



**GENERAL INFORMATION GUIDE**

# **Hiring Bonus Program**

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Government of the District of Columbia

# GENERAL INFORMATION GUIDE

## HIRING BONUS PROGRAM

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## **HIRING BONUS PROGRAM**

This General Information Guide contains basic information about the **Hiring Bonus** provisions in section 1143 of Chapter 11 of the D.C. personnel regulations, Classification and Compensation.

### **HIRING BONUS DEFINITION**

- A hiring bonus is a **one-time supplemental payment** provided to an individual “newly hired” by an agency to a position determined by the Director, D.C. Department of Human Resources (DCHR), to have a **significant recruitment and retention problem**.

[For the purposes of the Hiring Bonus Program, the phrase “newly hired” refers to an individual’s **initial (first) appointment** with the District government, or **reappointment after a break in service of more than 3 years**. An employee who moves from one District government agency to another without a break in service will not be considered “newly hired” by the agency he/she moves to and, for that reason, will not be eligible to receive a hiring bonus with that agency.]

### **COVERED POSITIONS**

- A hiring bonus may be paid to any individual newly hired in an agency under the personnel authority of the Mayor to a position in the Career, Legal, Excepted, or Management Supervisory Service for which there is a **significant recruitment problem**.

### **EXCLUSIONS**

- A hiring bonus will not be provided when:
  1. The employee is assigned a regularly scheduled tour of duty of less than 40 hours per biweekly pay period;
  2. The employee works on an **intermittent basis**;
  3. **The employee is serving under an appointment that** is not permanent, term or **indefinite**; and
  4. The newly hired employee was **formerly employed** by the agency and separated within 3 years of the effective date of the reappointment or appointment, as appropriate.



## **SIGNIFICANT RECRUITMENT AND RETENTION PROBLEM DEFINED**

- A significant recruitment and retention problem for a position or categories of positions exists when:
  1. An agency is **unable to recruit and retain** sufficient numbers of qualified employees for the position or categories of positions;
  2. The qualification requirements for the vacant position(s) **do not exceed** the qualifications that are actually necessary for successful performance of the work of the position(s);
  3. The agency has made **efforts to recruit or retain** qualified candidates and employees for the position(s), as documented by the number of vacancy announcements the agency tried to fill compared to the number of hires and offers made, etc.; and
  4. A **sufficient number of qualified candidates is not available** to fill the existing vacancies for the positions at a rate of pay the agency is able to offer in the absence of a hiring bonus (or an additional income allowance, or both).

## **RECRUITMENT AND RETENTION DETERMINATIONS**

- The Director, DCHR, may authorize the payment of a hiring bonus by an agency under the personnel authority of the Mayor, when he or she determines that the agency is experiencing **significant difficulty in recruiting qualified applicants for a specific position or category of positions.**

## **ELIGIBILITY PERIOD**

- An agency may require that an employee being granted a hiring bonus complete an **eligibility period** before actual payment of the bonus. The eligibility period would begin on the employee's entrance-on-duty date, would have to be completed before the bonus is paid, and time in a non-paid status would not count toward completion of the eligibility period. Eligibility periods of not less than **30 days** and not more than **90 days** are recommended.

## **AMOUNT OF THE HIRING BONUS**

- The amount of a hiring bonus will be the **minimum amount necessary** to address the recruitment and retention problem identified.

- A hiring bonus shall not exceed **15%** of the maximum rate payable for the grade of the position or categories of positions in question.

### **SERVICE AGREEMENT**

- Before receiving a hiring bonus, the employee must enter into a **service agreement** with the employing agency (see Attachment).
- The period allowed for the agreement is 1 year, but not more than 2 years.

