

EMPLOYEE REFERRAL BONUS PROGRAM

The Employee Referral Bonus Program authorizes the CAO or designee to authorize payment of up to \$2000 to current, regular County employees who refer a successful candidate hired into a 'difficult to fill' position. The Employee Referral Bonus Program is open to all eligible employees, and is applicable to any position deemed eligible for the Bonus Referral by the Department Head. The Referral Bonus is treated as income according to the applicable rules of taxation and withholding.

The Referral Bonus is paid in the referring employee's paycheck as follows:

- 50% after the referred successful candidate completes his/her first pay period
- 50% at the completion of the referred successful candidate's first calendar year of service

ELIGIBLE EMPLOYEES

- Any current permanent or seasonal employee is eligible to participate in the Employee Referral Bonus program, with the exception of the County Administrative Office staff, Departmental Human Resources staff, Department Heads, Hiring Managers, the Board of Supervisors, and any staff with direct involvement in the pre-employment exam and selection process for an eligible classification.
- For the purposes of this program, "referring employee" means a current permanent or seasonal employee with the County of Monterey.

PAYMENT OF THE REFERRAL BONUS

- For purposes of this program, a "referred successful candidate" is defined as a person hired as a full-time or part-time permanent or seasonal employee who has not been employed in the same classification with the County of Monterey within the last two years. (The CAO may waive this time limit for extenuating circumstances upon the request and justification of the Department Head.) The amount of the Referral Bonus will be up to a total of \$2000.00 as determined by the Department Head.
- When the referred successful candidate is hired, one-half of the bonus will be paid to the referring employee as taxable income. The remaining balance will be paid to the referring employee at the completion of the referred successful candidate's first year of service, providing that both the referring employee and the referred successful candidate are still active employees and the referred successful candidate has met satisfactory performance and attendance requirements.
- Referring employees shall be designated by the applicant by submitting a completed "Referral by County Employee" Form at the time of application.
- In the event that more than one County employee is designated as a referring employee and the referred successful candidate, the Referral Bonus will be equally apportioned among the employees making the referral.

DESIGNATION OF POSITIONS AS “DIFFICULT TO FILL”

The following factors are considered in recommending the designation of a position as “Difficult-To-Fill”:

DEMOGRAPHIC:

- Candidates with the competencies needed for this position are typically difficult to find in the local recruitment area.
- Local educational institutions do not specialize in this particular profession or technical field; as so limit the number of qualified applicants.
- Other large employers in the geographical area are actively competing for similar, highly sought after competencies.

ECONOMIC:

- Candidates with the level of knowledge, skills and abilities required to fill the vacancy may be deterred by economic factors such as: housing prices, cost of goods and services, availability of those services, and current lifestyle affordability.

SOCIOLOGICAL:

- Candidates with the level of competencies and experience required for this position are reluctant to relocate due to their involvement and establishment in their communities or professional organizations.

CONDITION OF CURRENT LABOR MARKET:

- Due to various factors adversely affecting the current labor market, the particular skill required to fill the vacancy is scarce.

POSITIONS THAT ARE DIFFICULT FOR THE COUNTY TO STAFF

- Recruitments for classifications that have been repeated with no success, have a known history of being difficult to recruit for, or to which are difficult to attract qualified candidates.

DESIGNATING POSITIONS AS ELIGIBLE FOR THE REFERRAL BONUS

The Employee Referral Bonus is one tool that is used in conjunction with other recruitment sources to fill a job vacancy for positions that are designated by the department head as “Difficult to Fill”. This guide is provided to assist Departments in deciding the feasibility of offering a Referral Bonus to eligible employees.

The hiring department should consider if the following factors exist:

- Participation of County employees in the recruitment process would enhance existing advertising and recruitment methods
- The Referral Bonus is a cost-effective way to expand the qualified applicant pool.
- There is a need to fill the vacancy expeditiously and assistance from County employees in identifying and encouraging applicants would help recruitment efforts.
- Employees would respond positively to the incentive offered and take an active role in assisting the referred successful candidate in assimilating into the organization.
- County employees would assist in identifying new qualified candidates to the County.

ESTABLISHING A CRITERIA FOR VARIABLE REFERRAL BONUS AMOUNTS

Once a class/position has been designated as eligible for the Employee Referral Bonus Program and a maximum bonus amount authorized, the Department Head may choose to pay eligible County employees different referral amounts based on criteria including the potential increase in employee morale, difficulty in filling the position and how long the position has been vacant, and applicable experience level of the new employee. If a Department chooses to pay different bonus amounts, it is imperative that the Department Head, Department Personnel Analyst and Hiring Manager develop and document the criteria for the referral bonus amounts to be paid.

PROCEDURES

DESIGNATING A CLASS/POSITION AS ELIGIBLE FOR THE REFERRAL BONUS

1. Hiring Manager submits a completed “Request to Participate in Employee Referral Bonus Program” Form (form A.49.2.a) to the Department Personnel Analyst indicating the following:
 - Class (and particular position/assignment, if request is restricted to certain positions/assignments within the class) requested for referral bonus
 - Indicates reasons the recruitment is eligible to participate in the Employee Referral Bonus Program.
 - Maximum amount of Referral bonus (up to \$2000).
 - Explanation of factors used to justify recommendation to designate class/position as “Difficult to Fill” and offer the bonus amount in the form of a brief narrative.
2. Department Personnel Analyst reviews “Request to Participate in Employee Referral Bonus Program” Form, verifies class title and, signs acknowledging review, and submits to the Department Head or designee.
3. Department Head or designee reviews “Request to Participate in Employee Referral Bonus Program” Form, signs acknowledging approval/denial of class/position and bonus amount,
4. Department Head routes “Request to Participate in Employee Referral Bonus Program” form to both the Department Personnel Analyst and the Hiring Manager.

ADMINISTRATIVE PROCEDURE

A.49.2 (d)

5. Department Personnel Analyst includes information regarding “Referral by County Employee” Form (form A.49.2.b) in application materials and notifies County employees of Referral Bonus being offered.

AWARDING THE EMPLOYMENT REFERRAL BONUS

1. Upon the referred successful candidate completing his/her first pay period the Department Personnel Analyst submits the signed “Referral by County Employee” Form and a copy of the “Request to Participate in Employee Referral Bonus Program” form (with any changes, if a lesser bonus amount is applicable), to the Departmental Payroll Coordinator for preparation of a Employment Referral Bonus Worksheet.
2. The Departmental Payroll Coordinator verifies that:
 - The referring employee is a current permanent or seasonal employee with the County of Monterey and is an eligible employee for the Referral Bonus.
 - The referred successful candidate has not been employed in the same classification with the County of Monterey within the last two years. .
3. The Departmental Payroll Coordinator completes a “Referral Bonus Payment Worksheet” (form A.49.2.b) authorizing payment of the first 50% of the referral bonus and submits it to the Auditor-Controller’s Office for processing.
4. Upon completion of the first calendar year of employment of the referred successful candidate, the Departmental Payroll Coordinator verifies that:
 - The referring employee is a current permanent or seasonal employee with the County of Monterey and is an eligible employee for the Referral Bonus.
 - The referred successful candidate is still employed in a permanent position with the County
5. The Departmental Payroll Coordinator completes a “Referral Bonus Payment Worksheet” form authorizing payment of the final 50% of the referral bonus and submits it to the Auditor-Controller’s Office for processing.