

## Exceptional Recruitment and Retention Incentive Options

*For positions critical to the agency mission  
And/or those with documented, significant recruitment and retention issues*

**Reviewed 10-4-23**

Option	Guidelines	Relation to Pay Practices
<b>Sign-On Bonus</b>	<p>Up to \$10,000 for new external employees agreeing to work for a specified period of up to one year. Payable as lump sum or scheduled payments, with final payment by the end of the agreed period. A formal agreement must be executed which includes requirements for satisfactory performance, duration of employment, and pay back arrangements if agreement terms are not met.</p> <p>Coordinate with Cabinet Secretary Notice to DHRM to DHRM Review yearly</p>	<p>Independent of and in addition to other pay practices and the Employee Recognition and Engagement Policy. Sign-on bonus for student loan repayment or 529 contribution may be awarded only once during employee's state tenure.</p>
<b>Retention Bonus</b>	<p>Up to \$10,000 for current agency employees agreeing to work for a specified period of up to one year or more. Payable as lump sum or scheduled payments. A formal agreement must be executed which includes requirements for satisfactory performance, duration of employment, and pay back arrangements if agreement terms are not met.</p> <p>Coordinate with Cabinet Secretary Notice to DHRM Review yearly</p>	<p>Independent of and in addition to other pay practices and the Employee Recognition and Engagement Policy. Retention bonus for student loan repayment or 529 contribution may be awarded only once during employee's state tenure.</p>
<b>Project-Based Incentives</b>	<p>Project completion or milestone bonuses not to exceed \$10,000 for any one project. Eligible projects and participants must be identified along with criteria and timing of payments.</p> <p>Coordinate with Cabinet Secretary Notice to DHRM Review yearly</p>	<p>Independent of and in addition to other pay practices and the Employee Recognition and Engagement Policy.</p>
<b>Compensatory Leave</b>	<p>Allows agencies to extend indefinitely the time employees have to use earned compensatory leave and/or to pay off compensatory leave balances.</p>	<p>See Compensatory Leave Policy.</p>
<b>Annual Leave</b>	<p>Agencies may grant or advance up to 30 days (240 hours) of annual leave during a leave year (ending 1/9) to new and existing employees as an incentive to accept or continue employment with the Commonwealth. The employee must agree to work for a specified period of up to one year. A formal agreement must be executed which includes requirements for satisfactory performance, duration of employment, and pay back arrangements if agreement terms are not met. Agencies also may elect to pay off annual leave hours.</p>	<p>See Annual Leave policy.</p>
<b>Referral Program</b>	<p>Agency employees eligible to receive payment of up to \$1,500 for referral of candidates external to the Commonwealth's workforce if they are hired. Referring employees must submit written notification of referral with application/resume, then HR confirms. Referring employees must be working in a classified position at a state agency to receive payment. Agencies decide payout schedule for bonuses, with final payment within one year of the hire date. Hiring managers/supervisors and agency recruiting staff are not eligible. The Agency Salary Administration Plan will determine whether the referring employee must be employed in the agency in order to receive payment(s).</p> <p>Coordinate with Cabinet Secretary Notice to DHRM Review yearly</p>	<p>Independent of and in addition to other pay practices and the Employee Recognition and Engagement Policy.</p>

All salary actions require consideration of the following pay factors:

Agency Business Need  
Duties & Responsibilities  
Performance

Work Experience & Education  
Knowledge, Skills, Abilities, & Competencies  
Training, Certification, & License, etc.

Internal Salary Alignment  
Market Availability  
Salary Reference Data

Total Compensation  
Budget Implications  
Long Term Impact  
Current Salary (Demotions, Downward Role Changes)

<sup>1</sup> NOTE: Before an agency enters into an agreement, the agreement template must be reviewed and approved by the Office of the Attorney General.