

Charleston Research Institute Policy Memorandum

Title: CRI Employee Bonus Policy

Reviewed by: Board of Directors

Implementation Date: 2/10/2014

Revision Date: 6/27/2014

Next Scheduled Review Date: 6/27/2017

Approval: M. Rita I. Young, Ph.D., Chairperson

Policy Statement:

Whereas salary increases are intended as a means of rewarding sustained performance of regularly assigned functions, bonuses are more strategic in focus and are linked to the accomplishment of organizational goals.

Background:

As a private sector organization, CRI may provide performance bonuses to its employees when such bonuses are part of an organization-wide program conducted in a consistent manner, subject to relevant tax withholding. Under no circumstance may CRI make any form of payment to federal employees for services that relate to their official federal positions. Further, NAVREF strongly advises against paying any form of bonuses to dual VA/NPC employees.

Any compensation, including bonuses or incentive awards, to a VA employee for performance of their federal job from any source other than the government of the United States is a violation of Title 18, Part I, Chapter 11, Sec. 209 - Salary of Government officials and employees payable only by United States. Willful engagement of conduct constituting an offense is punishable with criminal penalties up to five years in prison and/or \$50,000 for both payor and payee.

Guidelines:

Dual VA/NPC employees may be eligible to receive a CRI bonus if they meet the bonus criteria below and if NPC and VA work can be differentiated with supporting documentation including but not limited to timesheets.

Bonus Criteria

- Change or contribution resulting in an improved operating principle, practice, procedure or program
- Significant contribution involving completion of a difficult project or assignment of importance to the mission of CRI and VA
- Unusual courtesy or responsiveness to customers which clearly demonstrates performance beyond the call of duty and reflects favorably on CRI and VA
- Performance (without compensation of any nature) of additional duties over an extended period of time during the absence of another staff member
- An employee suggestion beyond the normal scope of the job, which results in benefits to CRI or VA research department.

MODERATE. Change or contribution of limited impact.	Up to 1% of salary but not less than \$500
SUBSTANTIAL. Significant or important change or contribution.	Up to 3% of salary but not less than \$1,000
EXCEPTIONAL. Complete revision, initiation or major improvement that has significant impact on CRI's mission.	Up to 5% of salary, but not less than \$1,500

Documentation and Justification of Bonuses:

Bonuses may be requested by the employee's supervisor in writing. A brief justification for the bonus recommendation should include the type of contribution and specific example(s) of employee's efforts. Bonuses for CRI employees will be approved by the CRI HR Committee. Additionally, bonuses for the CRI Executive Director will be approved by the CRI Board of Directors.

Funding:

Awards must be funded from the same fund category as the employee's salary is paid from at the time of the award. For split-funded employees, award amounts may be split-funded from more than one fund. Bonuses will be disbursed by the payroll services provider during the next payroll cycle.

Federal Requirements - The cost of the bonus is federally allowable if the bonus program is conducted in a consistent manner without regard to funding source and it does not unfairly disadvantage the Federal Government.