



POLICY AND PROCEDURE MEMO

SUBJECT: EXTRAORDINARY ANNUAL BONUS PROGRAM

NO.2.024

DATE:12/29/2022

DocuSigned by:

Blaine Cox

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CITY MANAGER

I. STATEMENT:

The City of Rochester's **Extraordinary Annual Bonus Program** provides a monetary incentive to motivate and retain valued employees outside that of the annual performance evaluation process. This program is intended to reward employees whose achievements have resulted in an extraordinary benefit to the city such as to recognize a specific achievement, action, or cost-savings outside the employee's normal work responsibilities.

This program is **not** intended to reward extraordinary performance directly related to an employee's performance of his or her job responsibilities. Extraordinary performance of one's job responsibilities is to be rewarded using the annual performance evaluation and pay adjustment process.

This program is also not intended to replace informal and spontaneous recognition or praise of employee achievements and work performance. Informal recognition of employees should take place every day. Saying "thank you" to employees and complimenting an employee on a job well done are part of managers' and supervisors' daily responsibilities.

The amount of the recommended one-time lump-sum bonus may not exceed two percent of the employee's annual base salary and will be paid following final approval from the City Manager and not added to the employee's annual salary base and is not compensable under the New Hampshire Retirement System. Decisions about the amount of a lump-sum bonus will be determined by the City Manager based upon the nature and complexity of the accomplishment and upon recommendation of the department head.

II. SCOPE:

This policy applies to all staff, except seasonal and per diem employees.

III. PROCEDURE

Specific selection criteria have not been established by the City Manager. However, the below listed information is intended to provide guidance. The Human Resource Office has been charged with the initial screening of bonus recommendation submissions based upon this guidance.

- The employee must be in an active employment status, at the time the bonus is awarded and has not been awarded an Extraordinary Annual Bonus already in the same fiscal year.

- The employee shall not have received disciplinary action in the past 12 months.
- The employee has satisfactorily fulfilled all normal job duties in addition to performing the added accomplishment(s).
- The employee's accomplishment(s) is/are unrelated to the employee's normal performance standards/expectations for the job.
- The employee has carried out a special project or achieved a noteworthy goal, once again, beyond the scope of his or her job-related duties.
- The employee serves as a civic role model for others, displaying desirable characteristics as a citizen of the city.

- Significant accomplishments outside the employee's normal job role that contribute to the efficiency, economy, or other improvement of City operations.

- Serving effectively in a key role on a major initiative or project that falls outside an employee's job function or description.

- Achieving a level of education, certification or professional development not required for the position currently held.

- Documentation must be submitted to support each request.

- A copy of the form documenting the bonus will be placed in the employee's official personnel file maintained by the human resources department.

Name of Recipient: _____ **Dept:** _____

Requestor: _____ **Request Date:** _____



POLICY AND PROCEDURE MEMO

SUBJECT: EXTRAORDINARY ANNUAL BONUS PROGRAM

NO.2.0

04

1/3/2023

DATE:

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CITY MANAGER

Procedure:

The City Manager may, with a recommendation from the Department Head, award up to a 2.0% annual bonus for extraordinary service to the City of Rochester. This bonus shall be paid in the first pay period, following final approval from the City Manager.. This bonus shall not be added to the employee's base wages or compensable under the New Retirement System. The grant or failure to grant this extraordinary annual bonus by the City Manager shall not be subject to the grievance process.

Eligibility:

1. The awardee must be in active employment status, at the time the bonus is awarded,
2. The awardee shall not have received disciplinary action in the past 12 months, and
3. The awardee may not be rewarded twice in the same fiscal year or twice for the same achievement.

Examples of substantial accomplishment:

1. Major projects or initiatives outside normal job duties
2. Significant cost saving or cost avoidance realized beyond normally expected or established standards
3. Extraordinary effort during times of critical need (e.g., meeting acritical deadline that could otherwise have an adverse impact on critical business operations or major project).
4. Contribution that clearly and significantly contributes to the accomplishment of important and critical business operational goals, deliverables and/or timelines.

A bonus is not appropriate for:

1. Rewarding performance of ongoing, normal, or regular job duties and responsibilities, or achievements that may be reasonably expected from a staff member. (These should be recognized as part of the annual performance and annual pay adjustment programs.)
2. Effort or work time that has no significant impact on a major project or initiative, or critical business need.
3. Recognizing a staff member's long-term service, loyalty, or commitment.
4. Accomplishment of personal and career goals, skills and competencies, professional degree, or certification related to current position.

Justification:

Department Head

Date

Based on the recommendation of the department head, this employee is granted an extraordinary bonus of _____%.

City Manager

Date