

## SECTION 3.9: PROJECT GAIN

A. Hamilton County desires to reward county employees for exceeding specific performance goals, above and beyond the normal scope of duties, which are new or never before successfully implemented in Hamilton County. It is a reasonable expectation that employees will implement ideas to perform their job duties as efficiently and effectively as possible. Project Gain recognition and awards are reserved for situations in which the ideas go beyond the reach of daily duties. An eligible employee participating in an approved program will be compensated based on enhanced revenues, improved efficiencies, or improved service quality which generates sustainable savings. Project Gain employee participation is voluntary. Programs may be submitted by individuals or groups. Rewards may be awarded to individuals or shared by groups, encouraging employee/employer partnership for improvement.

### B. RATIONALE

The Hamilton County Commissioners recognize that employees are critical to the delivery of services. Employees are also the best source of innovative ideas and process improvements to further improve both the quality and efficiency of those services. Through their personal knowledge about their jobs, employees are able to improve both quality and efficiency, and reduce waste. The concept of Project Gain supports these principles by offering county employees the opportunity to share ideas with management in order to assist in the development of cost and/or enhanced revenue programs. Independent appointing authorities and elected officials may request participation in this plan under the terms of this policy.

### C. DEFINITIONS

AWARD - One-time, lump sum payment an employee receives for an approved Project Gain program (all applicable payroll taxes will be withheld). Award is exempt from OPERS.

AWARD DISTRIBUTION – Name(s) of employee(s) within a department or work group that participated in a program, and the amount each employee may receive as a Project Gain award.

DEPARTMENT(S) - Departments under the jurisdiction of the Board of County Commissioners, an Appointing Authority or Elected Official participating in Project Gain.

EVALUATION PANEL - Group selected by the Board of County Commissioners to review Project Gain programs. The group assures programs comply with guidelines and process applications. A chairperson may be appointed by the Board of County Commissioners, or designee.

FUNDING POOL - Amount a Project Gain Program identifies as savings and/or enhanced revenue. Also, amount by which a department's, appointing authority's, and elected official's budget will be reduced in the subsequent year.

PROJECT GAIN PROGRAM (or "PROGRAM") - Department's, Appointing Authority's or Elected Official's incentive program (with supporting documentation) that includes financial rewards to employees for exceeding specific performance goals which generate sustainable savings and/or revenue for the County through better use of resources, e.g., labor, capital, materials and energy.

REVENUE - Additional funds/income brought into the department/agency, above the current budget. This figure may be higher than the funding pool, and should be noted on the Cost Tracking Sheet.

SAVINGS - Total amount of funds saved as a result of an approved Project Gain program during a defined period, normally half a year or a fiscal year (distinct from the "Award", which is the portion eligible for distribution).

D. EMPLOYEE ELIGIBILITY

1. All permanent employees who have worked for Hamilton County at least 180 consecutive days by the end of the measurement period may be eligible to participate. In addition, to be eligible for an award, an individual employee's performance must be satisfactory throughout the program, and the employee must have actively contributed toward the goals of the program for at least one-half of the measurement period. Bargaining unit employees may request participation under the terms of this policy.
  2. To earn a Project Gain award, an employee must remain employed with Hamilton County through the date of award distribution or be retired. Employees who have transferred to another county department, but participated in their previous department's Project Gain program for at least one-half of the measurement period are permitted to receive an award. Employees transferring to a county department participating in a Project Gain program and participating for at least one-half of the measurement period are permitted to receive an award.
- E. Department heads, appointing authorities and elected officials may design and implement specific Project Gain programs along with their employees, and may collaborate with each other on Project Gain programs when working on common and overlapping functions (e.g., the Department of County Facilities and the Department of Public Works may work together on a project).
- F. The program documentation or application will identify the employee(s) of the department/agency or work groups that participated in the program.

G. ELIGIBLE PROGRAMS

All Project Gain programs must be based on performance measures that take into consideration the department's budget performance goals and that support the county's and the department's mission. Cost saving and/or enhanced revenue programs must be above and beyond the department's normal scope of duties, and new or never before successfully implemented in Hamilton County. Appropriate ideas may include, but are not limited to: providing new services, developing and implementing changes that are beyond the employee(s) authority to implement themselves, or providing such a radically different way of achieving results that other county organizations could use the method as a model. There must be no decline in the standard of service as a result of the program, and there must be permanent and sustainable change. Programs may not include salary recommendations or position reclassifications. The department head, appointing authority or elected official will determine for his/her department whether the program will be submitted to the Evaluation Panel as a Project Gain project.

