



DEPARTMENT OF THE ARMY
OFFICE OF THE ASSISTANT SECRETARY
MANPOWER AND RESERVE AFFAIRS
111 ARMY PENTAGON
WASHINGTON DC 20310-0111

SAMR-PO

JUL 8 2009

MEMORANDUM FOR SEE DISTRIBUTION

SUBJECT: Policy Guidance on the Referral Bonus Award for Army Civilian Recruitment and Hiring

1. References:

- a. Title 5, United States Code, Section 4503
- b. Title 5, Code of Federal Regulations, Part 451
- c. Office of Personnel Management guidance (currently posted at <http://www.opm.gov/perform/UsingReferralBonuses.asp>)
- d. Department of Defense Civilian Personnel Management Service, Field Advisory Services, Reference Guide: Referral Bonus for Recruitment and Hiring

2. This memorandum provides guidance and authorizes use of the Referral Bonus Award for Army civilian recruitment and hiring. References provide the authority and guidance for agencies to establish a referral bonus program that provides incentives or recognition for those employees who facilitate the agency's hiring initiatives by referring potential new hires to the agency. A referral bonus may be paid after that person is hired by the agency and performs successfully in the job. As with other awards, the Referral Bonus Award is granted at the discretion of management, is not an entitlement, and is subject to the availability of funds.

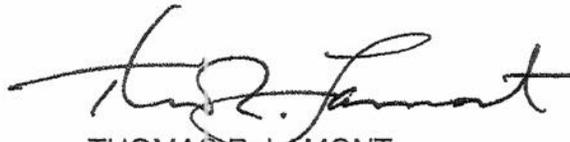
3. The Commanders of Army Commands (ACOMs), the Commanders of the Army Service Component Commands (ASCCs), the Commanders/Superintendent of the Direct Reporting Units (DRUs), and the Administrative Assistant to the Secretary of the Army (AASA) shall establish additional criteria for positions under their purview, within the constraints of the provisions in the enclosed policy guidance. For the purposes of this policy, the Principal Officials of the Headquarters, Department of the Army (HQDA), their staffs and other elements, Field Operating Agencies, Staff Support Agencies and those Direct Reporting Units not covered above (to include the U.S. Army Acquisition Support Center) fall under the purview of the AASA.

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4. The additional established criteria, at a minimum, shall identify the level of approval authority for granting Referral Bonus Awards; the award parameters, to include the amount and type of awards that can be granted; the hard to fill, mission critical occupations for which a Referral Bonus Award is authorized, and the factors required for determining hard to fill positions.

5. To the extent this policy impacts bargaining unit employees' conditions of employment; commands and activities are reminded to fulfill applicable labor relations obligations prior to implementation.



THOMAS R. LAMONT
Assistant Secretary of the Army
(Manpower and Reserve Affairs)

Encl

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SUPERINTENDENT, U.S. MILITARY ACADEMY

CF:

ASSISTANT G-1 FOR CIVILIAN PERSONNEL

DIRECTOR, CIVILIAN HUMAN RESOURCES AGENCY

DEPUTY CHIEF OF STAFF FOR INTELLIGENCE, ATTN: DAMI-CP

ASSISTANT SECRETARY OF THE ARMY (MANPOWER AND RESERVE AFFAIRS),

ATTN: SAMR-PO

GENERAL COUNSEL, ATTN: SAGC

THE JUDGE ADVOCATE GENERAL, ATTN: DAJA-LE

Referral Bonus Awards Policy Guidance

1. Eligibility for Receipt of a Referral Bonus Award

All Department of the Army civilian employees who meet the definition of "employee" in Title 5, United States Code (U.S.C.) Section 2105 may be eligible for a Referral Bonus Award with the exception of:

- a. Employees whose regular, recurring job duties include the recruitment of employees.
- b. Employees who are excluded from the receipt of monetary or time off awards by statute or applicable Department of the Army regulations.
- c. Selecting officials or any other persons associated with the selection of the candidate.
- d. Any of the following relatives of the employee recruited: father, mother, son, daughter, brother, sister, uncle, aunt, first cousin, nephew, niece, husband, wife, father-in-law, mother-in-law, son-in-law, daughter-in-law, brother-in-law, sister-in-law, stepfather, stepmother, stepson, stepdaughter, stepbrother, stepsister, half brother or half sister, and any individual related by blood or affinity whose close association with the employee is the equivalent of a family relationship.
- e. Any other individual when it is determined that there is an appearance of or actual conflict of interest in receiving the award. (The organization that funds the award shall make the conflict of interest determination in writing.)

2. Referral Bonus Award Approval Level

Referral Bonus Awards must be approved by a management official, who is at least one level higher than the selecting official, except that when the commander or organization head is the selecting official, higher level approval of the award is not required.

