

# @CompanyName

## Spot Bonus Program

In order to retain top talent, employees deserve to be recognized for their extra efforts. Managers can use this spot bonus program as a real-time way to recognize excellent performance and valuable contributions outside of the salary increase and incentive programs. By providing a spot bonus reward, managers can provide a meaningful “thank you” and connect the reward to the contribution or performance being recognized.

### Eligibility

All regular full-time and part-time employees (up to the Director level) are eligible to receive a spot bonus. Independent contractors, Interns, and temporary employees (whether contracted by the company or through an agency), are not eligible to receive a spot bonus. Eligibility for any spot bonus is without regard to race, color, religion, national origin, sex, age, or physical or mental disability. Employees must be actively employed for a minimum of six (6) months to be eligible for a spot bonus.

### Bonus Criteria

The spot bonus program is meant to reward individuals who have displayed extraordinary effort beyond their day-to-day responsibilities. The program recognizes employees “in the moment” on a one-time basis. An employee’s continuous and sustained excellence should be recognized through the annual incentive program, or consideration for a salary increase or promotion should be given during the annual salary planning cycle, if appropriate. While not an exhaustive list, actions that may result in an employee receiving a spot bonus include:

- Leading or participating, in a meaningful way, in an impactful work assignment while maintaining their day-to-day workload.
- Improving a process which increased department efficiency or realized budget savings.
  - Utilizing creative problem-solving to resolve a particularly complicated or ongoing issue.
  - Working on extra assignments over an extended period outside of day-to-day responsibilities.
- Covering for a coworker during an extended absence.

### Bonus Amounts

In all cases, a spot bonus requires approval from the department head and budget owner. Spot bonus amounts are taken from the department budget. The following are guidelines to help Managers determine what amount of bonus is appropriate, and to promote consistency across the company. Amounts recommended are in USD.

#### Level One: \$50 - \$250

Recognizes effort beyond normal performance expectations of the job in a given instance. Typically, the employee might exercise initiative by developing a new approach to a task or might put forth extra effort permitting early completion of a routine project.

### **Level Two: \$250 - \$500**

Recognizes a particularly efficient or resourceful effort expended by the employee. Typically, the employee takes the initiative to develop and follow through on a difficult task not specifically required but which results in an immediate benefit to the work group, or the employee completes an important and particularly difficult assignment in an exemplary manner. Level Two is appropriate to recognize an employee who takes extra steps to resolve a troublesome situation or in some special way benefits the work group. Examples here are a project of a short duration or sprint effort.

### **Level Three: \$500 - \$1,500**

Recognizes exceptional contributions. As an example, the employee may apply original concepts to an unstructured, non-routine assignment, or an employee may perform outstandingly in a crisis situation. Level Three is appropriate to recognize an employee's effort that can clearly be called "going significantly above and beyond the call of duty."

## **Procedures**

Recommendation for a spot bonus originates with the employee's direct Manager and follows the process below:

- Contact local HR Business Partner to request spot bonus. Request must include recommended bonus amount and a brief statement of justification.
- Request will flow through the standard change of status process for approval by department head and budget owner.
- Once the spot bonus has been approved, the Manager will receive a notification from Human Resources.
- The Manager can proceed to provide a meaningful "thank you" and notify the employee of the upcoming bonus payment.

NOTE: Managers should not notify the employee of the spot bonus until they receive formal notification that the request has been approved.