

FORM BON DOCUMENTATION FOR SIGN ON / RETENTION BONUS RECOMMENDATIONS

Person who completed this form	
Contact phone number	
Contact email address	
Date this form was completed	

TYPE OF SIGN ON / RETENTION BONUS PROGRAM REQUESTED

Indicate the type(s) of bonus being requested on this form.

Complete the applicable section(s) of this form for the type(s) of bonus being requested.

Note that bonus amounts are pro-rated for part-time employees.

SIGN-ON BONUS
☐ **Situation 1: For a specific job classification**

Provided to attract qualified candidates in job classifications critical to the mission of an institution that have labor market shortages impacting the business needs of the institution and impairing the delivery of essential services. To enhance its ability to recruit during labor market shortages, an institution may determine the need to offer competitive sign-on bonuses to candidates hired into positions for a specific job classification within the institution, division, facility, or unit. The sign-on bonus may also be limited to a geographical area.

☐ **Situation 2: For an individual position**

Provided to attract qualified candidates in a position that is critical to the mission of an institution in which the market is very competitive. Typically, the employee in the position will serve as the only individual in a role or will be one of two within an institution. And, typically, a bonus would be used in this situation when an institution's inability to attract and hire a strong candidate would impact the business needs of the institution and impair the delivery of essential services.

RETENTION BONUS
☐ **Situation 1: In Parallel with a Sign-On Bonus Program for a Specific Job Classification**

Provided to retain a group of employees when the institution is offering a sign-on bonus as a recruitment incentive to attract qualified candidates in critical positions that have labor market shortages impacting the business needs of the institution and impairing the delivery of essential services.

☐ **Situation 2: In Parallel with a Sign-On Bonus Program for an Individual**

Provided to retain an employee when the institution has offered a sign-on bonus as a recruitment incentive to an individual in a similar critical position within the same work unit that has labor market shortages that affect the business needs of the institution and impair the delivery of essential services.

☐ **Situation 3: Tied to a Special Initiative**

Provided to retain a team of employees assigned to a special initiative of the institution where their combined special skills and understanding of the initiative are critical to its successful completion.

☐ **Situation 4: For an Individual**

Provided to retain an employee who is likely to leave the institution to work for another institution or employer. This retention bonus option also provides institutions with a mechanism to retain an employee critical to an institution's mission during a period of transition, such as a closure or relocation of an employee's office, facility, activity, or organization, who would be likely to leave before the transition is complete.

QUESTIONS REQUIRED FOR BOTH SIGN ON AND RETENTION BONUS PROGRAMS

FLEXIBILITY AUTHORIZATION AND SUBMISSION REQUIREMENTS

OHR will facilitate external review by and approval of UNC System Human Resources, the Office of State Human Resources (OSHR) and/or the Office of State Budget Management (OSBM) due to any of the following reasons (*check all that apply*):

- ☐ When the sign-on or retention bonus exceeds 10% of the position's market/reference rate;
- ☐ When a retention bonus is given concurrently with a sign-on bonus but the amount of the retention bonus exceeds the amount of the sign-on bonus;
- ☐ When a sign-on and/or retention program will be paid to a group of 50 or more employees; and/or
- ☐ When reporting implementation of a Sign-on Bonus Situation 1 program (pre-approval not required, but documents must be submitted within 30 calendar days of the institution's implementation of the bonus).

Submit all other bonus programs to the institution's central human resources office for any required internal review and approval. The institution's central human resources office is responsible for retaining this form and all applicable supporting documentation and may require additional documentation to be completed along with this form.

EQUITY

Is a potential equity issue created?

- ☐ **YES** – Complete your response below.
- ☐ **NO** – Proceed to the appropriate bonus program section.

If your answer to the equity question was "Yes," complete this question:

If a potential equity issue is created, the institution's proposed bonus must also contain a written plan approved by the Institution HR Director that addresses how the institution will adjust similarly situated employees when funding becomes available to address equity. Include this written plan below or acknowledge the creation of a plan below and attach, as applicable.

**SIGN ON BONUS
SITUATION 1 FOR A SPECIFIC JOB CLASSIFICATION**

Provided to attract qualified candidates in job classifications critical to the mission of an institution that have labor market shortages impacting the business needs of the institution and impairing the delivery of essential services. To enhance its ability to recruit during labor market shortages, an institution may determine the need to offer competitive sign-on bonuses to candidates hired into positions for a specific job classification within the institution, division, facility, or unit. The sign-on bonus may also be limited to a geographical area.

Answer the following questions.

How long will the sign-on bonus be available?	
What will be the amount of the sign-on bonus?	
How will the payment be distributed?	
What is the position classification and competency level?	
Will the sign-on bonus be limited to a geographical area?	

Will the sign-on bonus be set at a flat rate for the job classification?