3. Referral Bonus Award Restrictions

a. The award is restricted to the recruitment for hard-to-fill, mission critical positions and shall only be granted when the organization has encountered difficulty in recruiting high quality candidates after the vacancy has been announced for open competition. The following factors should be considered in determining whether a position is hard-to-fill:

- 1) The success of recent efforts to recruit candidates and retain employees in the same or similar positions.

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- 2) The availability in the labor market of highly qualified candidates.
 - 3) Recent turnover in the same or similar positions.
 - 4) Special qualifications needed for the position.
 - 5) Other unique factors that contribute to the difficulty in filling the position.
- b. The candidate referred must be external to the Department of the Army.
 - c. A Referral Bonus Award may not be approved or paid to the referring employee unless the referred employee has satisfactorily served in the position for 90 calendar days.
 - d. A referring employee may receive no more than five (5) Referral Bonus Awards, in any 12-month period.

4. Notice of Availability of Award

a. Vacancy announcements used to solicit candidates for hard-to-fill, mission critical positions in which a Referral Bonus Award is offered shall include the following statement:

“An authorized management official has determined that this is a hard-to-fill, mission critical position. A Referral Bonus Award in the amount of up to \$_____ and/or ___ hours time off [*identify either dollar amount, hours, or combination of both*] may be awarded to eligible Army employees who refer a candidate external to the Department of the Army, who is subsequently selected for and satisfactorily performs in this position for a minimum period of 90 calendar days.”

b. If such statement is not included in the vacancy announcement, a Referral Bonus Award is not authorized.

c. Employee procedures for requesting consideration for a Referral Bonus Award shall also be provided in the vacancy announcement.

5. Award Parameters

a. The maximum amount of any Referral Bonus Award shall be \$1,000.00 and/or 20 hours time off. The organization with the vacancy will be responsible for funding the Referral Bonus Award. When a management official outside the referring employee's chain of command wishes to grant a time off award, the management official must obtain written concurrence from the referring employee's immediate supervisor before the time off award may be submitted for processing.

b. When determining an award amount, the following factors should be considered:

- 1) fiscal constraints;
- 2) the difficulty of filling the position(s);
- 3) the efforts put forth by the referring employee to recruit the individual;
- 4) costs saved by avoiding certain recruiting expenses; and
- 5) consistency of Referral Bonus Award amounts given under similar circumstances within the organization.

6. Payment

Payment of monetary Referral Bonus Awards shall be made in one lump sum.

7. Processing Instructions

a. The referred candidate must apply for the vacant position in accordance with the applicable requirements of the vacancy announcement.

b. The referring employee must provide the following information in accordance with the instructions contained in the vacancy announcement:

- 1) Name and contact information of the referring employee;
- 2) Name and contact information of the referred candidate; and
- 3) Position title, series, grade, location, and vacancy announcement number of the position to be filled.

c. If a referred candidate is selected, the awarding organization must receive verification from the referred individual to confirm the name of the one employee responsible for their referral to the position. The verification must be obtained prior to approval of the award.

d. The award may not be approved until after the referred employee satisfactorily completes a minimum 90-calendar day period of employment.

e. Time off may not be approved as a Referral Bonus Award without concurrence of the referring employee's immediate supervisor.

f. Once eligibility has been determined and approval authority has been obtained by the organization authorizing payment of the Referral Bonus Award, the appropriate award Request for Personnel Action (RPA) initiated by the organization, will be sent to the servicing Civilian Human Resources Agency (CHRA) processing organization to be

processed. The occupational series of the hard-to-fill, mission critical position to which the candidate was referred must be indicated in the Notes section of the award RPA. In order to maintain an electronic record, the organization shall electronically attach the Referral Bonus Award package to the award RPA prior to sending to the CHRA processing organization.

g. Monetary awards will be processed as cash awards using the Nature of Action Code 848/Referral Bonus. The Notification of Personnel Action (NPA) must include the words "Referral Bonus Award" in the Remarks section, along with the occupational series of the hard-to-fill, mission critical position to which the candidate was referred.

h. Time off awards will be processed using the Nature of Action Code 846/Individual Time Off Award. The NPA must include the words "Referral Bonus Award" in the Remarks section, along with the occupational series of the hard-to-fill, mission critical position to which the candidate was referred.

8. Monitoring

Commanders of the ACOMs, Commanders of ASCCs, Commanders of DRUs, and the AASA are responsible for monitoring and assessing the usage and type of Referral Bonus Awards granted within their commands.

9. Reports

Beginning in March 2010, CHRA will provide the Assistant G-1 (Civilian Personnel) an annual report by command, listing the number of Referral Bonus Awards granted, monetary amount and/or time off for each Referral Bonus Award, and the occupational series for each award granted. Commands may be called upon to assist in the data collection.