

<b>ADMINISTRATIVE DIVISION</b> HR Division of Human Resources		<b>POLICY NUMBER</b> HR 1.77
<b>POLICY TITLE</b> Bonuses		
<b>SCOPE OF POLICY</b> USC System	<b>DATE OF REVISION</b> July 13, 2023	
<b>RESPONSIBLE OFFICER</b> Vice President for Human Resources	<b>ADMINISTRATIVE OFFICE</b> Division of Human Resources	

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**PURPOSE**

This document describes the policy for employees who may be eligible for bonuses as promulgated pursuant to a proviso in the General Appropriations Act and regulations established by the Division of State Human Resources.

**DEFINITIONS**

**Bonus:** A lump sum payment for an eligible employee for exceptional service.

**Covered Employee:** A full-time or part-time employee occupying a part or all of an FTE position who has successfully completed the probationary period and who has grievance rights.

**Full-Time Equivalent (FTE):** A position authorized by the General Assembly which is expressed as a numerical value as a percentage of time in hours and of funds.

**Research Grant Position (RGP):** A type of non-FTE position which is funded by federal grants, private foundation grants, research grants, medical school practice plans, individual private gifts, externally generated revenue for service testing agreements and grant generated revenue or a combination of these funding sources. RGP employees are not covered employees.

**Time-Limited (TL):** A full or part-time non-FTE position hired to fill a position with time-limited project funding approved or authorized by the appropriate State authority, and who is not a covered employee.

## **POLICY STATEMENT**

This document describes the University of South Carolina's Bonus Policy, defines which employees are eligible for bonuses, and provides other relevant information, pursuant to the proviso in the General Appropriations Act and guidelines established by the Division of State Human Resources.

### **A. Eligibility**

1. All classified and unclassified staff, and faculty in full-time equivalent (FTE) positions are eligible to receive bonus payments. Research grant positions and time limited employees are also eligible. Bonus payments for research grant and time limited employees must be funded by the grant or time-limited project or from grant-generated revenue.
2. Temporary and student employees are not eligible to receive bonus payments.

### **B. Amount and Frequency of Bonus and Source of Funds**

1. An employee may receive more than one bonus in a fiscal year; however, the total amount received during a fiscal year may not exceed \$3,000, except as provided by state proviso.
2. A bonus is not part of an employee's base salary and is not earnable compensation for purposes of employee and employer contributions to the respective retirement systems.
3. The University of South Carolina may spend state, federal, and other sources of revenue to provide lump sum bonuses. Use of federal funds for bonuses must be in compliance with federal law. Funds for bonus and associated benefits payments must come from departmental accounts regardless of the source.

### **C. Approval Authority**

The award of a bonus is at the discretion of the college, division, or campus, with final approval from the Vice President for Human Resources or their designee. The failure to receive a bonus may not be grieved through the university or state grievance processes for staff and administrators, or through the faculty grievance process.

### **D. Criteria**

Bonuses may be awarded to recognize significant accomplishments and unique contributions of individual employees for:

1. Increased organizational productivity
2. Development and/or implementation of improved work processes
3. Exceptional customer service
4. Realized cost savings

5. Other specific contributions to the success of the university.

**PROCEDURES**

Procedures, forms, and general guidance related to this policy can be found on the Division of Human Resources website at <http://hr.sc.edu/>.

**RELATED UNIVERSITY, STATE AND FEDERAL POLICIES**

[SC Code of Law Section 59-101-610](#)

[State Human Resources Regulation 19-705.07 and 19-706.05.](#)

**HISTORY OF REVISIONS**

<b>DATE OF REVISION</b>	<b>REASON FOR REVISION</b>
November 16, 2018	Updated to new format with less detailed procedures and to ensure consistency with guidelines established by the State of South Carolina Department of Administration
March 29, 2017	Add mandatory procedural language per Audit and Advisory Services
July 13, 2023	Removed the salary cap per proviso change.