



Agenda Report

July 14, 2016

TO: Rose Bowl Operating Company (RBOC)
FROM: Darryl Dunn, General Manager
SUBJECT: Organizational Bonus Plan 2016

RECOMMENDATION:

It is recommended that the RBOC Board of Directors authorize the General Manager to distribute up to 6% of total full time RBOC staff salaries as Organizational Bonus Plan compensation for 2016 (January 1, 2016 – December 30, 2016), and authorize the General Manager to set commission rates or bonuses for select positions.

BACKGROUND:

The RBOC has had a Bonus Plan policy for RBOC employees since 2006. The purpose of this policy was to reward employees for outstanding performance both individually and as a team. Historically, the total amount allocated for the Plan has been 6% of total salaries which currently amounts to an allocation of up to approximately \$82,000.

At this time the General Manager recommends that the criteria for determining the distribution be changed to a team based bonus plan for staff. The purpose of the change in methodology is in keeping with the theory that emphasizing team results and team rewards provides for excellent team work, dedication and a high standard of work product by the staff. In addition, all full-time employees should be rewarded for being part of a successful year.

The overall distribution would remain consistent with past years, whereby staff typically receives up to 6% of its base pay. The fiscal criteria of “success” will be based on the financial results of the organization based on the original budget approved by the RBOC (essentially the net revenue) being attained (if the fiscal success is not attained then there shall not be a bonus provided). In previous years the team allocation was one third of the bonus amount with the balance being based on individual criteria established. It also should be noted that the bonus amount will not be part of employees’ base salaries and by having the bonus plan being more team based this will provide clarity that bonuses are not part of future benefit earnings.

The General Manager would distribute the Bonus Pay to full time employees, other than himself (GM compensation is not included in total salaries for the purpose of the bonus plan calculation.) In order for a staff member to be eligible for the bonus, the staff member must receive a minimum of a satisfactory evaluation.

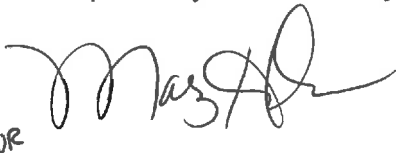
In addition, certain positions within the organization appropriately fit within a commission structure of base compensation, as a satisfactory evaluation is dependent on the employee's ability to bring in revenue/events. Likewise, depending on unique circumstances at the time, a position may merit individual bonus consideration. The General Manager would evaluate the commission structure and apply it in his discretion in order to achieve the highest and best revenue/event schedule for the organization, and likewise would evaluate whether unique circumstances warrant bonus consideration for an individual position.

Direct competitors of the Rose Bowl Stadium differ in their application of a bonus plan for employees. The Angels, Dodgers, Staples Center, Honda Center all have discretionary bonus programs (Upper Management) in place.

FISCAL IMPACT:

Within the operating budget for fy 16 sufficient funds have been allocated for this Bonus Plan compensation.

Respectfully submitted by:

for 

Darryl Dunn, General Manager