

AGENDA ITEM 1 E
Consent Item

MEMORANDUM

DATE: March 5, 2020
TO: El Dorado County Transit Authority
FROM: Maria Harris, Human Resources Manager
SUBJECT: Employee Referral and New Hire Incentive Programs

REQUESTED ACTION:

BY MOTION,

Approve the implementation of the pilot Employee Referral and New Hire Incentive Programs

BACKGROUND

El Dorado County Transit Authority (El Dorado Transit) is continually searching for quality Transit Operators. Transit agencies nationwide have been facing a driver workforce shortage with the decline in unemployment and a general lack of interest in driving career fields. El Dorado Transit has always recruited through traditional resources such as local newspaper publications, social media and El Dorado Transit's website.

On average El Dorado Transit retains roughly one-third of Transit Operator new hires recruited throughout the year from traditional resources. Attracting and maintaining top driving talent requires strategic recruitment initiatives that are sourced and driven to attract qualified individuals.

Staff recognizes these recruiting challenges and has developed a recruitment campaign that purposefully targets the hard to fill position of Transit Operator.

DISCUSSION

Statistics show that new hires recruited through an employee referral are more likely to stay employed longer, are excellent contributors and are more cost-effective recruits. Potential benefits of an employee referral incentive program include better employee engagement and an expanded recruitment pipeline. Likewise, a new hire incentive program encourages retention through the initial employment period, increases motivation and promotes agency loyalty.

In an effort to improve El Dorado Transit's recruitment outcomes and encourage employee retention, staff has developed the pilot Employee Referral and New Hire Incentive Programs.

The attached draft documents provide clear descriptions and guidelines for the program rules and procedures.

If approved, staff will analyze recruitment and retention trends during the first full year of implementation to assess the results and cost effectiveness of the programs. Based on the findings, staff will determine continuation or termination of the program and budget accordingly in the future.

Staff is recommending approval and immediate implementation of the pilot Employee Referral and New Hire Incentive Programs. Program descriptions, rules and distribution of awards guidelines are attached for reference.

FISCAL IMPACT

Funding needed for the incentive programs has been projected based on a modest potential increase over recent Transit Operator hiring and retention levels. The following estimated program expenses are within the adopted current Fiscal Year 2019/20 and proposed Fiscal Year 2020/21 Operating Budgets, respectively.

Projected Fiscal Year 2019/20

Employee Referral Bonus - \$2,000

New Hire Incentive Bonus - \$2,000

Projected Fiscal Year 2020/21

Employee Referral Bonus - \$11,500

New Hire Incentive Bonus - \$11,500

Employee Referral Bonus Program Procedures

Description

El Dorado Transit is always looking for quality employees, and you can help. Research has shown, and our own experience supports, that new hires who come into an agency through employee referrals are excellent contributors, stay with the agency longer and are more cost-effective recruits.

That's where you come in! If you know someone who would be a good addition to El Dorado Transit, you may be awarded a referral bonus of up to \$1,000 in total (less taxes) if you refer a candidate and he or she is hired and completes probation for Regular Transit Operators (RTO) or twelve (12) consecutive months of employment or 940 work hours (whichever is later) for Extra-Help Transit Operators (EHTO).

To be eligible for the referral bonus program, employees must refer candidates to Human Resources under the following rules/conditions:

Program Rules

- All El Dorado Transit employees, except Managers and Supervisors with hiring authority and Human Resources personnel, are eligible for the referral bonus.
- Referral bonuses are only applicable to job recruitments for the Transit Operator Job Classification (Regular and Extra-help).
- Referral bonuses do not apply to re-hires or promotional opportunities. The referral must represent the candidates first contact with El Dorado Transit.
- To be eligible for the referral bonus, an employee must submit a referral to Human Resources with a completed Candidate Referral Form and employment application (resumes optional).
- The referral date should coincide with the date the candidate's application is signed or submitted.
- The referring employee must agree to have his/her name used when the agency contacts the candidate.
- The first employee to refer a candidate will be the only referring employee eligible for payment.
- Only candidates that meet the minimum qualifications for the position will be considered.
- All candidates will be evaluated for employment consistent with the agency's recruiting program and procedures.
- Any disputes or interpretations of the employee referral program will be handled through the Executive Director or his/her designee.
- The referring employee must be employed with El Dorado Transit during the hired candidates first year of employment to receive all payments of the referral program.
- All information regarding the hiring decision will remain strictly confidential.
- El Dorado Transit reserves the right to suspend or discontinue the program, at our discretion, with the understanding that any current participants within the program at that time would be grandfathered in until they have completed the required time frames for distribution of bonuses.

