These guidelines apply when consideration is given to employee recognition, including performance bonuses at UAS. They are consistent with UA Board of Regents Policy P04.05.050, *Performance Bonus* and University regulation R04.05.050 on the same topic.

Putting people first is a UAS core value. Recognizing employees with a performance bonus shows employees that they are valuable contributors to accomplishing UAS’ mission. This policy establishes standards, considerations, and approval processes for such employee recognition.

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**BACKGROUND AND JUSTIFICATION**

Recognition is an important element of “putting people first” and serves to motivate and reward employees for exemplary work above and beyond that which is required by a position description.

**DEFINITIONS**

**Eligible Employees:** Non-represented exempt and nonexempt regular or term employees are eligible to participate in this program, as are senior administrators. Student employees are eligible for cash bonuses but are not eligible for paid time off.

**Ineligible Employees:** Employees in a bargaining unit are not eligible for recognition under this policy, but may be eligible for recognition as allowed under a governing collective bargaining agreement. Temporary employees and faculty are not eligible.

**Formal Recognition:** A formal recognition award may take the form of cash bonuses or leave at two levels. The first is up to 3 days paid leave or up to $500. The second is up to $2,500 or up to 5 days of leave with pay. The program may be ad hoc, or may take the form of a higher-profile institutional, organizational, or department-wide program that occurs on a regularly scheduled basis characterized by an event to acknowledge significant contributions of an individual employee or team. Formal recognition events might include employee of the month, employee of the year, or other similar formal programs.

Events leading to formal recognition may be the same but the higher award should be for a sustained level of performance or work at a higher level of performance.
TAX IMPLICATIONS
Recognition awards are subject to federal income tax withholdings and other withholdings as required by law. Recipients need to be aware of their tax obligations and University Regulation regarding gifts and awards.

RESPONSIBILITIES
- Awards of recognition are discretionary to the University.
- Supervisors should identify and convey to employees the behaviors and accomplishments that will be rewarded, recognizing that incentives are a powerful motivator if expectations are clearly set out, but are a powerful de-motivator if expectations are not transparent or not achievable. The annual performance review process is an ideal opportunity to do this. Human Resource consultants can assist supervisors in formulating recognition standards for their departments.
- If a supervisor desires to give an eligible employee a recognition award, the supervisor must complete and sign an award form. Supervisors are responsible for ensuring that the level of recognition requested and awarded corresponds to the level of accomplishment and to administer recognition in a consistent manner.
- Department Cost Center Clerks (CCCs) will be knowledgeable about this policy and the required forms and can assist employees with proper timesheet coding and/or job form completion where required.
- Supervisors provide a copy of the approved award form to HR. If the bonus is provided as leave, it becomes a part of the leave bank and follows the same rules of tracking as are already provided for annual leave.
- Human Resources will process payment of recognition awards and withholdings consistent with state and federal laws. Human Resources will enter data and track or audit recognition awards to provide reports on utilization of this Employee Recognition Policy.

APPROVAL DELEGATION
- Awards for senior administrators must be approved by the Chancellor and the President.
- Extended campus directors may approve awards up to $500 or three days of paid leave.
- All other approval is delegated to the Executive Cabinet member overseeing the unit (Chancellor, Vice Chancellor or Provost).

NON-COMPLIANCE
Administrators must be cognizant of budgetary constraints. Administrators are responsible for identifying funding source. Inconsistent application of this policy could bring claims of favoritism and/or discrimination toward the supervisor, which will be investigated by Human Resources.
EXCEPTIONS

See Definitions above for eligible and ineligible employees.

PROCEDURES

1. The supervisor completes a Recognition Award form (form is attached to this policy) for an eligible employee.
   a. The completed form must contain the supervisor’s justification for the award request.
   b. The recognition process is confidential. The supervisor is prohibited from discussing the recognition request with the employee or anyone outside the approval chain until final approval of the award is secured.

2. If the approving authority denies the award, reasons for the denial will be provided on the award form and returned to the supervisor.

3. If the approving authority approves an informal award, she/he sends the original, approved informal award form to Human Resources in a confidential envelope and sends a copy to the supervisor.

4. The supervisor provides the employee and the department CCC with a copy of the approved award form. If the award is paid leave, the supervisor makes the employee aware that:
   a. paid recognition leave needs to be recorded on the employee’s timesheet under earnings code 460, and
   b. that the leave follows same rules as other accrued annual leave.

5. Human Resources Payroll will update Banner as necessary and file approved award forms in the appropriate employee’s personnel file.

POLICY APPROVED BY:

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Dr. Richard A. Caulfield, Chancellor
University of Alaska Southeast