☐ Yes – this is required.

Will the sign-on bonus be consistently applied to all new hires in the classification, or (if applicable) all new hires in the classification in a particular geographical area?

☐ Yes – this is required.

Please check one or more of the following reasons for offering the bonus.

- ☐ Turnover rates are significantly higher than acceptable.
- ☐ Retention rates are significantly lower than acceptable.
- ☐ Vacancy rates are significantly higher than acceptable.

Explain in more detail and/or attach supporting data.

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Explain the steps being taken to mitigate the recruitment or retention challenges.

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Is the institution seeking to provide a sign-on or retention bonus payout for a group of 50 or more employees?

- ☐ **YES** – You must get advance approval from OSBM to confirm funds availability.
Submit documents to UNC System Office Human Resources for routing to OSBM.
- ☐ **NO** – No advance approval from OSBM is required.

**SIGN ON BONUS
SITUATION 2 FOR AN INDIVIDUAL POSITION**

Provided to attract qualified candidates in a position that is critical to the mission of an institution in which the market is very competitive. Typically, the employee in the position will serve as the only individual in a role or will be one of two within an institution. And, typically, a bonus would be used in this situation when an institution's inability to attract and hire a strong candidate would impact the business needs of the institution and impair the delivery of essential services.

Answer the following questions.

What will be the amount of the sign-on bonus?	
How will the payment be distributed?	
Will the sign-on bonus be limited to a geographical area?	

Complete the following.

First Name	Last Name	Employee ID	Position #	Class Title	Competency Level

Briefly explain below why the bonus will be offered.

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Attach an explanation for, or briefly state below, why sign-on bonuses are recognized as a common practice to be competitive in the market for the position being recruited.

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Explain the steps being taken to mitigate the recruitment or retention challenges.

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RETENTION BONUS

SITUATION 1 BONUS IN PARALLEL WITH A SIGN ON BONUS PROGRAM FOR A SPECIFIC JOB CLASSIFICATION

Provided to retain a group of employees when the institution is offering a sign-on bonus as a recruitment incentive to attract qualified candidates in critical positions that have labor market shortages impacting the business needs of the institution and impairing the delivery of essential services.

Answer the following questions.

What will be the amount of the retention bonus?	
How will the payment be distributed?	
What sign-on bonus program is it matching? <i>(Attach supporting documentation for that sign-on bonus program if not addressed in an earlier section of this form.)</i>	

Will the retention bonus amount be greater than the sign-on bonus amount?

☐ **YES** – Explain why below and send to UNC System Office Human Resources for review and approval.

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☐ **NO** – Go to next question.

Explain the steps being taken to mitigate the recruitment or retention challenges.

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Is the institution seeking to provide a sign-on or retention bonus payout for a group of 50 or more employees?

- ☐ **YES** – You must get advance approval from OSBM to confirm funds availability.
Submit documents to UNC System Office Human Resources for routing to OSBM.
- ☐ **NO** – No advance approval from OSBM is required.

RETENTION BONUS
SITUATION 2 BONUS IN PARALLEL WITH A SIGN ON BONUS PROGRAM FOR AN INDIVIDUAL

Provided to retain an employee when the institution has offered a sign-on bonus as a recruitment incentive to an individual in a similar critical position within the same work unit that has labor market shortages that affect the business needs of the institution and impair the delivery of essential services.

Answer the following questions.

What will be the amount of the retention bonus?	
How will the payment be distributed?	
What sign-on bonus program is it matching? <i>(Attach supporting documentation for that sign-on bonus program if not addressed in an earlier section of this form.)</i>	

Will the retention bonus amount be greater than the sign-on bonus amount?

☐ **YES** – Explain why below and send to UNC System Office Human Resources for review and approval.

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☐ **NO** – Go to next question.

Explain the steps being taken to mitigate the recruitment or retention challenges.

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RETENTION BONUS SITUATION 3 BONUS TIED TO A SPECIAL INITIATIVE

Provided to retain a team of employees assigned to a special initiative of the institution where their combined special skills and understanding of the initiative are critical to its successful completion.

Answer the following questions.

What will be the amount of the retention bonus?	
How will the payment be distributed?	

Complete the following if applying to only one employee. For requests for multiple employees, please attach an Excel spreadsheet with the following columns completed.

First Name	Last Name	Employee ID	Position #	Class Title	Competency Level

What is the special initiative?	
What specialized skills do the employees have that are critical to the initiative's successful completion?	
What is the expected completion/end date for the special initiative?	

Is the institution seeking to provide a sign-on or retention bonus payout for a group of 50 or more employees?

- ☐ **YES** – You must get advance approval from OSBM to confirm funds availability.
 Submit documents to UNC System Office Human Resources for routing to OSBM.
- ☐ **NO** – No advance approval from OSBM is required.

