



## PERFORMANCE APPRAISALS AND AWARDS

### SECTION A. GENERAL

The PAIRE performance appraisal system is designed to:

- evaluate job performance of each PAIRE employee on the basis of objective job criteria;
- recognize and reward employees whose performance so warrants;
- assist employees in improving performance; and
- reassign, demote or remove employees who continue to exhibit less than acceptable performance.

The rating period begins on January 1 and ends on December 31 of each year.

Performance reviews are conducted on an annual basis for all PAIRE employees on the payroll as of September 30 of each year. Postdoctoral Fellows and Temporary employees are not required to have an annual performance review; however, a supervisor may elect to do a performance review for employees in these classifications. Should you choose to do an evaluation for a temporary employee, follow the same timeline and guidelines as established for other employees in this policy. Postdoctoral Fellow salaries are reviewed annually by Stanford University in accordance with the university's policy. Any salary increases for Postdoctoral Fellows are effective on October 1st, per Stanford's policy.

Performance reviews and any accompanying salary increase for employees hired or promoted between October 1 and December 31 of each year may be conducted at the discretion of the supervisor.

Human Resources will distribute Work Performance Review forms to all supervisors for each of their employees. Included on the form will be the employee's name, position title, and certain other administrative information, including an indication of whether a review is mandatory or discretionary. The supervisor must then complete the appraisal form in its entirety. Prior to meeting with the employee to discuss their review, supervisors should contact Human Resources if any component of the employee's review or the overall rating is less than a "3."

Supervisors will conduct a performance review session with each employee. Included should be a discussion of the employee's work performance, contributions, and areas for improvement, if applicable. It may be helpful to provide the employee a copy of the performance review form prior to meeting so that the employee has time to consider questions/comments prior to the actual meeting of supervisor and employee.

Subsequent to the review session, the supervisor must have the employee sign the original form. Completed Work Performance Review forms must be submitted to Human

Resources no later than the last week of February each year. The Director of Human Resources will perform a technical review of the forms to assure they are complete and meet all appropriate administrative requirements. Upon Human Resources review, a copy of the approved form will be sent to the employee.

The required personnel action forms will be prepared and submitted for payroll processing by Human Resources. The effective date of merit increases and bonuses, if applicable, will be March 1. The base pay merit increase and any accompanying bonus will be reflected in the March 22<sup>nd</sup> paycheck.

**SECTION B. INCREASES AND AWARDS**

Merit Pay – In conjunction with the annual performance evaluation, employees receiving a rating of “Fully Meets” or higher will receive a merit pay increase.

*Merit Increase* – This increase is permissible for any employee whose annual compensation falls below the maximum rate established for their position. Guidelines for base pay increases are as follows:

Overall Rating	% Salary Increase
Overall Rating of less than 3	No Increase
Overall Rating of 3 — Fully Meets Standards	1 – 3%
Overall Rating of 4 — Exceeds Standards	3 – 4%
Overall Rating of 5 — Far Exceeds Standards	4 – 5%

If the increase would result in an employee’s compensation exceeding the maximum rate for the position, the increase will be capped at the maximum rate. If a supervisor wishes to provide a bonus in conjunction with the annual performance appraisal, such an award is permitted. A bonus may be made up to \$3,000. *Note: PAIRE does not provide tax indemnification or gross-up payments, i.e., any associated employee taxes with a bonus are charged to the employee.*

**Special Contribution Award** – A Special Contribution Award may given at any time during the year when a supervisor wishes to recognize outstanding achievement above and beyond normal job requirements, for example work done on a special project or performance of a specific function that is significantly different from the position for which the employee was originally hired. More than one award for the same achievement is not permitted, and these awards should not be given in lieu of a Merit Pay award. This award must be approved by the Executive Director. Contact Human Resources for the Special Contribution Request form. A Special Contribution Award may be made up to \$3,000. *Note: PAIRE does not provide tax indemnification or gross-up payments, i.e., any associated employee taxes with a bonus are charged to the employee.*