



**Category**

**POLICY # 2-77 Performance Reviews, Merit Pay, Bonuses**

**Approval**

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Responsible Party: Vice President, People & Culture

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**PERFORMANCE REVIEWS, MERIT, AND BONUS PHILOSOPHY**

As a performance-based institution, our merit philosophy centers on rewarding individual and team achievements through measurable performance outcomes. Ensuring all employees understand the criteria and processes for performance evaluations. We have opportunities for regular feedback, development, continuous improvement and work to align individual goals with the institution's strategic objectives.

Each year, regular status full-time employees will have an opportunity for a written mid-year performance evaluation, annual self-evaluation, and annual performance evaluation. Only employees with a performance evaluation on file in the performance management system or PT employee's performance evaluation form on file with P&C, are eligible for merit pay. If there is an approved budget for merit pay increases or merit bonuses and the employee is eligible, these will follow the annual evaluation cycle. The annual evaluation cycle is from July through May (goal completion goes through June) of the following year. Completed evaluations and recommended pay increases/bonuses must be submitted to People & Culture by the deadline determined each year by the Leadership Team. The effective date of any pay increase or bonus may change annually and will be determined by the Leadership Team.

Supervisors will work individually with each eligible employee to create a performance evaluation to communicate overall goals, expectations and what constitutes quality performance to warrant a merit salary increase or bonus. Goals and objectives are to be completed annually in the performance management system by June 30, for next year's performance evaluation process. New employees are to have goals created within their first 90 days of employment. (See Staff and Faculty Annual Schedule Evaluation Schedule/Process in the performance management system under company documents).

**WHO IS ELIGIBLE FOR MERIT PAY/BONUS**

- Regular status full-time and eligible part-time employees (as defined above) must be in and functioning in the performance management system to be eligible.

- Industry partner roles and positions defined by negotiated agreement/contract are not eligible for merit consideration as defined in this policy. Compensation, to include any annual increase or merit, is defined in the agreement/contract and will change only upon renewal of the agreement/contract.
- Employees with an overall rating of “meets expectations” or above on their performance evaluation (unless a higher expectation is set by the Leadership Team member for their division).
- Employees who have changed jobs or transferred to a different department are eligible for merit pay unless it was included in the salary offer for their new role. The offer letter to the employee who accepted a new position must specify that it includes/replaces annual merit.

### **WHO IS NOT ELIGIBLE FOR MERIT PAY/BONUS**

- Any employee whose **overall** performance is rated as “unsatisfactory” or “improvement needed”.
- Adjunct, student employees, temporary employees, interns, and full-time and part-time (as defined above) employees who do not have a current performance evaluation on file in the performance management system.
- Any employee whose position is defined in a negotiated contract or agreement.
- Any employee who has given notice of resignation.
- Any employee on a PIP (Personal Improvement Plan).

### **THE OBJECTIVES OF THE PERFORMANCE REVIEW PROGRAM**

- Establish mutual understanding of job performance standards.
- Improve or sustain employee performance.
- Integrate personal goals & objectives into those of the college.
- Encourage collaborative communication and individual growth and development.
- Provide documentation for merit consideration.

### **GENERAL GUIDELINES & ELIGIBILITY**

- Merit increases/bonuses are determined by assessing the employee’s performance level against pre-established goals, objectives, or performance standards.
- Self-assessments are completed annually.
- Supervisors will meet individually with each eligible employee to discuss their evaluation results. After the employee has signed off on the performance evaluation acknowledging receipt (in the performance management system), the employee will have access to the evaluation form (in the performance management system). The deadline for these individual meetings and completion is May 31 (each year) for all employees and graduation for 9-month Faculty.
- Gateway Goal (Student Centered Success): Gateway goals will be on every employee’s annual performance review and communicated at the beginning of the performance review cycle when metrics become available. Each metric for retention, course success, enrollment, graduation, and placement will be rated on how well the college performs against that metric’s 3-year average. For any employee to be eligible for bonus/merit pay,

the overall average performance must indicate that the college has not underperformed its 3-year average.

- An employee must have a performance evaluation created & on -file to be eligible for merit increases/bonuses.
- When an employee transfers from one position to another, supervisors in both positions will work together to complete the evaluation of the employee's annual performance.
- Merit increases are calculated on base salaries.
- Merit increases or bonuses cannot be processed without a fully completed and approved performance evaluation.

### **HIRING/RETENTION BONUSES**

Upon Leadership Team approval, hiring & retention bonuses may be paid due to market demand for critical positions (or single point of failure). Individual written agreements will be developed and fully executed with current employees and new hires as needed.