

ATTACHMENT A

NEW HIRE AND PROMOTIONAL INCENTIVES POLICY

(redlined)



Santa Barbara Countywide Policy Manual

Subject/Title:	Number:
New Hire and Promotional Incentives Policy	2.1.20
Responsible Department:	Dept. Reference:
Human Resources	All
Approved by:	
Board of Supervisors	
Original Policy: 4/18/2000	
Revisions:	
3/13/2007; 6/19/2018, 10/17/ 2023, <u>6/4/24 (item A-43)</u>	
Meet and Confer Obligations:	
Yes	
Scope of Application:	
All new employees to the County of Santa Barbara hired into <u>a regular position in</u> -critical, hard-to-fill classifications and current county employees promoted into critical, hard-to-fill positions.	

New Hire and Promotional Incentives Policy

The Board of Supervisors recognizes that the County of Santa Barbara faces significant challenges in attracting, promoting and retaining highly qualified candidates for critical, hard to fill positions, including but not limited to department heads, assistant department heads, emergency responders, nurses, doctors, and other specialized technical/professional positions. "Critical, hard to fill" may be defined by, but not limited to, vacancy rates, lack of available candidates, high rates of turnover, and specialized level of expertise needed.

The following policy is designed to assist the County in its efforts to fill positions by providing new hire recruiting and promotional incentives, and reimbursements. This policy provides a flexible mechanism for attracting quality outside talent to, and creating internal promotional incentives for

critical County positions through discretionary incentives and reimbursements, that can be used for expenses related to relocation, temporary housing, rental/lease, education/student loans, cash incentives, or other expenses approved by the County Executive Officer (CEO), a designee assigned by the CEO in writing, or the Human Resources Director or designee assigned by the HR Director designee in writing. Former employees who are returning to employment within two years of separation may be reinstated as a re-hire and are therefore not eligible for new hire incentives under this policy.

The Human Resources Director or HR Director's assigned designee has discretion to make administrative revisions to the policy. Substantive revisions must be reviewed and approved by the Board of Supervisors.

Section 1 – New Hire Recruiting Incentives:

Prior to opening a recruitment, or upon making a job offer, the Human Resources Director, in consultation with the Department Director, may identify if a position is 1) critical, 2) hard to fill and 3) if so, could the offer could benefit, or be enhanced, through the utilization of the new hire incentives allowed under this section. Incentives, not to exceed the maximum amount described in Section C, will be funded by the hiring department and may be used as a recruiting tool to incentivize candidates to consider and accept County employment. The New Hire Recruiting Incentives are designed as tools to be used in the recruiting process and include, but are not limited to, those described in Section A below:

A. Relocation Costs:

The following applies to candidates who have accepted a job offer and reside outside the County. Newly-hired employees who are relocating may obtain reimbursement for a variety of relocation expenses, as outlined below:

1. **Housing/lodging costs include but are not limited to:**
 - a) Lodging while seeking housing
 - b) Rentals - daily, weekly, monthly including lease/rental expenses and/or agreements
2. **Transportation costs related to relocation:**
 - a) Private car mileage reimbursement in accordance with Internal Revenue Service standard rate
 - b) Airline travel (one round trip)
 - c) Rental car
3. **Meals related to relocation:**
 - a) Per diem while appointee seeks local housing (per diem rates set by the Office of Auditor-Controller)
4. **Moving and storage costs:**

- a. Costs for the ~~appointee~~ new hire to move household goods/furniture or for temporary storage.
- b. The ~~employee~~ new hire is responsible for making their own relocation arrangements.
- c. ~~Employees~~ Newly-hired employees may not claim more than the authorized recruiting incentive as described in Section C ~~below~~.

B. Compelling Business Needs:

Upon recommendation by the Department Head of the hiring department, the County Executive Officer (CEO), a designee assigned by the CEO in writing, or the Human Resources Director or assigned designee, is authorized to approve incentives up to the maximum amount, as described in Section C ~~below~~, for any special or compelling business need that would help the candidate in the decision to accept the job offer.

These can include any or all of the following:

1. Permanent housing offset
2. Student loan offset
3. Cash incentive

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C. Maximum Incentive Allowed

The new hire incentives shall not exceed a total of \$30,000, (except as allowed below)- and can ~~—~~ be structured to meet recruiting and hiring goals that are in the best interest of the County. This includes paying the incentive as a lump sum or structuring the payout in increments over a period of time.

