



Policy Approval/Review Form

This form is used for the approval, amendment, removal or review of a Gordon State College policy. Once authorized with the President's Signature, the policy will be posted to the Gordon State Website. This approval form will be filed in the Office of the President with Cabinet minutes noting approval.

Policy Title *	Incentive Compensation and Rewards
Department	Human Resources
Policy Editor	Madelyn Brown / Montrese Adger Fuller
Request Type	New ☒ Amended ☐ Removed ☐ Reviewed ☐

OBJECTIVE (Briefly state your purpose.)

This policy was created to provide framework for the Gordon State College Foundation's annual awards to recognize faculty and staff achievement in alignment with USG policy.

RESOURCES AND CONSULTATION (Briefly describe the resources (i.e. website, link) used in developing, amending, removing, or reviewing the policy. Include names of other individuals who assisted with this change.)

Montrese Adger Fuller, Candi Babcock, Sherma Francis (USG system office), and Madelyn Brown all provided valuable input to create this policy in compliance with Board of Regents Policy 8.2.14 and HRAP on Incentive Compensation and Rewards.

COMMUNICATION PLAN (Identify how information about how the policy will be communicated to the college as well as training plans if applicable.)

Impacted parties have been notified (Advancement, Payroll)

Authorizations

Dean or Supervisor Signature and Date: _____

Cabinet Sponsor (VP) Signature and Date: _____
Madelyn Brown Digitally signed by Madelyn Brown
Date: 2022.09.08 08:20:21 -04'00'

President Signature and Date: _____
Kirk A. Nooks Digitally signed by Kirk A. Nooks
Date: 2022.09.08 08:32:54 -04'00'

***Policy Template must be submitted with this form.**



Policy Name: Incentive Compensation and Rewards Programs Policy and Procedures

Responsible Cabinet Member: Director of Human Resources

Contact: Madelyn Brown

POLICY STATEMENT

The Board of Regents of the University System of Georgia has authorized an Incentive Compensation and Rewards Program to 1) promote efficiency and effectiveness in achieving strategic organizational goals and 2) enhance recruitment, engagement, learning, and retention of critical skills and talent necessary to achieve institutional goals. In compliance with Board Policy 8.2.14 and HRAP on Incentive Compensation and Rewards this policy sets forth the Gordon State College Incentive Compensation and Rewards program and implementation guidelines.

Program Type(s):

- **Exceptional Performance Incentive Program (EPI):** Gordon State College will establish and implement an Exceptional Performance Incentive Program to recognize individual employees who achieve exceptional levels of performance that are significantly above normal performance expectations in one or more areas of strategic focus. Rewards are tied to pre-determined standards and achievements identified and communicated in the Gordon State College strategic plan, which will be communicated at the start of each performance cycle. Exceptional Performance incentives are merit-based, reflecting the employee's or team's as evaluated by the reviewing authority against established criteria.
- **Additional types of incentive programs,** i.e. Critical Hire Incentive (CHI), Critical Skills Incentive (CSI), Goal Based Incentive (GBI), Employee Suggestion Incentive (ESP), may be developed in consultation with the Office of Human Resources and the Office of Finance and Administration. Upon approval by the President and USG the institution policy will be updated prior to implementation.

Funding. The Incentive Compensation and Rewards Program is to be funded by the Gordon State College Foundation and is subject to funding availability. The Office of Finance and Administration is required to confirm the funding source and certify availability of funds prior to approval for implementation. Payments under this plan will only be authorized following approval by the College President.

Award Type. Monetary and Non-monetary awards may be provided in the following forms:

- a. Performance Incentive Payments. One-time lump sum payment for exceeding performance expectations; does not become part of base salary; and calculated as a flat amount or % of base salary.
- b. Professional development funding; and/or
- c. Commemorative recognition (plaques/certificates)

Maximum Award Amounts. Incentive payments may not exceed \$1,000 without prior approval by the President or designee.

Treatment of Incentive Payments.

- **Taxes.**
 - Incentive payments are included and taxed as salary in the pay period issued.
 - Rewards may be taxable and, therefore, must be processed through institutional payroll. (BPM 5.3.2)
- **Overtime Calculations.** Non-discretionary incentive payments (i.e., Performance and Goal Based) are included in the regular rate of pay for purposes of overtime calculations for nonexempt employees.
- **Retirement.** Incentive compensation payments shall not be included as earnable compensation for determining retirement benefits.

Pay Codes. To ensure proper pay and reporting, Gordon State College must use the appropriate SCOA and HCM codes to document payments under Incentive compensation programs.

Timing of payment and/or reward. Payments and/or rewards should be made within the fiscal year of achievement.

Eligibility:

- All regular, full time employees of Gordon State College.
- Employees must be in satisfactory performance standing (received a meets expectations or higher rating on their most recent performance review and no disciplinary actions) to be eligible.
- To receive an incentive payment, the individual must be a current employee of the institution at the time of payment.

PROCESS & PROCEDURES

- **Exceptional Performance Incentive plans** may be established in compliance with this policy in collaboration with the Office of Human Resources and approved by the President (designee).
 - Review committees are appointed by the President (designee)
 - Plan documentation can be found in **Appendix A** of this policy and include the following:
 - Award name and funding source.
 - Predetermined performance standards and achievement goals. The standards must be significantly above normal performance expectations and in support of the department and institutional strategic goals and objectives.
 - Evaluation criteria for nominations and selection of award recipients.
 - Program guidelines to include protocol, nomination and selection process, timelines, and approval authority.
 - All incentive programs should clearly articulate the individual performance levels required to qualify for an incentive payout, including any tiers or levels based on performance criteria, and required documentation. The program design should be clear and in alignment with the institution's strategic goals.
 - The incentive reward type and amount to be awarded to eligible employees who meet or exceed the established criteria to include maximum award amount.
 - **Funding Certification: Appendix B**

Annual Review and Approval.

- Incentive Compensation Programs become effective upon approval by the President and USG Office of Human Resources and the USG Office of Fiscal Affairs as part of the Institution's Incentive Compensation and Rewards program. Certifications remain in effect for one year. When critical goals are achieved and incentive pay is provided, new target goals should be established, and the plan re-submitted for approval, or the plan must be discontinued.

Reporting and Pay Codes.

- To ensure proper pay and reporting, the appropriate HCM earning codes will be used to document payments made under Incentive compensation programs.

Program Type	Earnings Code
Exceptional Performance Incentive Program	EPI

REFERENCES & SUPPORTING DOCUMENTS

Appendix A: Exceptional Performance Incentive Program Guidelines: Gordon State College Foundation Faculty and Staff Awards

Appendix B: Exceptional Performance Incentive Program Funding Certification Letter