Explain the steps being taken to mitigate the recruitment or retention challenges.

RETENTION BONUS
SITUATION 4 BONUS FOR AN INDIVIDUAL

Provided to retain an employee who is likely to leave the institution to work for another institution or employer. This retention bonus option also provides institutions a mechanism to retain an employee critical to an institution's mission during a period of transition, such as a closure or relocation of an employee's office, facility, activity, or organization, who would be likely to leave before the transition is complete.

Answer the following questions.

What will be the amount of the retention bonus?	
How will the payment be distributed?	

Complete the following information for the employee.

First Name	Last Name	Employee ID	Position #	Class Title	Competency Level

Briefly explain below the competition in the labor market for this skillset that has made the retention bonus necessary.

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Briefly explain the employee's skills that are critical to the mission of the institution and would be difficult to timely replace.

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(If applicable) If the bonus is being provided because of a period of transition that would make the employee likely to leave, briefly describe the transition and the retention risk.

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Explain the steps being taken to mitigate the recruitment or retention challenges.

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UNIVERSITY SHRA SIGN-ON AND RETENTION BONUS REQUEST

For approved sign-on bonuses, add this text as the first part of the Primary Purpose of the Position in the posting:

A SIGN-ON BONUS OF \$X IS AVAILABLE FOR THE SUCCESSFUL APPLICANT OF THIS POSITION PAID WITHIN 12 MONTHS OF HIRE

(or for \$2500 or greater)

A SIGN-ON BONUS OF \$X IS AVAILABLE FOR THE SUCCESSFUL APPLICANT OF THIS POSITION PAID IN 2 INSTALLMENTS WITHIN 12 MONTHS OF HIRE

**\$____ WITHIN 30 DAYS OF HIRE DATE &
\$____ 12 MONTHS AFTER HIRE DATE**

*** See eligibility for Sign-on Bonus below in the Special Instructions section.*

By completing this section, the preparer certifies that approvals have been obtained from the individuals below and that this request complies with applicable institutional policies and procedures and is in accordance with the SHRA Bonus Policy the name to certify approval. Please check each box and enter the name to Certify Approval

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Dean/Vice Chancellor/Vice Provost

Name:

Funding Source: (see information below)

HR Officer

Name:

Finance Lead

Name:

Preparer (enter name and title):

Date:

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Central Office use only

Requires external approvals? Yes No Approved? Yes No

Reviewer (enter name and title):

Date:

Comments:

INSTRUCTIONS

RETENTION BONUS

- Send completed request form to your Class & Comp Consultant
- If approved, have employee(s) sign the repayment agreement
- Enter lump sum ePAR with code SHRA Retention Bonus and attach the approved request form and the repayment agreement
- If the bonus is to be paid in two installments, include the text “First installment of \$X” in the comments box
 - If a second installment is to be paid, include the text “Second installment of \$X” in the comments box when entering the second ePAR

SIGN-ON BONUS

- Send completed request form to your Class & Comp Consultant
- If approved, initiate an Update Posting Data position ePAR with this language added to the top of the Primary Purpose section:
 - *A SIGN-ON BONUS OF \$X IS AVAILABLE FOR THE SUCCESSFUL APPLICANT OF THIS POSITION PAID 12 MONTHS OF HIRE (or for \$2500 or greater)*
 - *A SIGN-ON BONUS OF \$X IS AVAILABLE FOR THE SUCCESSFUL APPLICANT OF THIS POSITION PAID IN 2 INSTALLMENTS WITHIN 12 MONTHS OF HIRE \$____ WITHIN 30 DAYS OF HIRE DATE AND \$____ 12 MONTHS AFTER HIRE DATE*
- Attach the approved request form and submit the ePAR
- Once a selection is made, the TAP will verify the employee qualifies for the bonus and include the information in the welcome letter. The department will have the employee sign a repayment agreement.
- Once the person is on board, enter the ePAR under code SHRA Sign-on Bonus and attach approved request form and repayment agreement signed by employee. If payment is to be two installments, add comment of “First installment of \$X total”
 - If a second installment is to be paid, include the text “Second installment of \$X” in the comments box when entering the second ePAR

*FUNDING SOURCE GUIDANCE

- Appropriated State Funds – YES
- Receipt Supported State Funds (Tuition) – YES, if funding personnel and activities related to the receipt
- F&A Receipts – YES, subject to department/unit guidelines
- Sponsored Research – NO, unless specified in contract or grant award
- Trust Funds (Gift, Endowment, Investment Income) – YES, if funds are unrestricted and consistent with Fund Authority or Agreement
- Internal Services Funds – NO
- Auxiliary Funds/ Healthcare - YES, if funds are unrestricted and consistent with Fund Authority or Agreement