**Spot Award Bonus Policy**

**Purpose**The [Company Name] spot award program is a means for the company to promote productivity and to provide immediate and visible recognition of employee contributions.

**Eligibility**All full- and part-time company employees up to the director level are eligible to receive spot awards. Independent contractors and temporary employees, whether contracted by the company or through an agency, are not eligible under this policy.

**Procedures**

***Award criteria***Spot awards are to be used to recognize employee contributions that have exceeded expectations. The employee contribution must be for an exceptional action or accomplishment that is beyond the scope of the employee’s regular day-to-day activities and assignments. For example, the award could be for an employee who uses initiative and creativity to solve a challenging problem. It could also be for a one-time exceptional achievement that might not be otherwise noticed, such as volunteering for extra assignments during critical times while fulfilling all of the employee’s ongoing work duties.

The spot award should be tied to a discrete action rather than awarded for a situation of consistently exceptional performance. The latter situation should be addressed by means of a merit increase, bonus or promotion. The award should be presented to the employee within 24 to 48 hours of the achievement.

***Award amount***The spot award will be in the amount of $[amount]. All awards are considered taxable income and will be reflected on the employee’s income earning statements.

***Spot award recommendations***[Company Name] employees with the title supervisor, manager, director or vice president have authority to recommend spot awards for their employees.

Spot award recommendations must be made by the employee’s immediate supervisor, who must submit the recommendation to the human resource department for processing.