may require approval from the CFO or Academic Affairs.

## IV. Retention Bonus

Upon written request for a retention bonus, Compensation Administration will review the individual's time in grade and position and make a recommendation regarding an appropriate pay adjustment to the individual employee's pay rate. Retention bonuses to the individual employee's pay rate will be determined in consultation with the department, the unit head and, if appropriate, the CFO and/or Academic Affairs.

In cases where the employee has received a documented offer of higher salary for employment with another organization, the department may counter offer as follows:

- i. Match the salary offer.
- ii. Decline to match the salary offer.
- iii. Increase salary by less than the salary offer.

The university administration does not encourage counter offers above the salary offer, or when the offer is internal to the university. Consideration will be given to the impact of a salary increase on other people in the same or similar classification and working in the same unit and department. All such requests will require prior approval from the unit head, the CFO and/or Academic Affairs.

## V. Project Based Pay

Project-based pay is a lump sum amount payable upon the successful completion of a special project or assignment of significance that is in addition to the employee's regularly assigned duties.

The following criteria will apply to project based pay requirements:

- The amount of the project-based pay may not exceed \$5,000 or 10% of the employee's salary.
  - Project must have a beginning and ending date along with a list of deliverables.
- Decision regarding the amount of the lump sum payment should be dependent upon the nature and complexity of the project.
- Recommendation for the amount is to be requested by the respective department with approval by Human Resources.
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## VI. Sign-on Bonus

To facilitate recruitment of employees considered critical to the University's operations and strategic mission and/or deemed difficult to fill. The following criteria should be followed when offering a Sign-on Bonus:

- The size of the bonus must be approved by the next level supervisor.
- The employee must agree to work for the university for at least one year. The minimum term of service will be determined based on significance of the position and size of the sign-on bonus offered.
- The employee must meet all pre-employment requirements and start working before receiving the sign-on bonus.
- A written agreement outlining the key objectives for the employee, the performance requirements, and pay back terms if agreement

is not met must be executed.

- The agreement must be approved by the Vice President of Human Resources or designee in conjunction with the Divisional Vice President.

**VII.. Spot Award**

Spot awards are immediate recognition to reward employees for exceptional performance beyond the prescribed expectation of the employee’s job. (Ex: employee exemplifies service excellence while performing the duties and expectations set forth in their position). Spot awards are given after the event has been completed, usually without pre-determined goals or set performance levels.. Spot awards provide positive feedback, foster continued improvement, and reinforce good observable performance.

Spot awards may be:

- A lump sum dollar amount not to exceed a maximum of \$500 in a 12-month period.
- Non-cash (University merchandise, lunch tickets, game tickets, etc.).
- Certificates, plaques, etc.
- Spot Awards are recommended and approved at the department level in conjunction with the Vice President of Human Resources or designee.

**VIII. Variable Compensation Plan**

A lump sum bonus payment awarded as part of a Variable Compensation Plan (VCP). VCPs are pre- approved for individual departments that place a strong value on employee’s contribution, ability to impact performance, departmental objectives and revenues generated. The department dean or director must develop specific targets to be achieved, specific goals, pre-established criteria and payout schedule prior to the establishment of the VCP. The VCP must be approved by the Divisional Vice Presidents, CFO, Vice President of Human Resources or designee and University President. Payments for non-exempt employees must be included as part of the employee’s regular pay when calculating overtime pay.

Bonus payments for non-exempt employees must be included as part of the employee’s regular pay when calculating overtime pay.

**HISTORY (R\*)**

Adopted: August 19, 2013; June 2, 2017. This policy consolidates policy statements contained in the following policies, and, as such, supersedes them:

- Educational Incentive Award
- Operational Excellence Award
- Project Based Bonus
- Spot Award
- Variable Compensation Award

**RESPONSIBLE UNIVERSITY DIVISION/DEPARTMENT (R\*)**

Division of Human Resources  
Florida International University

**RESPONSIBLE ADMINISTRATIVE OVERSIGHT (R\*)**

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For any questions or comments, the “Document Details” view for this policy online provides complete contact information.

**\*R = Required \*O = Optional**