### **REQUEST FOR AUTHORIZATION OF HIRING BONUS AND APPROVAL OF SERVICE AGREEMENT**

- An agency may not enter into any service agreement for a hiring bonus until the **agency's request for authorization** to pay the bonus is submitted to and approved by the Director, DCHR (see Attachment).
- When an agency believes that a hiring bonus is needed, the agency must request authorization from the Director, DCHR, for the hiring bonus. The request must include all of the following:
  1. The **position or categories of positions** for which there is a significant recruitment and retention problem;
  2. A **justification** supporting the determination that a recruitment or retention problem exists for each position or categories of positions; and
  3. The **amount** of the hiring bonus recommended for the position or categories of positions.
- An agency head may also request the Director, DCHR, to **discontinue or revise** an approved hiring bonus.

### **OFFER OF HIRING BONUS**

- The offer of payment of a hiring bonus is at the discretion of the employing agency and subject to the approval of the Director, DCHR. Failure by an agency to offer a hiring bonus to an applicant or newly hired employee is not grievable or appealable.
- Official offers for payment of a hiring bonus are to be made only by the DCHR. An offer made by any other entity or person is invalid and not binding.



## **PAYMENT OF HIRING BONUS**

- A hiring bonus is paid in addition to basic pay and will not constitute an increase to the employee's basic pay or rate of basic pay.
- A bonus **is not** considered basic pay for any purpose and, for that reason, cannot be used to compute retirement or other benefits.
- A bonus will be paid on a date to be determined by the agency head.

## **TAX WITHHOLDINGS AND OTHER WITHHOLDINGS**

- A hiring bonus will be subject to federal and District of Columbia or state taxes. Therefore, employees participating in the program may be required to file a form W-4, tax withholding statement, and an appropriate District of Columbia or state tax withholding authorization where applicable.
- A hiring bonus will be subject to court ordered garnishments depending upon the specific provisions of the court order.

## **REPAYMENT OF A HIRING BONUS**

- If an employee separates from District government service before the end of the service agreement period, he or she will be required to refund the Hiring Bonus. Repayment will be required under the following conditions:
  1. Removal or reduction in grade for cause;
  2. Resignation (except for inability to return to duty due to injury or illness, or resignation following receipt of a notice of reduction in force);
  3. Retirement (other than for disability or retirement following receipt of a notice of reduction in force);
  4. Change to lower grade at the employee's request;
  5. Separation for failure to comply with the residency requirements; or
  6. Separation during the probationary period.
- Refund of a bonus for any of the reasons listed immediately above will not exceed the amount paid to the employee for a period of 26 weeks, and may be waived in whole or in part under the provisions of Chapter 29 of the D.C. personnel regulations, **Employee Debt Set-Offs**.

- A refund may be waived in whole or in part under the provisions of Chapter 29 of the regulations.

### **QUESTIONS**

- Questions concerning this General Information Guide should be directed to the Compensation and Classification Administration, DCHR, (202) 442-9700.

### **REFERENCES**

- For specific, detailed information on this topic, please refer to the regulations contained in section 1143 (Recruitment and Retention Incentives – Additional Income Allowance and Hiring Bonus) of Chapter 11 of the D.C. Personnel Regulations, Classification and Compensation.

Attachments



**GOVERNMENT OF THE DISTRICT OF COLUMBIA  
D.C. Department of Human Resources**

**AGENCY REQUEST FOR AUTHORIZATION OF HIRING BONUS**

Under the provisions of section 1143 (Recruitment and Retention Incentives – Additional Income Allowance and Hiring Bonus) of Chapter 11 of the D.C. personnel regulations, Classification and Compensation, the amount of a hiring bonus must be the **minimum amount necessary** to address the particular recruitment problem, not to exceed 15% of the maximum rate payable for the grade.

In determining the amount of a hiring bonus, **position criteria** such as the *responsibilities, workload, working conditions and conditions of employment for the position to be encumbered*, may be utilized, as well as **employee criteria** such as the *level of licensure (if applicable to the position(s) in question), quality of experience, and knowledge base of the individual*.

An agency requesting authorization of a hiring bonus must submit a **written justification** for the bonus, including the criteria utilized in assessing the need for the bonus (i.e., position criteria, employee criteria, or both).

