

HUMAN CAPITAL STRATEGY COUNTY OF SANTA BARBARA
HUMAN RESOURCES

New Hire ~~Recruiting Incentives and Reimbursement~~ 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 positions, including but not limited to department heads, assistant department heads, emergency responders, nurses, doctors, and other specialized technical/professional positions.

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 loans, cash incentives, or other expenses approved by the County Executive Officer (CEO), a designee assigned by the CEO in writing, an Assistant County Executive Officer (ACEO) or the Human Resources Director, or his designee.

Section 1 - New Hire Recruiting Incentives ~~and Reimbursement~~ Policy:

Prior to opening a recruitment, or upon making a job offer ~~opening a recruitment~~, a Department Head, in consultation with CEO/HR ~~the Human Resources Director~~, may identify ~~critical recruitments that would if the offer could benefit from offering hiring incentives or be enhanced through the utilization of one of the incentives allowed under this policy.~~ Incentives ~~and reimbursements not to exceed \$20,000 cannot exceed the maximum amount described in Section C,~~ will be funded by the hiring department and may be used as a recruiting tool to incent candidates to consider and accept County employment. The New Hire Recruiting Incentives and Reimbursements are designed as tools to be used in the recruiting process and include, but are not limited to:

~~I. New Hire Recruiting Incentives and Reimbursements are designed as tools to be used in the recruiting process and include, but are not limited to:~~

A. Relocation Expenses ~~Costs~~:

The following applies to candidates who have accepted a job offer and reside outside the County.

1. Housing/lodging expenses include but are not limited to:

- a) Lodging needed while seeking housing**
- b) Rentals - daily, weekly, monthly including lease/rental expenses and/or agreements**

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Incentive and Reimbursement-Promotional Incentives Policy

2. **Transportation costs related to relocation:**

- i.-a) Private car mileage reimbursement in accordance with Internal Revenue Service ~~rates~~ standard rate
- ii.-b) Airline travel (one round trip)
- iii.-c) Rental cars ~~(compact car)~~

3. **Meals related to relocation:**

- a) Per diem while appointee seeks local housing for up to ten (10) days (per diem rates set by the Office of Auditor-Controller).

4. **Moving and Storage expenses:**

5. Moving and storage costs:

- a) Costs for the appointee to move household goods/furniture or for temporary storage.
- b) Newly hired employees relocating to Santa Barbara, Ventura, San Luis Obispo, or Los Angeles County may obtain reimbursement for a variety of relocation expenses as outlined above.
- c) The employee is responsible for making his/her own relocation arrangements
- d) Employees may not claim more than the authorized recruiting incentive.
 - i. ~~Reimbursement for the appointee to move household goods/furniture or for temporary storage~~
- a) ~~Newly hired employees relocating to Santa Barbara, Ventura, San Luis Obispo, or Los Angeles County may obtain reimbursement for a variety of relocation expenses as outlined above.~~
- b) ~~The employee is responsible for making his/her own relocation arrangements and will be reimbursed for approved expenses through the County's established claim process.~~
- c) ~~Employees may not claim or exceed more than the authorized recruiting incentive for reimbursement.~~

B. Compelling Business Needs:

Upon recommendation by the Human Resources Director, the CEO, a designee assigned by the CEO in writing, or an ACEO is authorized to approve 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

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2. Student loan offset

3. Cash incentive

4. Vacation & sick leave pre-accruals

a) Approve vacation and/or sick leave banks equal to the first year's accrual in addition to any MOU/Management Resolution provisions.

b) No portion of the sick leave accrual is payable upon termination.

c) Advanced vacation accrual hours are subject to usage limitations as outlined in MOU/Management Resolution.

~~B. **Permanent Housing Offset:** Newly hired employees may use the amount authorized for a hiring incentive toward the purchase of a home in Santa Barbara, Ventura, San Luis Obispo, Los Angeles counties.~~

~~C. **Student Loan Offset:** Upon the recommendation of the Department Head and concurrence of the Assistant CEO/Human Resources Director, the County Executive Officer may approve payment to offset the cost of accumulated student loans up to \$20,000.~~

~~D. **Cash Recruiting Incentives:** Upon the recommendation by the Department Head and concurrence of the Assistant CEO/Human Resources Director, the County Executive Officer may approve a one time signing bonus up to \$10,000.~~

~~E. **Vacation & Sick Leave Pre-Accruals:** Upon recommendation by the Department Head and concurrence of the Assistant CEO/Human Resources Director, the County Executive Officer may:~~

