

State of California

MEMORANDUM

To: PERSONNEL MANAGEMENT LIAISONS

Date: June 25, 1991  
Reference Code: 91-38

**THIS MEMORANDUM SHOULD BE DISTRIBUTED TO**

Personnel Officers  
Employee Relations Officers

From: Department of Personnel Administration  
Office of the Director

Subject: Managerial Bonuses

As indicated in our June 3, 1991 memorandum to Agency Secretaries and Department Directors, the payment of Managerial Performance Appraisal System bonuses is being suspended. Effective June 17, 1991 the Department of Personnel Administration (DPA) amended Regulation 599.796 governing this program. (Amended regulation attached.)

The amended regulation provides that bonuses based on managerial performance shall not be paid during the 1990-91 and 1991-92 fiscal years by agencies that award bonuses on a fiscal year basis and during the 1991 and 1992 calendar years by agencies that award bonuses on a calendar year basis. As explained in our earlier memorandum, this action is being taken because of the State's current budget crisis. The revised regulation will be printed in the Administrative Codes within the near future.

The Managerial Performance Appraisal System will remain in place.

If you have any questions, please call Vallita Lewis of my staff on (916) 324-9362 or ATSS 454-9362.



Lillian Rowett  
Chief Deputy Director

Attachment



**599.796. Managerial Performance Appraisal System Bonuses.**

The managerial bonus program prescribed below is suspended for the 1990-91 and 1991-92 fiscal years for agencies that award bonuses on a fiscal year basis and for the 1991 and 1992 calendar years for agencies that award bonuses on a calendar year basis. No bonuses shall be paid based on managerial performance occurring during these years. For other years, the managerial bonus program is governed as follows:

(a) As prescribed in this rule, State agencies may award bonuses to employees who have been designated managerial pursuant to Government Code Section 18801.1 in lieu of considering them for awards under the Merit Award Board superior accomplishment award programs. With the approval of the Department of Personnel Administration, agencies that have civil service managers in the bonus program may also include exempt appointees who perform similar managerial duties. Employees shall receive these awards based on the level of their job performance, as ascertained through the Managerial Performance Appraisal System (MPAS) described in Rule 599.796.1.

(b) Unless otherwise approved by the Department, bonuses shall be awarded by October 1 of each year for job performance during the fiscal year ending on the preceding June 30.

(c) To be eligible to participate in the bonus program, an employee must have at least 180 calendar days during the performance rating year during which he or she:

(1) Was appointed to one or more managerial or approved exempt positions; and,

(2) Performed managerial duties covered by one or more MPAS work plans.

Unless otherwise approved by the Department, a State agency electing to participate in the bonus program shall include all of its eligible managers in the program.

(d) For State agencies with ten or more participating managers, the bonus program is funded at the rate of \$500 per participating manager. Bonuses shall range from a minimum of \$1,250 to a maximum of \$5,000.

State agencies with fewer than ten participating managers shall follow the schedule below:

Number of Participating Managers	Bonus Fund	Number of Bonuses	Minimum Bonus Size
1	2,500	1	750
2	2,500	2	750
3	2,500	3	750
4	2,500	3	750
5	2,500	3	750
6	3,000	3	1,000
7	3,500	3	1,000
8	4,000	3	1,250
9	4,500	3	1,250

(e) Bonuses paid as a result of superior performance as documented in any Statewide appraisal system for employees designated managerial pursuant to Government Code 18801.1 will not be considered compensation for the purpose of contributions to retirement.

(f) Bonus awards may be appealed to the State agency appointing power or his/her designee within 30 days of the award date. Denials of these appeals may be appealed to the Department only on the basis of fraud. These appeals must be submitted within 30 days of their denial by the appointing power.

NOTE: Authority cited: Sections 3539.5 and 20022.05(a), Government Code.  
Reference: Sections 3539.5, 19829 and 20022.05(a), Government Code.