The new hire incentives shall not exceed a total of \$90,000 per appointment for Assistant District Attorney, Assistant Public Defender, Chief Assistant County Counsel, Medical Director-Physician/ Psychiatrist, Public Health Officer, Medical Doctors, Psychiatrists, Staff Physicians, Staff Physicians Supervising, and Veterinarians. ~~and Assistant Department Leader—Attorney/Physician~~ and The new hire incentive shall not exceed \$50,000 per appointment for Health Care Practitioners.

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The HR Director or assigned designee ~~The limits outlined above~~ may ~~be adjusted the limits outlined above~~ by CPI every 5 years starting in 2028, at a percentage rate increase equivalent to the most recently available increase in the October CPI-U for the Los Angeles-Long Beach-Anaheim area, to be effective in the pay period in which October 1 falls of the subsequent payroll year. This adjustment amount shall not be less than 0% or more than 5%.

1. Any employee who separates from regular County of Santa Barbara service prior to the completion of two full years (24 months) of consecutive County employment, except those who fail probation, or for those in safety positions who are unable to pass the academy, shall be required to repay the County for the new hire incentive paid to them. Such payment shall be prorated based on the new employee's months of completed service. The County of Santa Barbara will pursue the collection of the incentive paid through the appropriate channels.

D. Vacation and/or Sick Leave Hours

Commented [NA1]: Removing sick as not part of the program/ hasn't been for a while and correcting the title.

Upon recommendation by the Department Head of the hiring department, the Human Resources Director or designee, is authorized to approve advanced vacation accrual rates subject to usage limitations as outlined in any MOU/Management Resolution.

Section 2 – Promotional Incentive:

When promoting a current employee, a one-time lump sum promotional incentive may be approved by the County Executive Officer (CEO), a designee assigned by the CEO in writing, or the Human Resources Director or assigned designee, upon recommendation of the Department Director, if -the position is 1) critical, 2) hard to fill and 3) the offer could benefit, or be enhanced, through utilization of this incentive. For promotional incentives other special circumstances may be considered, such as movement from a non-leadership job class into a leadership job class that results in significant changes to the employee's pension plan contributions. Promotional Incentives are not to exceed \$10,000 and will be funded by the promoting department.

A portion of the Promotional incentive may be used for repayment of student loans. ~~debt payment as allowed by IRS's Regulations IRS Publication 15-B-2023 and Publication 5137. This includes any tuition reimbursement monies received in the same year. For tax purposes, this benefit is combined with any tuition reimbursement received in the same calendar year and is subject to annual limits set by the IRS. The student loan debt must have been acquired while employed at the County of Santa Barbara and at the class, school or program enabled the employee to achieve the promotion.~~

The incentive will take the form of a non-base building cash incentive and applies to regular and probationary employees. The incentive will not increase the base salary, nor will it impact the retirement benefit.

Any employee who separates from regular County of Santa Barbara service prior to the completion of one full year (12 months) of consecutive County employment, except those who fail probation, or for those in safety positions who are unable to pass the academy, shall be required to repay the County for the promotional incentive paid to them. Such payment shall be prorated based on the new employee's months of completed service. The County of Santa Barbara will pursue the collection of the incentive paid through the appropriate channels.

Section 3 – Taxation and Documentation

4. ~~1.~~ All incentives provided under this policy are subject to Federal and State taxes in accordance with laws and regulations in effect during the calendar year of payment. Under current IRS regulations, the combined value of employer-provided student loan repayment incentives (Promotional Incentives) and tuition reimbursement payments provided under other policies or programs may be excluded from taxable income only up to the annual limit established by the IRS. ~~All incentives are subject to appropriate taxation (except promotional incentive (student loan) that qualifies for non-taxable reimbursement per IRS regulation and is under the threshold in a calendar year)~~
- ~~2.1.~~ ~~The taxation of incentives under this policy is determined in accordance with Federal and State tax laws.~~
- ~~3.2.~~ Original documents are required to substantiate costs incurred, except for lump sum distributions.
- ~~4.3.~~ Payment will be issued by Auditor-Controller Payroll Division upon receipt of approved New Hire and Promotional Incentives Authorization Worksheet and Claim Form(s).

Note: The New Hire Incentive Policy may integrate with other policies, MOUs, and salary resolutions and are subject to compliance with federal, state, and local laws and regulations.