~~1. Approve vacation and/or sick leave banks equal to the first year's accrual.~~

~~2. Additionally, newly hired employees may be granted credit for their prior years of service towards their annual vacation accrual rate, if that service ended within six months of the date of employment with the County of Santa Barbara.~~

~~3. No portion of the sick leave accrual is payable upon termination.~~

~~F. **Special Needs:** The County Executive Officer is authorized to approve up to \$20,000 in reimbursement for any of the special needs that would assist with attracting qualified applicants to the County of Santa Barbara.~~

II—C. Maximum Incentive ~~Reimbursement~~ Allowed

1. The incentives and reimbursements outlined throughout the policy shall not exceed a total of \$20,000. The ~~County Executive Officer~~ CEO, a designee

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assigned by the CEO in writing, an ACEO –or Human Resources Director designee has the authority to structure recruiting incentives to meet recruiting goals that are in the best interests of the County. This includes paying the incentive as a lump sum or structuring the payout in increments over a period of time.

2. The ~~County Executive Officer~~ CEO shall request Board of Supervisor approval for the incentives and reimbursements that total higher than \$20,000, on either an individual basis, or by types of position or job classification.

3. Any employee who separates from regular County of Santa Barbara service prior to the completion of two full years (24 months) of County employment shall be required to repay the County for the incentive paid to them. Upon recommendation of the Human Resources Director, the CEO has the authority to waive this requirement, based on employee's contribution to the organization or other special circumstances. The County of Santa Barbara will pursue the collection of the incentive paid through the appropriate channels.

~~Any employee who voluntarily resigns or terminates his/her employment with the County of Santa Barbara prior to the completion of two full years of County employment is required to reimburse the cost of expenses incurred on their behalf. The County Executive Officer has the authority to waive this requirement, based on employees' contribution to the organization or other special circumstances.~~

4. The Human Resources Director has the authority to prorate (by months of completed service) the incentive repayment requirement, based on the employee's contribution to the organization or other special circumstances, without approval from the CEO. The County of Santa Barbara will pursue the collection of the incentive paid through the appropriate channels.

~~3.~~

Section 2 – Leadership Class Promotional Incentive.

A one-time lump sum promotional incentive can only be awarded if the promotional salary is not set above the designated control point, (as described in the Management Classification and Salary Plan). Prior or upon making a promotional offer to a current employee promoting to a Leadership Class, a Department Head, in consultation with Human Resources Director, may identify if the offer could benefit, or be enhanced through utilization of this incentive. Incentives are not to exceed \$3,500 and will be funded by the promoting department. The following evaluation criteria should be applied to determine if such an incentive makes sound business sense (including but not limited to):

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1. The new base salary offered is set at the designated control point (as described Management Classification and Salary Plan) of the new range and is still insufficient to incentivize internal applicants.
2. Moving from a non-leadership job class into a leadership job class results in significant changes to the employee's pension plan contributions.
3. The promotion will result in the employee having to commute a significant distance to the new job location (new commuting distance has to exceed 85 miles one-way or 170 mile roundtrip on a daily basis).
4. The position is hard to fill as defined by recruiting and/or promotional difficulty (i.e. lack of internal or external applicants etc.)

The incentive will take the form of a non-base building cash incentive and applies to regular and probationary employees.

If an employee receives this incentive, their base salary cannot exceed the designated control point (as described Management Classification and Salary Plan) of the range into which they are promoted into.

~~III — Claims and Tax Status~~

Section 3 – Taxation and Documentation

1. All incentive amounts paid under this policy are fully taxable for Federal and State purposes and will be paid via Payroll.
2. The taxation of incentives under this policy is determined in accordance with Federal and State tax laws.
- ~~1. Most expenses paid to a new employee for the employee's benefit are compensation and added to the employee's W-2 statement at the end of the year. Federal and State laws require the withholding of payroll taxes for most relocation expenses.~~
- ~~2. The taxability of reimbursements and/or allowances under this policy are determined in accordance with IRS Code Section 2174 and applicable regulations only. The only non-taxable expenses are those directly related to the move or moving/storage of household goods, hotel/motel during the move, and transportation during the move.~~
3. Original documents are required for reimbursement.
4. Payment will be issued by Auditor Controller Payroll Division upon receipt of approved New Hire and Promotional Incentives Authorization Worksheet and Claim Form(s).