Listed below are the percentage and amount authorized for payment of a hiring bonus to (Name of Appointee or Selectee), under a proposed Service Agreement for (specify 1 year or 2 years):

**PERCENTAGE OF HIRING BONUS:** \_\_\_\_%

**AMOUNT OF HIRING BONUS:** \$ \_\_\_\_\_

**AGENCY CERTIFICATION OF PAYMENT OF HIRING BONUS**

**Name of Agency:** \_\_\_\_\_

**Funding Certified By:**

\_\_\_\_\_  
Agency Chief Financial Officer

\_\_\_\_\_  
Date

**Authorized/Approved By:**

\_\_\_\_\_  
Agency Head (or Designee)

\_\_\_\_\_  
Date

**DCHR AUTHORIZATION OF HIRING BONUS**

- ☐ As part of this request for authorization of a hiring bonus, the (Name of Employing Agency) submitted a written justification that meets all of the requirements in section 1143 of the regulations.
- ☐ The justification submitted by the (Name of Employing Agency) does not meet the requirements in section 1143 of the regulations.

The Request for Authorization of Hiring Bonus is: ☐ Approved ☐ Disapproved

\_\_\_\_\_  
Director (or Designee)

\_\_\_\_\_  
Date



**GOVERNMENT OF THE DISTRICT OF COLUMBIA  
D.C. Department of Human Resources**

**HIRING BONUS PROGRAM SERVICE AGREEMENT**

**I. TO BE COMPLETED BY EMPLOYING AGENCY**

Name \_\_\_\_\_  
(Last) (First) (Middle Initial)

Social Security Number \_\_\_\_\_

Organizational Code \_\_\_\_\_

Organizational Title \_\_\_\_\_

Position Title, Series, Grade, Step and Salary \_\_\_\_\_

Type of Appointment: Permanent \_\_\_\_\_ Term \_\_\_\_\_ Indefinite \_\_\_\_\_

Type of Service: Career \_\_\_\_\_ Legal \_\_\_\_\_ Excepted \_\_\_\_\_ Management Supervisory \_\_\_\_\_

Biweekly Tour of Duty: \_\_\_\_\_ Hours

Hiring Bonus Percentage Authorized: \_\_\_\_\_ %

Hiring Bonus Amount Authorized Under This Agreement: \$ \_\_\_\_\_

Eligibility Period (if applicable): \_\_\_\_\_ Days

Length of Service Agreement: \_\_\_\_\_ Year(s)

Effective Date of Agreement: Entrance on Duty (EOD) Date: \_\_\_\_\_

End Date of Agreement (Pay Period Ending): \_\_\_\_\_

**II. TERMS AND CONDITIONS OF SERVICE AGREEMENT**

I, (Name), understand that:

- A. As a condition of accepting payment of the hiring bonus in the amount specified above, I will serve with the (Employing Agency) from the effective date until the ending date specified in this agreement.
- B. If applicable, I must complete the eligibility period as specified in this agreement before the hiring bonus or any portion thereof if applicable, will be paid.

(OVER)

**CONT.**

- C. I will be required to refund the hiring bonus if: I am removed for cause; I resign; I am separated for failure to comply with the residency requirements, if applicable; or I am separated during the probationary period.
- D. This agreement does not in any way commit the (Employing Agency) to continue my employment beyond my scheduled separation.

**III. TO BE COMPLETED BY THE EMPLOYEE**

I have read this service agreement and agree to the terms and conditions specified herein.

**Employee Signature:**

_____	_____
(Typed or Printed Name)	(Signature)
_____	_____
(Title)	(Date)

**IV. TO BE COMPLETED BY AGENCY REPRESENTATIVE**

I certify that the employee named in this service agreement qualifies for a hiring bonus payment as provided in section 1143 of the D.C. personnel regulations, Classification and Compensation.

**Agency Representative:**

_____	_____
(Typed or Printed Name)	(Signature)
_____	_____
(Title)	(Date)