

Procedure 5-403E: Non-Discretionary Bonus.

Revision 0. Effective date: February 14, 2023

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I. Purpose and Scope

A. Purpose.

To document the procedure for non-discretionary bonus pay.

B. Scope.

This procedure applies to all University of Utah Employees.

II. Definitions

The definitions provided in Policy 5-403 and Rules R5-403A and R5-403B apply for this procedure. In addition, the terms below apply for the limited purpose of this procedure.

- A. “Non-Discretionary Bonus” means a bonus that is required to be paid to an Employee based on specific criteria set forth in the Employee’s contract or agreement. Non-discretionary bonuses add to overtime pay calculation for hourly/non-exempt employees.

III. Procedure

- A. Examples of when a non-discretionary bonus may be given include:
 - 1. productivity or operational goals;
 - 2. hiring/sign on/referral bonus;
 - 3. retention bonus;
 - 4. commission payments; or
 - 5. Staff/Leadership UUHC (authorized SOM/Health Plans) Incentive Program
- B. Eligibility
 - 1. An Employee must be in an active status (non-terminated) at the time the Non-Discretionary Bonus is awarded.
 - 2. Employee must meet specified criteria outlined in contract or agreement.
- C. Additional Requirements
 - 1. A non-discretionary bonus payment may not be added to the Employee's Base Salary.
 - 2. Departments that offer a Non-Discretionary Bonus shall coordinate with HR for approval of a documented Non-Discretionary Bonus plan. The department paying a Non-Discretionary Bonus shall retain the approved plan.
 - 3. For hourly/non-exempt employees a Non-Discretionary Bonus must be entered into the time keeping system in the week the bonus is earned.
 - 4. Approval of the cognizant vice president or cabinet member with line responsibility is required for amounts above \$2500 for the University of Utah academic campus.
 - 5. Approval of UUHC Chief Human Resource Officer or Executive Director of the Hospital is required for amounts \$5000 or above for the University of Utah Hospitals and Clinics (UUHC)

Sections IV- VII are for user information and are not subject to the approval of the Academic Senate or the Board of Trustees. The Institutional Policy Committee, the Policy Owner, or the Policy Officer may update these sections at any time.

IV. Policies/ Rules, Procedures, Guidelines, Forms and other Related Resources

A. Policies/ Rules.

1. Policy 5-403: Additional Compensation Policy
2. Rule 5-403A: Additional Compensation for Staff (Hourly/Exempt)
3. Rule 5-403B: Additional Compensation for Faculty

B. Procedures, Guidelines, and Forms.

1. [Bonus Pay Form](#)

C. Other Related Resources.

1. [*reserved*]

V. References

- A. [*reserved*]

VI. Contacts

The designated contact officials for this Regulation are

- A. Policy Owner(s) (primary contact person for questions and advice): Human Resources Associate Director, Payroll
- B. Policy Officer(s): Chief Human Resource Officer

See Rule 1-001 for information about the roles and authority of policy owners and policy officers.

VII. History

Revision History.

- A. Current version. Revision 0. Effective February 14, 2023