Employee Suggestion Program
Administrative Manual

I. INTRODUCTION

PURPOSE

The overall goals of the University of Louisville Employee Suggestion Program (ESP) are to stimulate, recognize, and reward innovative, creative and problem-solving ideas by regular University employees. The Human Resources Department is establishing the program.

The purpose of the ESP is to recognize and encourage the capacity of the employees to exercise initiative and to develop suggestions that identify specific problems and propose valid solutions which will enhance the efficiency and effectiveness of the University of Louisville through increased productivity, reduced cost, safer working conditions, or expedited public services. An additional gain from such suggestions will be a climate within the University, which encourages open communication of ideas and maximizes employee talents.

This policy manual provides the guidelines for ESP in order to ensure fairness and equity to both the University and the employee who participates in the program. The policies that are in effect are subject to change. All employee suggestions submitted prior to the effective date of a change in policy shall be governed by the policy at the time the suggestion was submitted.

GENERAL RESPONSIBILITIES

The Employee Relations office (ER) will have primary responsibility for receiving suggestions, forwarding suggestions to the appropriate departments for evaluation, monitoring the evaluation and eligibility processes, and approving the issuance of awards. To administer the program, ER will promulgate a policy, prepare a policy manual, and provide evaluators with training and technical assistance. ER will actively promote the ESP.

The final test of a suggestion's usefulness is its successful adoption by a department. While department heads have the prerogative of deciding whether or not to adopt and implement a suggestion, it is important that top management earnestly seek changes, encourage employee participation, and ensure that all ideas are fairly and adequately evaluated.

Departments are responsible for assuring that suggestions are fairly and adequately evaluated, and for notifying ER of decisions regarding suggestion adoption and recommendations on issuance of an award. Sufficient documentation must accompany this notification. If the Employee Suggestion Program Committee (Section II.C.) so authorizes, ER will make the appropriate award.

SUGGESTION PROCESS OUTLINE:

1. Employee sends suggestion to the Employee Relations Office (ESP Form) where it is logged and checked for completeness and duplicity.

2. The ER office forwards the suggestion to the appropriate department for evaluation, concurrently notifying the person making the suggestion.

3. The department head conducts the evaluation or refers it to a qualified evaluator. If the evaluation period exceeds thirty (30) days from the date received/logged in at the ER office, the evaluator must provide an explanation to the ER office. The ER office notifies the person making the suggestion of the suggestion status.

4. Based on evaluation results, the evaluating department decides to adopt, or not to adopt, the suggestion.
a. If the department decides to adopt the suggestion, it notifies the ER office, recommending a decision on the employee award and the type and amount of the award.

b. If the department decides not to adopt the suggestion, it notifies the ER office of the decision and provides justification.

5. The Employee Suggestion Program Committee reviews the departmental evaluation and recommendation and may request additional information if necessary.

6. The Employee Suggestion Program Committee recommends the appropriate award and ER then notifies the person making the suggestion of the suggestion status.

ORGANIZATION

A. EMPLOYEE SUGGESTION PROGRAM

The Employee Suggestion Program (ESP) is established in the Human Resources Department. As delegated by the Assistant Vice President for Human Resources, the Employee Relations office provides staff for ESP, and is responsible for directing program operations and maintaining its central records and files.

B. PROGRAM FUNCTIONS

The ESP program entails the following activities and functions:

- Receive and provide initial processing of all suggestions and evaluations including screening for duplicity and incomplete suggestions
- Maintain and update name, topic, and other files necessary to operate the program on a daily basis
- Notify employees of the status of their suggestions at each stage in processing
- Alert departments to due dates for evaluations and recommendations
- Recommend the final disposition of employee suggestions
- Establish, execute, and enforce the policies, rules, and procedures of the program
- Disseminate appropriate information involving the interpretation of policies, procedures, and other relevant information
- Install and maintain any necessary record keeping systems and reports for the program
- Provide technical assistance to employees and evaluators, when appropriate and upon request
- Establish a promotion campaign to inform employees of the program, its purposes and benefits
• Prepare and submit a quarterly report of the program’s activities, and periodically analyze the effects of ESP and report findings and recommendations to the Vice President of Administration.

C. EMPLOYEE SUGGESTION PROGRAM COMMITTEE

1. The President of the University or his designee shall appoint an Employee Suggestion Program Committee of seven (7) employees.

   a. Members will be appointed for three-year terms or, in case of resignations, for the remainder of the unexpired term, except the first appointment will provide for staggered expirations. (Two for one year, two for two years, and three for three years.)

   b. A committee member may be reappointed to successive terms.

   c. Members will represent all constituencies including Faculty, Administrators, Professional and Administrative, and Classified Staff Members.

   d. The members of the committee will elect one member to serve as chair.