H. INELIGIBLE PROGRAMS

In particular, programs involving accounting changes, cost transfers to other departments or business units, various cash windfalls or fee increases are ineligible. Other exclusions include, but are not limited to: uncontrollable events, market forces, legislative and regulatory actions, funding restrictions, etc. The County Administrator, or designee, reserves the right to determine ineligible programs.

I. DATES

The length of a Project Gain program will be a fiscal year program (1/1 – 12/31) or a semi-annual program (1/1 – 6/30 or 7/1 – 12/31). An annual schedule found in the Project Gain Program Guidelines will note specific program dates.

J. PROGRAM APPLICATION / DOCUMENTATION

1. Measurements used in Project Gain are based on individual or group performance.
2. The department head, appointing authority or elected official will submit the Project Gain program to the Evaluation Panel using the format found in the Project Gain Program Guidelines that includes a narrative that explains what, why, who, when, how, savings and/or revenue, and distribution award. The documentation will also include a program flow chart that mirrors the narrative.

3. As part of the Project Gain process a Cost Tracking spreadsheet must be completed. A “before” section must be completed with the initial documentation to participate and an “after” section with the final documentation reflecting actual cost savings and/or enhanced revenue, and award distributions. Information provided must be as detailed as possible, including specification of line item(s) and vendor(s) where applicable.
4. A comprehensive validation report will be submitted to the Evaluation Panel when the measurement period is complete. This report will be submitted whether or not the Project Gain program goals were achieved. The report must include an original signature of the department head, appointing authority, or elected official which indicates that he/she approved the results submitted. After review of the report, the Evaluation Panel may require the department to perform additional analysis and/or supply additional supporting documents.
5. Any amendment or cancellation of a Project Gain program requires notice to the Evaluation Panel and approval by the County Administrator, or designee.

K. EVALUATION PANEL (DUTIES AND MEMBERS)

1. The Evaluation Panel assures that all Project Gain programs:
  - a. Comply with guidelines and process applications accordingly;
  - b. Meet the county’s mission;
  - c. Support the vision of the department;
  - d. Are consistent with the department’s budget goals;
  - e. Promote customer service and department efficiencies;
  - f. Lead to cost and/or enhanced revenue;
  - g. Do not overlap Project Gain programs in other county departments or agencies.
2. The Evaluation Panel also performs the following other duties:
  - a. Approve each department’s Project Gain performance goals;
  - b. Verify each department’s achievement of the approved performance goals;
  - c. Verify actual savings and/or enhanced revenue for each department at the end of the measurement period (fiscal year or semiannually);
  - d. Verify amount of savings and/or enhanced revenue to be disbursed to an individual participant or equally among participants;
  - e. Make recommendations so that the Commissioners and/or Administrator may settle any issues that may arise in reference to the program.

3. Evaluation Panel Members

- a. County Commissioner's designee(s)
- b. County Administrator, or designee(s)
- c. Project Gain Program Coordinator
- d. Human Resources Director, or designee
- e. Assistant County Administrator(s), or designee(s)
- f. Budget Analyst of department submitting request
- g. Two representatives from departments not under the Board

L. AWARD LIMITS

1. Project Gain awards will be funded from the cost reductions or revenue enhancements identified in the department's Project Gain program. Each department must remain within its expenditure budget in order to distribute an award under the plan. The total amount distributed under the plan must not exceed one-half of the savings and/or revenue enhancements generated under the plan. The remaining savings and/or enhanced revenue will be returned to the respective fund. The following fiscal year expenditure budget will be reduced by the full-year impact of any expenditure savings and/or enhanced revenue realized.
2. Individual employee awards must total at least \$100.00 per employee per program, and may not exceed \$1,000.00 per employee, per program and \$5,000 per employee, per fiscal year. It is intended that equal amounts are shared with each participating employee under the plan. An exceptional award (of a maximum of \$2,000 per employee per program) may be approved by the County Administrator under exceptional circumstances, e.g., when necessary and appropriate 1) program savings/enhanced revenues are \$500,000 or above, and/or 2) program concept will be applied in other departments or be used County-wide for savings and/or enhanced revenue; and/or 3) savings/enhanced revenue are part of a project that takes multiple years to realize. The exceptional circumstances will be documented by the Evaluation Panel and approved by the County Administrator. Payment of awards will be made as soon as practical once projected savings and/or enhanced revenue are realized. Project Gain awards are made by check, separate from the biweekly payroll check, and are not considered "earnable salary" thus exempt from OPERS deductions. All applicable payroll taxes will be withheld.
3. Any material changes in the department's accounting procedures during the fiscal year that may affect the Project Gain program must be disclosed to the Evaluation Panel for review. If the Panel's review indicates the change will have a significant effect on the Project Gain program, the review may result in a recommendation that the department's program be amended or canceled.