**ONE-TIME SALARY SAVINGS – COMPENSATION TOOLS**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  | **RECRUITMENT BONUS** | **RETENTION**  **BONUS** | **SIGN-ON BONUS** | **EMPLOYEE SUGGESTION BONUS** | **PERFORMANCE BONUS** | **TEMPORARY MERIT INCREASE** |
| **ELIGIBLE** | New hire to the state1 Per Idaho Code §[67-5309D](https://legislature.idaho.gov/statutesrules/idstat/Title67/T67CH53/SECT67-5309D/)(3) | Current state employee Per Idaho Code §[67-5309D](https://legislature.idaho.gov/statutesrules/idstat/Title67/T67CH53/SECT67-5309D/)(3) | New hire to the state, including temporary Per Idaho Code §[67-5309D](https://legislature.idaho.gov/statutesrules/idstat/Title67/T67CH53/SECT67-5309D/)(6) | Current state employee. Per Idaho Code §[67-5309D](https://legislature.idaho.gov/statutesrules/idstat/Title67/T67CH53/SECT67-5309D/)(2) | Current state employee.  Per Idaho Code §[67-5309D](https://legislature.idaho.gov/statutesrules/idstat/Title67/T67CH53/SECT67-5309D/)(1) | Current state employee (including temporary employees)  Per Idaho Code §[67-5309](https://legislature.idaho.gov/statutesrules/idstat/Title67/T67CH53/SECT67-5309D/)B |
| **PURPOSE** | To recruit qualified individuals, typically in critical or difficult to fill positions | To retain qualified individuals, typically in critical or difficult to fill positions | To incentivize a new hire to the state, and to have the option to pay prior to completing probation | To recognize an employee for suggestions or recommendations that resulted in taxpayer savings | To recognize exemplary service (Generally, outside of normal responsibilities) | To compensate an employee for performing a short-term work assignment. |
| **AMOUNT ALLOWED** | Up to $5,000  One time only | Up to $5,000  Limited to one per employee per fiscal year  Cannot be used to circumvent the $2,000 or 20% performance maximum. | May not exceed five percent (5%) of the employee’s annual base pay  One time only | The award may be an amount up to twenty-five percent (25%) of the amount determined to be the dollar savings to the state, but not in excess of two thousand dollars ($2,000). Cannot be used for a ‘referral’ of a candidate. | Up to $2,000 per fiscal year. Must not exceed 20% of agency FTP authority per fiscal year. | A temporary salary increase must be for more than one full pay period and generally no more than six (6) months or thirteen (13) pay periods in duration. Cannot be used to circumvent the $2,000 or 20% performance maximum. |
| **TYPE OF PAY** | Lump Sum | Lump Sum | Lump Sum | Lump Sum | Lump Sum | % of pay for a temporary time frame |
| **PAID OUT** | After 6 months of satisfactory performance | After 6 months of satisfactory performance | First pay date after hire. | At agency discretion. | At least 6 months of satisfactory performance required | For the pay periods that the employee is performing the duties. |
| **REQUEST SUBMISSION** | The agency must submit written justification to DHR and DFM and a copy of the MOU template for review | The agency must submit written justification to DHR and DFM and a copy of the MOU template for review | The agency must submit written justification to DHR and DFM prior to offering the bonus | The agency must submit written justification to DHR and DFM prior to offering the bonus | The agency must submit written justification to DHR and DFM prior to offering the bonus | The agency must submit written justification to DHR and DFM prior to offering the temp merit increase |
| **REPAYMENT REQUIRED** | Yes – employees may be required to repay all or part of the bonus | Yes – employees may be required to repay all or part of the bonus | Agency discretion | No | No | No |
| **DOCUMENTATION** | Applicant must sign a recruitment/retention MOU | Employee must sign a recruitment/retention MOU | Applicant may sign a sign-on MOU | The agency must document, in writing, justification for the suggestion bonus | The agency must document, in writing, justification for the performance bonus | Employees must sign a temporary merit increase agreement |
| **EVALUATION REQUIRED** | Yes | Yes | No | No | Yes | Yes |
| **IPOPS CODE** | REC | REN | LPR LPT (for temp employees) | CSB, CSC, CSO, CST – depends on the cost saving fund. | STC  STT (temp employee) | TSI |
| **REPORTING REQUIRED** | Appointing authorities shall submit a report to the division of financial management and the legislative services office by October 1 on all awards granted in the preceding fiscal year. | Appointing authorities shall submit a report to the division of financial management and the legislative services office by October 1 on all awards granted in the preceding fiscal year. | Appointing authorities shall submit a report to the division of financial management and the legislative services office by October 1 on all awards granted in the preceding fiscal year. | Appointing authorities shall submit a report to the division of financial management and the legislative services office by October 1 on all awards granted in the preceding fiscal year. | Appointing authorities shall submit a report to the division of financial management and the legislative services office by October 1 on all awards granted in the preceding fiscal year. | None |
| **BEST PRACTICES** | Include language in the job posting regarding the requirement that the applicant has never been a state employee. | * High turnover in the work team or job classification * Employee has other job opportunities outside of the agency (possible job offer) * Stability is critical to agency operations (involved in work critical to agency operations) * Not to reward past performance | Include language in the job posting regarding the requirement that the applicant has never been a state employee. | Financial analysis should be done and retained to support the amount given. | * Response or proactive approach to something that was above and beyond | * Filling in for a vacancy * On a special project or assignment * Training new staff |

1Recruitment bonuses are for a new appointment to the state, unless otherwise approved by the DHR Administrator.  
2Agency may negotiate timing of the payout.

* Associated policy - [Statewide Employee Compensation Policy](https://dhr.idaho.gov/wp-content/uploads/Section-1-Compensation_12272021.pdf) [& Retroactive Pay Guidance](https://dhr.idaho.gov/wp-content/uploads/2020/Retro_Pay.pdf)
* Relocation Assistance might be a really good option as well. For more information, look [here](https://www.sco.idaho.gov/LivePages/boardofexaminerslanding.aspx).
* It would be really unlikely that one employee would receive more than one of these compensation tools in a fiscal year.
* Reminder – early implementation of CEC also uses one-time salary savings.

## Retention/Recruitment Bonus Repayment

An employee who has received a recruitment or retention bonus and separates before one year of employment at DEQ, the employee is required to pay back the net bonus amount. Employees who separate before six months of employment are required to pay back the entire net bonus amount. Employees who separates after six months of employment and before one year of employment are required to pay back half of the net amount of the bonus. The following process initiates the bonus repayment:

* HR requests from the State Controller’s Office the net bonus repayment amount. SCO will need the following information:
* Employee Name; Separation Date; Amount of the bonus they received.
* Once the amount is determined from SCO, that amount is entered on the Bonus Repayment Template that is applicable:
* Separation before six months of employment OR Separation after six months of employment and before one year of employment.
* HR will send the letter of repayment to the employee. The employee can elect on the memo to pay the bonus using their vacation payout on their final paycheck or by a cashier’s check payable to the Agency. If the employee uses a cashier’s check to repay the bonus amount, HR will make a copy of the check for the employee’s payroll file and deliver the check to SCO with a copy of the signed memo.
* HR will enter a VOID action in IPOPS for the repayment amount.