



Department of Military & Veterans Affairs

Policy Statement

Policy Title:	Referral Award Pay Differential
Source:	Human Resources
Effective Date:	January 1, 2008
Approved By:	William Robinson, Deputy Director
Replaces:	None
Applies to:	All State Personnel and Supervisors of State Personnel

A. Introduction

B. Definition

A referral award is a non-base building lump sum that may be granted to a current employee for the referral and subsequent hire of a new employee into the Department of Military & Veterans Affairs where the position requires a unique, specialized skill and there is a documented shortage in the labor market and recruitment or retention difficulty at DMVA. Employees who influence or are responsible for hiring and those performing recruitment as part of their regular assignments are ineligible, such as human resource professionals, hiring supervisors, or managers.

C. Policy

Referral awards apply only to current employees, are non-base building, not included as salary in determining overtime pay, and are not eligible for PERA contributions. The award may not exceed \$500 per employee eligible for referral award. The award will be paid in two equal installments—the first payment is made with the next regularly scheduled payroll after the new employee reports to work, and the second payment will be paid upon successful completion of the new employee's probationary period (one year).

D. Procedures

- Determine if position qualifies for a Referral Award Pay Differential.
- Prepare a memorandum to your Division Head with justification for a Referral Award Pay Differential and explanation of where and how this differential will be funded.
- Complete the Referral Award Individual Agreement, refraining from acquiring the employee's signature until all approval signatures have been received.
- Submit all documentation to the Human Resource Director for presentation to the Appointing Authority.

- Upon approval and signatures from the Appointing Authority, arrange a meeting with the referring employee to discuss and obtain the employee's signature on the Individual Agreement. Return all documents to Human Resources for processing.
- Human Resources will file the original agreement in employee's personnel file.

E. Compliance