2. The Assistant Vice President for Human Resources, or designee, will serve as an ex-officio member of the committee with no voting privileges.

3. The Employee Suggestion Program Committee will:

   a. By majority vote, recommend the award for each suggestion that is adopted by one or more departments

   b. Review requests from employees for reevaluation of their suggestions that were not adopted

   c. Meet six (6) times per year: February, April, June, August, October and December. In certain cases, a special meeting may be called in addition to these regularly scheduled meetings.

III. Evaluation of Suggestions

A. OVERVIEW

1. An evaluation is an analysis of the proposed suggestion to determine the feasibility or merit of implementation.

2. The importance of obtaining a thorough evaluation cannot be overemphasized. Regardless of whether a suggestion is adopted or not, the person making the suggestion should be satisfied that his or her idea had been given every consideration.

3. Evaluations are normally completed within thirty (30) days of being forwarded from ER to the evaluating department. The evaluating department is responsible for notifying ER of changes in suggestion status and delays in the evaluation process. During the evaluation period, ER is responsible for informing the person making the suggestion of the status of their suggestions.

4. When a suggestion is adopted it should be implemented expeditiously. The suggestion will be implemented within sixty days of its adoption or as early as possible following adoption. It is the responsibility of the evaluating department to implement the suggestion. The Employee Relations office will follow up with the department at the end of the sixty-day period.

B. EVALUATION PROCESS
1. ER records the date of receipt, name of person making the suggestion, and topic for all suggestions received.

2. The ER office checks records of prior suggestions for duplicity and advises the person making the suggestion of any possible duplications.

3. ER forwards the suggestion to the appropriate department for evaluation and notifies person making the suggestion.

4. The department head evaluates the suggestion or assigns it to a qualified evaluator.

5. The evaluator investigates the benefits of the suggestion and records the findings on the suggestion evaluation form. Each completed evaluation must contain either a computation of dollar savings and revenue generation or an intangible benefits rating on which the award will be based should the suggestion be recommended for adoption by the department.

6. Based on the evaluation, the department determines whether or not to adopt the suggestion.
   a. Should the department decide to adopt and implement the suggestion, a recommendation regarding employee award eligibility and the type and amount of award is forwarded with the evaluation to ER for review and approval. The department head must sign recommendations for cash awards. Increased revenues are treated as savings in computing cash awards. The Employee Suggestion Program Committee then reviews the suggestion. The Committee will determine the type of award appropriate for each suggestion.
   b. If the decision is not to adopt and implement the suggestion, the department notifies ER of the reasons including the results of the evaluation. ER reviews the evaluation for adequacy and notifies the person making the suggestion.

7. ER approves making an award if documentation is complete and consistent with University policy.

8. ER presents award to person making the suggestion. A certificate of recognition is given in conjunction with all awards.

IV. Eligibility

A. OVERVIEW

1. Any suggestion of benefit to the University that is useful, practical and constructive is eligible for review by the Employee Suggestion Program (ESP). However, there are some suggestions that are not eligible for consideration and some cases in which a suggestion is not eligible for an award. The criteria to be used in making eligibility determinations are outlined in the following sections.

2. ER conducts a suggestion eligibility screening upon receipt of the suggestion. ER is the final authority regarding the person making the suggestion and suggestion eligibility.

B. SUGGESTION ELIGIBILITY

1. A valid suggestion must concisely identify a problem or an area in which productivity or efficiency can be improved. It must propose a viable solution and sufficient documentation of anticipated benefits. It must also be written legibly and submitted on an ESP Suggestion Form.

A good suggestion will do one or more of the following:

Improve methods, accounting practices, housekeeping, quality of products, office procedures, protection of property, or employee morale
Reduce cost of materials or services, safety hazards, waste or maintenance
Eliminate spoilage, duplication, breakage, wasted effort, or bottlenecks
Increase service delivery, production of materials, or the amount of work produced generally
Increase revenue
Combine operations, methods, procedures, or official forms
Conserve time, material, equipment or natural resources
Invent equipment, methods of operations, or products

2. All valid suggestions will be considered even if the person making the suggestion is later determined to be ineligible for an award.