Distribution of Bonus

- Referring employee shall receive \$250.00 the first full pay period following the new hire's original date of hire.
- Referring employee shall receive \$250.00 the first full pay period following the new hire's successful completion of their initial six (6) month probationary period for RTO or six (6) consecutive calendar months or 470 work hours (whichever is later) for EHTO.
- Referring employee shall receive \$500.00 the first full pay period following the new hire's successful completion of their full probationary period which may be the twelfth (12th) or fifteenth (15th) month of employment for RTO or twelve (12) consecutive calendar months or 940 work hours (whichever is later) for EHTO.

Candidate Referral Form

Job Title:	Job Requisition #:
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Candidate's Name: Referral Date:

Referring Employee's Name:

Phone: E-mail:

I have read and understand the referral program rules.

Referring Employee's Signature

Date

Attach the candidate's resume or copy of application and submit this form to Human Resources.

INTERNAL USE ONLY: (Original to Payroll)
To: Payroll
From: Human Resources
Referred Candidates DOH:
Target Date for 1 st award payment: (first full pay period following DOH)
Target Date for 2 nd award payment:
Target Date for final award payment:
Signature & Date of Approval from HR:
Signature & Date of Approval from Executive Director:
Initial of Receipt & Date from Accounting:

New Hire Incentive Bonus Program Procedures

Description

El Dorado Transit offers a hiring incentive bonus to newly hired Transit Operators. New Hires may be awarded a new hire incentive bonus of up to \$1,000 in total (less taxes) upon successful completion of full probationary period for Regular Transit Operators (RTO) or twelve (12) consecutive months of employment or 940 work hours (whichever is later) for Extra-Help Transit Operators (EHTO).

Eligible new hires must complete, sign and date the New Hire Incentive Bonus Form.

Program Rules

- New hire incentive bonuses are only applicable to the Transit Operator Job Classification (Regular and Extra-Help).
- New hire incentive bonus does not apply to re-hires or promotional opportunities.
- To be eligible for the new hire incentive bonus, candidates must meet the minimum qualifications of the Transit Operator job description. Only candidates that meet the minimum qualifications for the position will be considered.
- All new hires will be evaluated for employment consistent with the agency's recruiting program and procedures.
- Any disputes or interpretations of the new hire incentive program will be handled by the Executive Director or his/her designee.
- Employees must remain employed with El Dorado Transit pursuant to terms and conditions required for distribution of payments to receive all awards of the bonus program.
- All information regarding the hiring decision will remain strictly confidential.
- El Dorado Transit reserves the right to suspend or discontinue the program at our discretion, with the understanding that any current participants within the program at that time would be grandfathered in until they have completed the required time frames for distribution of bonuses.

Distribution of Payments:

- Eligible Regular and Extra-help Transit Operator new hires shall receive \$250.00 the first full pay period following their original date of hire.
- Eligible Regular Transit Operator new hires shall receive \$250.00 the first full pay period following successful completion of their initial six (6) month probationary period.
- Eligible Regular Transit Operator new hires shall receive \$500.00 the first full pay period following successful completion of their full probationary period which may be the twelfth (12th) or fifteenth (15th) month of employment.
- Eligible Extra-help Transit Operator new hires shall receive \$250 following six (6) consecutive calendar months of employment or 470 work hours (whichever is later).
- Eligible Extra-help Transit Operator new hires shall receive \$500 following twelve (12) consecutive calendar months of employment or 940 work hours (whichever is later).

New Hire Incentive Bonus Form

Job Class:	Job Requisition #:
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Applicant's Name: _____ Phone: _____

I have read and understand the New Hire Incentive Program rules.

Applicant's Signature Date

How did you hear of this job recruitment (please check one): _____ Newspaper
_____ Craigslist _____ Temp Agency _____ Other (please explain)

If you have been referred by a current employee, please complete the following information:

Current Employees Name:

INTERNAL USE ONLY: (Original to Payroll)
To: Payroll
From: Human Resources
Applicant's DOH:
Target Date for 1 st award payment: _____ (first full pay period following DOH)
Target Date for 2 nd award payment:
Target Date for final award payment:
Signature & Date of Approval from HR:
Signature & Date of Approval from Executive Director:
Initial of Receipt & Date from Accounting: