admin
SOUTH CAROLINA
DEPARTMENT of ADMINISTRATION

Sample Employee Referral Bonus Program

Purpose

The purpose of the Employee Referral Bonus Program is to provide an incentive award to a current employee in a full-time equivalent (FTE) position who brings new talent to the agency by referring applicants who are subsequently selected and successfully employed in a hard-to-fill position.

Eligibility and Participation

Applicant - Applicants are persons not currently employed with the hiring agency.

Referring Employee - All employees in FTE equivalent positions are eligible to receive a referral bonus with the exception of at least the following:

- Agency Directors
- Employees whose regular, recurring, jobs include the recruitment of employees
- Selecting manager/supervisor or other persons associated with the selection of the candidate
- All HR Department employees
- Family members as defined by current nepotism guidelines

Positions - Positions eligible for this program must be determined by the agency to be "hard-to-fill" positions.

The following factors should be considered when designating a position as "hard-to-fill":

- how critical the position is to the agency's operation and mission,
- the success of recent efforts to recruit candidates and retain employees in like positions,
- the availability in the labor market of well-qualified candidates for employment,
- recent turnover in similar positions,
- special qualifications needed for the position, and
- other unique factors that demonstrate difficulty in filling the position.

Referral Bonus Amount

- The Referral Bonus Program is operated under the authority of the Department of Administration's Employee Bonus Guidelines. Under these guidelines, an employee may receive multiple bonuses, the total of which may not exceed $3,000 in any fiscal year.
- Referral bonus payments may be paid in a lump sum or in periodic payments until the new employee has completed his or her probationary period. Payments cannot be made until the referred candidate has been employed for a minimum of one month. For example, a $1,000 referral bonus can be structured as follows:
    - $250 referral bonus awarded after three months from the hire date,
    - $250 referral bonus awarded after six months from the hire date,
    - $500 referral bonus awarded at the end of the probationary period.

Referral Bonus Program Administration

The Referral Program operates in accordance with the following program requirements:

- Referral bonuses are awarded at the discretion of management with the Agency Director or his designee having final approval authority.
- Funding for the program must come from existing agency resources.
- The Agency will provide a form for completion and submission by either the applicant or the referring employee with the applicant's application indicating that the referring employee has made the referral.
- The Agency will designate a position as "hard-to-fill" before the position is posted.
- Employees selected for eligible positions must be employed by the agency for at least one month before a referring employee may be eligible to receive a referral bonus.
- Referred candidates cannot be current employees of the hiring agency in any capacity, to include temporary, temporary grant, research grant, time-limited project, or contract employees. Both the referring employee and the referred candidate must be employed by the agency when any referral bonus is paid in order to receive the referral bonus.
- Any disputes arising from the application of this program will be the responsibility of the Agency Director or his designee to resolve and will not be considered a grievance under the State Employee Grievance Procedure Act.
- The agency HR Office will monitor the use of the Referral Bonus Program and will report annually to the Division of State Human Resources information on the use of the Referral Bonus Program.
- The hiring process will be fair and consistent with agency policy and procedures, with no bias for or against candidates whose selection might make another employee eligible for a referral bonus.