3. The active life of a valid suggestion shall be one (1) year from receipt by the ER office, or until final disposition of the suggestion if longer than one year. This is intended to protect the original person making the suggestion’s interest in the suggestion. Thus, the already submitted suggestion takes precedence over any subsequent duplicate suggestions (see IV.D.4).

4. To be eligible for an award, a suggestion must result in activity on the part of management that is directly related to the suggestion.

5. Some suggestions which cannot be considered include suggestions which:
   a. Concern administrative planning and research when submitted by employees whose normal duties include making suggestions or who are expected, as part of their jobs, to have ideas for improvement.
   b. Relate to a particular problem given to an employee to solve within the scope of his/her duties and responsibilities
   c. Constitute a personal grievance or complaint
   d. Request a change in salary or position
   e. Do not include a solution in salary or position
   f. Are the result of assigned or contracted audits, studies, surveys, reviews or research
   g. Concern proposals that management can document as already under consideration
   h. Duplicate another suggestion for which an award previously has been granted

C. EMPLOYEE ELIGIBILITY

1. All regular employees of the University of Louisville are eligible to submit ideas to ESP. Administrators are excluded.

2. A supervisory employee may receive an award for a suggestion only if the suggestion requires approval of a higher level of authority to implement, or if the suggestion applies to units beyond his or her area of responsibility.

3. An employee whose primary duties are research, planning, investigation, management analysis, or evaluation may receive an award for a suggestion only if the suggestion is clearly unrelated to the employee’s primary duties or responsibilities.
D. ELIGIBILITY DETERMINATION

1. ER is responsible for final determination of the eligibility of employees and suggestions. The evaluating department will provide ER with a recommendation in each instance.

2. Employees are not eligible to participate in the evaluation of, or decision to, adopt their own suggestion.

3. If duplicate suggestions are received on the same day, the persons making the suggestion will share any award. If duplicate suggestions are received on different days, only the one received first by ER is eligible for review.

4. In the event that a suggestion is approved for implementation before discovering that it is substantially similar to another suggestion classified as active, ER will conduct a review which will:
   a. Determine whether the second suggestion is in fact a duplicate
   b. Determine which suggestion was most responsible for causing management to make the suggested improvement
   c. Recommend the suggestion responsible for improvements for an award
   d. Recommend a shared award where evidence does not clearly indicate which suggestion prompted improvements

V. Types of Awards

A. OVERVIEW

1. Awards will be given to eligible employees whose ideas are adopted and implemented by the University. All award winners will be awarded a certificate of recognition by the ER office. All awards require prior approval of ER.

2. Eligible employees may receive cash awards for suggestions that result in measurable dollar savings or increased revenue.

3. An award of one to three days paid leave may be made for suggestions that result in significantly improved processes, programs, or safety for which the benefits are non-quantifiable. An employee may elect to receive $50 per day in lieu of leave.

4. Special awards, subject to approval by the President, may be given for suggestions determined to have extraordinary impact.

B. CASH AWARDS

1. When an adopted suggestion results in tangible benefits to the University, funds for cash payments will come from dollar savings and/or revenue generated by the suggestion. The University will be responsible for making the cash payment and, if necessary, retrieving funds from the appropriate source. If savings are greater or less than the original estimate, the award will be adjusted accordingly.

2. The amount of money awarded for a suggestion shall be as indicated below:

<table>
<thead>
<tr>
<th>Amount of Net Annual Savings</th>
<th>Cash Award</th>
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</thead>
<tbody>
<tr>
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</tbody>
</table>

6
$50,000 or more | 10% + 1% of amount over $50,000
$501 to $49,999 | 10% $101 to $500 10% or 1 day of leave (employee’s option)
$100 or less | No cash award will be made

3. ER will be responsible for the payment of cash awards when the awards become due, and may elect to pay in one of the following ways:

a. The cash award may be paid to the person making the suggestion in a single lump sum payment after the suggestion has been in effect for twelve (12) months.

b. A lump sum may be paid at any time prior to twelve (12) months provided that the full impact of the suggestion has been realized.

c. A partial payment may be granted to the person making the suggestion at the discretion of the implementing department with approval of ER. The remainder of the cash award will be paid in a lump sum payment when total savings are documented.

4. The amount of award for a suggestion made by a group of employees will be divided equally among eligible employees in the group.

C. INTANGIBLE AWARDS

1. When an adopted suggestion results in intangible (non-quantifiable) benefits to the University, days of paid leave shall be awarded based on the calculated impact or value of the suggestion. An employee may elect to receive $50 per day in lieu of leave.

