

AGENDA ITEM 1 E
Consent Item

MEMORANDUM

DATE: August 5, 2021
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 extension of the Employee Referral and New Hire Incentive Programs to include all job classifications excluding management job classifications.

BACKGROUND

March 5, 2020 El Dorado Transit Authority (El Dorado Transit) Board approved the implementation of the Employee Referral and New Hire Incentive Programs.

April 13, 2020 El Dorado Transit began suspending some services in response to ridership losses, program closures and state-wide public health directives due to the COVID-19 health emergency. Additionally, Transit implemented a hiring freeze due the reduction in services and anticipated budgetary constraints.

May 7, 2020 El Dorado Transit Board directed the Executive Director to determine levels of staff attrition for potential reductions in labor force among represented and unrepresented employee groups. The Board also approved a service plan which included additional service reductions effective July 13, 2020.

June 4, 2020 El Dorado Transit Board approved a reduction in staffing levels that included the elimination of the equivalent of eighteen (18) full-time positions including operations and administrative personnel.

In accordance with its labor agreement, the reduction in staff initiated in May 2020 included an effort to achieve maximum voluntary attrition. To that end, El Dorado Transit amended its contract with CalPERS to allow eligible employees the opportunity to retire within a designated time period and receive an additional two (2) years' service credit. As a result, a total of eight (8)

employees chose to voluntarily retire during the period, including four (4) Transit Operators. Between the positions opened due to retirements, service restoration to date, and launch of the new Tahoe route, El Dorado Transit has already restored all the laid off Operators that would accept reinstatement and now has open positions to fill. El Dorado Transit has begun intensive recruiting efforts to fill vacant positions and increase the candidate pool.

DISCUSSION

Transit agencies nationwide are continuing to face workforce shortages due to a variety of factors including enhanced unemployment benefits, on-going health risks due to the COVID-19 pandemic and child-care issues. However, as the state begins to reopen, vaccines are readily available and the end of increased unemployment benefits, there is hope that these factors will drive workers back into the labor market.

The purpose of the Employee Referral and the New Hire Incentive Bonus program approved in March 2020 was to attract and retain potentially qualified candidates for open positions in the Transit Operator classification only. However, El Dorado Transit has experienced challenges more recently in attracting applicants for other open positions within the Operations Department, including Equipment Technician I/II, Custodian, and Maintenance Technician. Application of the incentive programs to all open, frontline positions is expected to attract a larger candidate pool and improve the quality of hire through referral from our existing employment pool.

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.

With the requested action, staff is recommending approval to continue and expand the incentive programs to include all job classifications, excluding management job classifications. Staff will analyze recruitment and retention trends at the end of the 2021/22 fiscal year to assess the results and cost effectiveness of the programs. Draft copies of the updated program rules and procedures are attached for Board review and approval.

FISCAL IMPACT

Funding needed for the incentive programs has been projected based on a modest potential increase over recent hiring and retention levels. The following estimated program expenses are within the adopted Fiscal Year 2021/22 Operating Budget.

Projected Fiscal Year 2021/22

Employee Referral Bonus - \$10,000

New Hire Incentive Bonus - \$10,000

Employee Referral Bonus Program Procedures

Program Description

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.

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 or twelve (12) to fifteen (15) consecutive months of employment for regular employees (RE) or 940 work hours (whichever is later) for Extra-Help (EH) positions.

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 applicable to all job recruitments (Regular and Extra-help) with the exception of management job classifications.
- Referral bonuses do not apply to re-hires or promotional opportunities. The referral must represent the candidate's 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 settled by the Executive Director or his/her designee.
- The referring employee must be employed with El Dorado Transit for the full duration of the hired candidate's 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. If the program is suspended, any current participants at that time will remain eligible to receive bonus distributions for previous referrals until they have completed the required time frames.

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 RE or six (6) consecutive calendar months or 470 work hours (whichever is later) for EH.
- 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 RE or twelve (12) consecutive calendar months or 940 work hours (whichever is later) for EH.

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 eligible newly hired Regular and Extra-Help employees. 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 Employees (RE) or twelve (12) to fifteen (15) consecutive months of employment or 940 work hours (whichever is later) for Extra-Help positions (EH).

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

Program Rules

- New hire incentive bonuses are applicable to all job classifications including Extra-Help with the exception of management job classifications.
- 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 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 settled by the Executive Director or his/her designee.
- Employees must remain employed with El Dorado Transit to receive all awards of the bonus program, pursuant to terms and conditions required for distribution of payments.
- 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. If the program is suspended, any current participants at that time will remain eligible to receive bonus distributions until they have completed the required time frames.

Distribution of Payments:

- Eligible Regular and Extra-help new hires shall receive \$250.00 the first full pay period following their original date of hire.
- Eligible Regular new hires shall receive \$250.00 the first full pay period following successful completion of their initial six (6) month probationary period.
- Eligible Regular 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 new hires shall receive \$250 following six (6) consecutive calendar months of employment or 470 work hours (whichever is later).
- Eligible Extra-help 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: