

CITY OF HEALDSBURG ADMINISTRATIVE DIRECTIVE

SUBJECT: RECRUITMENT AND
RETENTION INCENTIVES

NUMBER: ADMIN- 104.1

EFFECTIVE DATE: JANUARY 1, 2012

COUNCIL ADOPTION:

AMENDS/SUPERSEDES:

APPROVED: 
MARJIE FETTUS, CITY MANAGER

POLICY ON RECRUITMENT AND RETENTION INCENTIVES

Subject: Incentives for the recruitment and retention of qualified job candidates and existing employees.

Purpose: To assist in the recruitment, appointment and retention of qualified candidates for authorized full time positions.

General Policy: This policy shall provide the City Manager with additional tools to attract and retain highly qualified, performance-oriented candidates for specific job classifications deemed "difficult to recruit."

Definition:

"Difficult to recruit" shall mean job classifications that are highly competitive in the labor market due to specialized skills and/or certifications, and/or those classes in which there is a high turnover that significantly complicates the City's efforts to retain staff to provide public service.

Provisions:

The City Manager shall have authority to:

- a. Designate specific classifications as "difficult to recruit;"
- b. Approve classifications to receive recruitment incentives during active recruitments; and
- c. Approve classifications eligible to receive retention incentives.

The City Manager shall determine the applicability and duration of the incentives for each classification. Such determination shall not be subject to any review or appeal.

Classifications designated as "difficult to recruit" shall be placed on a list to be maintained by Human Resources. The City Manager may add or delete classifications based on organizational need. The City Manager may also suspend this program should such incentives no longer be required or appropriate.

The City Manager shall have authority to grant incentives not to exceed \$5,000 in total value to any one candidate.

The City Manager shall exercise final authority regarding interpretation of program policies and eligibility for incentive payments consistent with intent of this program.

Applicability of Incentives

Recruitment and retention incentives may be applied under any of the following circumstances:

- a. Two recruitments utilizing standard advertising in local newspapers and on the City's website fail to generate a minimum of five qualified applicants;
- b. Advertising in trade journals, specialty publications and/or direct mail solicitations for two consecutive recruitments fails to generate a minimum of five qualified applicants;
- c. The job market is more competitive due to a shortage of qualified applicants in certain classifications;
- d. Technical expertise, certifications, licensing and/or advanced educational requirements limit the pool of qualified applicants;
- e. An existing employee has a legitimate and verifiable offer of employment with another agency, public or private.

Recruitment Cash Incentive

An employee hired into a full time position in a classification designated as "difficult to recruit" may receive a cash recruitment incentive in accordance with the following:

- a. An employee hired into an eligible classification shall receive an amount not to exceed one thousand five hundred dollars (\$1,500.00) upon hire. An additional incentive payment not to exceed three thousand five hundred dollars (\$3,500.00) shall be paid to the employee upon completion of one year of full time service (2,080 hours) in the classification for which the incentive was granted. Each incentive payment shall be considered taxable income and subject to withholding.
- b. No incentive shall be paid to any candidate whose name was placed on an eligibility list for a position prior to the City Manager's determination that a classification is "difficult to recruit." Similarly, no incentive shall be paid for any candidate whose name was placed on an eligible list for a position after classification is no longer deemed difficult to recruit.
- c. The incentive payment shall not be considered in determining regular rate of pay for purposes of computing overtime compensation; nor shall it be considered earnable compensation for purposes of retirement.

Recruitment Accrual Incentive

An employee hired into a full time position in a classification designated as "difficult to recruit" may receive an accrual recruitment incentive in accordance with the following:

- a. An employee hired into an incentive-eligible position shall receive an immediate sick leave accrual balance not to exceed ninety-six (96) hours.
- b. An employee hired into an incentive-eligible position shall receive an immediate vacation accrual balance not to exceed the equivalent of the new employee's annual accrual rate for vacation earned at the time of separation of employment with the prior employer.

- c. Human Resources personnel shall have authority to verify vacation accruals with the employee's prior employer.
- d. Accruals applied to an employee's bank as part of this incentive program shall not have any cash value and are not subject to payout upon an employee's voluntary separation within five (5) years from the date of employment.

Combination Cash and Accrual Recruitment Incentives

Upon approval by the City Manager, an employee hired into a full time incentive-eligible position may receive a combination of recruitment incentives. The combined value of the incentives awarded shall not exceed \$5,000.

Retention Cash Incentive

Existing full time employees working in a classification designated as "difficult to recruit" may receive retention incentives in accordance with the following:

- a. Upon verification of a legitimate offer of employment elsewhere, an employee shall receive a cash retention bonus not to exceed five thousand dollars (\$5,000) in exchange for continued employment with the City of Healdsburg. The employee shall receive an amount not to exceed one thousand five hundred dollars (\$1,500.00) upon agreement to retain employment with the City. An additional incentive payment not to exceed three thousand five hundred dollars (\$3,500.00) shall be paid to the employee upon completion of one year of full time service (2080 hours). The retention payment shall be considered taxable income and subject to withholding.
- b. The retention bonus shall not be considered in determining regular rate of pay for purposes of computing overtime compensation; nor shall it be considered earnable compensation for purposes of retirement.
- c. The retention bonus shall not be counted when consideration is given to financial caps, salary steps or payments associated with the pay for performance plan.
- d. Human Resources personnel shall have authority to verify employment offers prior to the payment of any retention bonus.
- e. The City Manager may, with City Council approval, negotiate additional and/or separate retention incentives for Management and Mid-Management employees.

Finder's Fee

A \$500 finder's fee shall be paid to a City of Healdsburg employee who has referred a candidate not currently employed by the City of Healdsburg for employment into a "difficult to recruit" classification. Payments for such referrals shall be made only after the referred candidate is hired and has successfully