2. In determining the intangible value of a suggestion, points shall be assigned in each of the following categories: degree of improvement, extent of application, cost of adoption, effort on the part of the person making the suggestion, and completeness of the proposal.

EVALUATION CRITERIA FOR SUGGESTIONS YIELDING INTANGIBLE BENEFITS

1. Degree of improvement in operations, forms, facilities, or equipment
   None, 0 points; Minor 5 points; Moderate, 15 points; Major, 20 points

2. Degree of improvement in employee relations, working conditions, safety, service to the public, or public attitude
   None, 0 points; Minor, 5 points; Moderate, 15 points; Major, 20 points

   a. Extent of application:

   Single operation facility/office 0 points

   Multiple operation facilities/offices 5 points
Majority of the employees facilities several divisions 15 points
University-wide 20 points

b. Completeness of proposal:

Not completely or clearly presented or required 0 points considerable clarification
Basic facts sound, needs some refining 5 points
Facts clearly presented, little effort required to put idea into effect 15 points
Facts clearly presented, no further effort required to put idea into effect 20 points

c. Effort involved:

No research involved 0 points
Average substantiation 5 points
Considerable personal research 15 points

d. Cost of Adoption:

Large 0 points
Moderate 5 points
Small 10 points

3. Once the total point value of a suggestion is calculated, the following scale is used to determine the award:

<table>
<thead>
<tr>
<th>Points</th>
<th>Days of Leave</th>
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</thead>
<tbody>
<tr>
<td>71 - 105</td>
<td>3 days</td>
</tr>
</tbody>
</table>
4. Any leave awarded for a suggestion made by a group of employees will be divided equally among the group.

5. If leave is awarded for duplicate suggestions that are received by the ER office on the same day, the amount will be divided equally between the persons making the suggestion.

6. All leave awarded shall be in addition to regular leave earnings and shall be treated the same as compensatory leave (or in the case of a P&A employee, annual leave). Such leave may be included in terminal leave payments provided that the established maximum limits are not exceeded. Faculty and temporary employees are not eligible for leave, so $50 cash per day will be paid in lieu of leave.

D. SPECIAL AWARDS

1. The President may authorize awards that exceed the limits on cash or leave amounts for suggestions determined to have extraordinary impact.

2. Special awards may be designed as incentives for increased employee participation in the suggestion program.

3. All requests for special awards are to be directed to the Employee Relations office by the department head of the person making the suggestion for review and possible submission to the President for approval.

VI. Additional Policies

A. EMPLOYEE PROTECTION

1. Employee Status

An employee's rights to an award will be established based on employment status at the time the suggestion is received by the ER office, and will be protected for one year from the date of receipt or until date of final disposition if longer than one year.

2. Former Employees

Former regular University employees will remain eligible for an award if the University uses the suggestion within one year from the date of receipt by ER or until the date of final disposition if longer than one year.

3. Retain Eligibility
If a suggestion is not adopted for reasons other than ineligibility, it will be active for one year from the date of receipt by the ER or until the date of final disposition if longer than one year. To retain eligibility, the employee must resubmit the suggestion prior to the expiration of the one-year eligibility period.

4. Discrimination

The program prohibits discrimination based on race, color, religion, sex, age, national origin, disability, sexual orientation or political affiliation in all aspects of personnel management and employment practices, including, but not limited to, compensation and other terms, conditions or privileges of employment.

5. Taxes

State and Federal tax laws require the withholding of state and federal taxes from awards. For further information, please contact the Payroll Department.

B. UNIVERSITY PROTECTION

1. Policy Changes

When the policies, structures, or systems that affect the management of the ESP are changed, notice will be sent to each department head.

2. Claims Against the University

The use of employee suggestions by the University shall not be the basis of further claims of any kind by the person making the suggestion, his or her heirs or assigns.

3. Termination Rights

The University retains the right to terminate the ESP without notice at any time.

4. Use of Ideas

When a suggestion is submitted to and accepted by ER, the person making the suggestion agrees that the University shall have the right to make full use of the suggestion. This right to use the suggestion shall not in any way be abridged or limited by copyrights or patents.

5. Final Decision

The decisions of the Employee Suggestion Program Committee are final and binding. This includes all questions of policy, procedures, entitlement to an award, and the nature and amount, if any, of such award.

6. Federal or Local Funds

The University will pay cash awards only when actual savings are realized. In those situations where federal regulations or local fund restrictions prohibit payment of awards from savings, cash payments will not be made. However, the University will work with all funding sources to ensure that award payments under the ESP may be made.

7. Copyrights and Patents

Refer to the University Patent Policy.

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