



**STATE OF HAWAII
DEPARTMENT OF HUMAN RESOURCES
DEVELOPMENT
POLICIES AND PROCEDURES**

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TITLE:

**RECRUITMENT INCENTIVES FOR CIVIL
SERVICE POSITIONS**

APPROVED:

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I. POLICY

Within limits established by the director, appointing authorities may provide a monetary incentive to enhance the recruitment of persons employed or appointed to fill critical-to-fill and labor shortage positions.

II. RATIONALE

Recruitment incentives enhance the ability to fill positions. The need to fill critical-to-fill and labor shortage positions may necessitate recruitment incentives.

III. SCOPE

A. POSITIONS COVERED

This procedure shall apply to:

1. State civil service positions in the executive branch, excluding positions that are exempt from the civil service classification system; and
2. A position whose duration is for one year or more and falls into one of the following categories:
 - a. Labor shortage positions
 - i. Position filled through recruitment above the minimum; or
 - ii. Position on shortage that is on continuous recruitment.
 - b. Critical-to-fill positions
 - i. Departments are allowed to develop guidelines to define critical-to-fill positions for their department.

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- ii. Departments that prefer not to develop guidelines for critical-to-fill positions shall require review and approval by HRD of critical-to-fill positions.

B. ELIGIBLE CANDIDATES

This procedure shall apply to applicants who are appointed from a certified list of eligibles or the direct hire process.

IV. RESPONSIBILITIES

A. HRD shall:

1. Issue policies, standards, and procedural guidelines governing the programs;
2. Establish limits for the incentives, including the maximum amounts and conditions under which recruitment incentives may be granted;
3. Furnish technical advice to agencies in the development and implementation of their departmental recruitment incentives guidelines;
4. Approve/disapprove departmental recruitment incentives guidelines;
5. Approve/disapprove departmental requests when required by this policy and procedure;
6. Audit State agencies for compliance with established policies and procedures; and
7. Evaluate the effectiveness of the program and make adjustments, as necessary.

B. The appointing authority shall:

1. Ensure that statewide policies, procedures, and guidelines issued by HRD are followed;
2. Submit departmental guidelines to HRD for approval if the appointing authority desires to have delegated authority to authorize recruitment incentives.

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3. Submit requests for approval of recruitment incentives to HRD if the appointing authority does not have authority to grant incentives.
4. After required verifications are received from the employee, process payments on a timely basis;
5. Monitor the effectiveness of the incentives and authorize changes or termination, as appropriate;
6. Ensure that programs are executed in a fair and equitable manner within the department;
7. Ensure that there are sufficient funds to pay for the program and that the increased cost is warranted based on anticipated benefits;
8. Maintain accurate records of all individuals receiving a recruitment incentive; and
9. Submit reports to HRD regarding the use of recruitment incentives, if required.

V. PROCEDURE

A. LIMITATIONS

1. Sign On Bonus
 - a. A monetary incentive may be provided to eligible candidates to enhance the recruitment of persons in eligible positions.
 - b. The appointing authority shall request approval from the director of HRD on the maximum amount allowable for the department along with a justification for the recommended amount.
 - c. Sign on bonuses shall be excluded when computing payments for overtime work or other work based upon an employee's pay.
 - d. Sign on bonuses shall not be awarded more than one time to an individual.

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- e. Sign on bonuses shall not be retroactively determined.
2. Travel and Transportation Incentives
 - a. Travel from the continental United States and other countries – A monetary payment may be provided to eligible employees for the payment of airfare and relocation expenses from the continental USA or countries other than the USA, to the State of Hawai'i; or
 - b. Travel from other islands in Hawai'i – A monetary payment may be provided to eligible employees for the payment of airfare and relocation expenses between the islands of Hawai'i, Kauai, Maui, Lanai, Molokai, and Oahu. Incentives shall not be authorized for intra-island movements.
 - c. Employees shall not be eligible to receive incentives for both *subsection a* and *subsection b*, above.
 - d. The appointing authority shall request approval from the director of HRD on the maximum amount allowable for the department along with a justification for the recommended amount.

B. AGREEMENT OF SERVICE

1. An individual who is offered a recruitment incentive must complete an *Agreement of Service* form (See samples provided) that includes:
 - a. The amount of the incentive;
 - b. The beginning date and term of service;
 - c. The payment schedule and criteria, or reimbursement schedule* should the employee not accrue the required creditable service in the position; and
 - d. The signature of the individual and authorized appointing authority.

***Note:** It is strongly recommended that the employee be paid prospectively upon meeting the creditable service requirement rather than upfront at the time of hire. This would avoid the

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necessity of seeking reimbursement in the event the employee terminates prior to accruing the required creditable service.

2. Should an employee be paid upfront but fails to fulfill the term of service in the position, the recruitment incentive shall be returned to the agency on a prorated basis.
3. In the event the employee is terminated from employment for cause as a result of misconduct or for failure to meet performance requirements pursuant to §76-41(b), HRS, the recruitment incentive shall be returned to the agency in full.

C. REQUEST FOR APPROVAL

1. HRD Approval of Recruitment Incentives

If the appointing authority does not have the delegated authority to authorize recruitment incentives, a request shall be made to the director of HRD. The request shall include:

- a. The position or group of positions that are affected and requesting the incentives.
- b. The type of recruitment incentive being requested, e.g., sign on bonus, travel and transportation incentive.
- c. Timeframe for payment and reimbursement, verification of expenses required, specific limitations, e.g., types of expenses allowed, whether expenses are allowed only for the candidate or the entire family, what can be shipped, any requirement applicable to airfare, etc.
- d. How the incentives will be used. For example, whether it will be paid to all eligible employees appointed to the eligible class or group of positions, select authorized positions, or select employees at the discretion of the manager, etc.
- e. Maximum amount and guidelines to determine the amount of the incentives.
- f. Identification of the departmental representative(s) who are authorized to offer and approve the incentives.

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g. When the incentives may be used and determination of conditions, if any, of when the bonus will be applied. For example, in recruitment advertisements, during special recruitment efforts for a specific time period, any time after approval by the appointing authority, at the time of interview, or at the time of hire, etc.

2. Delegated Authority to Approve Recruitment Incentives

a. If the appointing authority desires to have delegated authority to authorize recruitment incentives, the appointing authority shall submit departmental guidelines to HRD for approval.

b. At a minimum, the guidelines should include the items set forth in *HRD Approval of Recruitment Incentives*, above.

c. HRD shall review the guidelines and authorize the request for delegation, as appropriate.

VI. AUTHORITIES AND REFERENCES

§ 76-23.5, Hawai'i Revised Statutes, *Recruitment incentives*

§ 14-1-3 (M), Hawai'i Administrative Rules, *General responsibilities of the director*

VII. ATTACHMENTS

Samples of Agreement of Service Forms