

USF Institute of Applied Engineering (IAE)

Policy Number: 300-02	Supersedes: New
Approval: USF IAE BOD 10/20/2021	Subject: Employee Performance Management
Effective date: 10/20/2021	

I. PURPOSE AND SCOPE

This policy is designed to provide the overarching ruleset IAE leadership uses to acknowledge, motivate and reward employees for their overall contributions to IAE operations and success. Associated salary and bonus reviews are further intended to ensure that the organization remains competitive and provides an incentive for the entire IAE team to continue to strive for excellence.

This policy specifically provides bonus and salary adjustment options and recommended timelines for IAE supervisors to reward employees for exceptional performance.

As all IAE employees are USF employees, IAE will use associated administrative processes and obtain final university approvals (as required). These procedures are consistent with the following USF Regulations: USF10.202 ([Compensation Policy](#)); USF10.207 ([Evaluations Policy](#)); and USF10.208 ([Employee Recognition Policy](#)).

II. PROCESS AND PROCEDURES

A. Pay Changes for USF Administration and Staff Employees:

The IAE performance management plan will encompass USF's employee compensation policy and fall into one of the following three categories.

- Pay for Performance - Increase to Base Salary.
- Pay for Performance – One Time (Bonus) Payment.
- Special Pay Increases – Temporary or permanent; based on a significant increase in responsibilities. This category may also include a reclassification into a higher-level position.

All IAE positions are funded directly or indirectly through contract and grant revenues. As such, IAE will consider any state-approved USF employee pay increases as necessary and as the associated contracts and grants permit.

This policy specifically addresses the two Pay for Performance categories (“Base Salary Increase” and “One-Time Bonus”), to include criteria, evaluation period, timelines, and associated administration. However, with approval from the IAE Chief Executive Officer

(CEO) both Pay for Performance and Special Pay Increases may be initiated under appropriate circumstances outside of these timelines, which are based on university-wide processes. Reviews outside of the service or annual periods are by exception and are to be limited. IAE recognizes that events may occur as the business and operational needs change, however, every effort will be made to adequately align employees to the appropriate job duties, title and salary as part of the annual performance evaluation.

B. Financial Considerations:

IAE leadership supports rewarding employees for outstanding effort, work ethic and work product. Performance bonuses and compensation increases are also dependent on overall IAE financial performance. All employees should keep in mind that regardless of exceptional individual performance, salary increases and bonuses are not guaranteed.

The IAE Associate Director for Business and Finance will initially advise on the ability for IAE to award Base Salary Increases and One-Time Bonuses during the preparation of the Annual Financial Plan and budget accordingly. The Associate Director for Business and Finance will also advise on the continued financial viability during execution of the Base Salary Increase and One-Time Bonus processes. The IAE CEO decides whether overall annual financial performance can support any compensation increases.

As a general rule, Base Salary Increases in IAE will not exceed 15% of total salary on an annual basis, while One-Time Bonuses should not exceed the greater of 10% of the employee's annual base pay or \$3,000. When IAE supervisors propose the pay for performance increase, the IAE Executive Directors, with support from the Associate Director for Human Resources (HR) and Administration, will review proposals and present their final recommendation to the CEO.

C. IAE Performance Evaluations and Base Salary Increase Process

Regular employees. USF IAE employees who have completed at least one year of service will receive an annual performance evaluation for the performance period ending June 30th as part of the USF process. This will also include any supervisor recommendations to IAE leadership for Base Salary increase as appropriate.

New Employees. USF IAE new hires will receive a performance evaluation and salary review after their six months of IAE service. When the six-month period falls within three months of the standard annual review, the associated Executive Director, in consultation with the Associate Director for HR and Administration, and the other Executive Director, will make one of the following recommendations to the IAE CEO:

- Forego the 6-month salary review in favor of the annual review.
- Award a Base Salary Increase at six months, but not an additional increase during the annual review.
- Award an initial Base Salary Increase at six months with the possibility of an additional Base Salary Increase review during the annual review.

Base salary increases are based on performance:

- Have received overall performance evaluation scores of “Achieves,” “Commendable,” or “Exemplary” on the most recent review; AND
- Met or exceeded Goals and Objectives for the performance evaluation period under review. These goals may be financial, effort or project related; OR
- Performed additional duties beyond what is expected per the job description.

Administration: Within 30 days of the evaluation period closing, the employee’s supervisor and the employee will complete the performance evaluation. As part of the evaluation, the supervisor will determine whether the employee meets the criteria for a Base Salary Increase. The supervisor will propose the Base Salary Increase amount to the Executive Director(s) for consideration and approval. The Executive Directors will engage the Associate Director for HR and Administration, as necessary. Based on the recommendation from the Executive Directors, the IAE CEO will grant final approval for all Base Salary Increases being considered under this process. The IAE HR unit will work with the DHR Classification and Compensation team to ensure USF criteria have been met. IAE HR will prepare and submit the required paperwork.

D. USF One-Time Bonus Process

USF policy indicates that eligible employees may be considered by their supervisors to receive a One-Time Bonus. Because of the IAE budget structure, one-time bonuses may only be awarded during the December timeframe (mid-way through the new evaluation period).

One-Time Bonus Criteria:

- Have received overall performance evaluation scores of “Achieves,” “Commendable,” or “Exemplary” on the previous review; AND
- Making clear progress towards meeting or exceeding Goals and Objectives for the current evaluation period; OR
- Performed additional duties beyond what is expected in an exceptional manner.

Administration: In November, the employee’s supervisor will determine whether the employee meets the criteria for a One-Time Bonus. The supervisor will propose the One-Time Bonus amount to the Executive Director(s) for consideration and approval. The Executive Directors will engage the Associate Director for HR and Administration as necessary. Based on the recommendation from the Executive Directors, the IAE CEO will grant final approval for all One-Time Bonuses being considered under this process. The IAE HR unit will work with the DHR Classification and Compensation team to ensure USF criteria have been met. IAE HR will prepare and submit the required paperwork.

E. Eligibility:

All regular IAE employees with at least six months of continuous IAE service are eligible for Base Salary Increase or One-Time Bonus as outlined under these procedures.

F. Unsatisfactory Performance

In compliance with USF's [Guide to Performance Management](#) and the [AFSCME Collective Bargaining Agreement](#) (for staff employees), if an IAE employee receives an overall evaluation of "Needs Improvement" or "Unsatisfactory," procedures will be initiated by the supervisor to address performance. The performance management of Administration employees will be via an action plan and the performance evaluation process, while staff employee performance will be managed via [Staff Performance Management](#) procedures and a performance improvement plan if necessary.

G. Submission and Award

The IAE Associate Director for HR and Administration's staff prepares the required USF and DHR forms and routes them internally for IAE coordination and approval signatures. The IAE HR team will also work in conjunction with DHR's Classification and Compensation team to ensure compliance with USF standards and practices. Once completed, the Associate Director submits them to DHR for entry into the university Human Resources record (GEMS). IAE commits to a completed process within 30 days of the performance evaluation or one-time bonus process periods. The employee would recognize the approved increase within three pay periods of the service date (six weeks).

Distribution:

1. IAE Board of Directors
2. IAE Staff

Policy Owner: This policy was developed by the IAE Associate Director for HR and Administration. Any questions regarding this policy should be directed to 813-974-7736.