



Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: Joe Angelo

**SUBJECT: EMPLOYEE REFERRAL
PROGRAM**

DATE: May 14, 2015

Approved

Date

5-22-15

INFORMATION

This memorandum responds to questions raised by Councilmember Jones during the Budget Study Session regarding the City of San José's Employee Referral Program. This addendum outlines the City's Hiring Incentive Referral Program (HIRP) and provides an update on the number of referrals that have occurred as part of the program.

The Hiring Incentive Referral Program was launched on July 1, 2013. The program pays a bonus of \$500 to any employee who refers a non-City employee for employment into a full-time, permanent or overstrength, budgeted position. The new employee may not have prior work history with the City and notification of the referral must be provided to the Human Resources Department through the on-line application process. Complete details of the program can be found in the attached procedures.

As of May 8, 2015, the HIRP has paid bonuses to 44 City employees for a total cost of \$22,000. There are currently 6 referral bonuses pending. That is an average of 2 referrals per month. This program has received limited advertising in the past, and the administration is optimistic that participation can be increased by increasing awareness of the program. The majority of referrals have been for hires in the following classifications:

- Police Data Specialist
- Maintenance Assistant
- Equipment Mechanic Assistant
- Community Service Officer
- Environmental Inspector
- Associate Engineer

JOE ANGELO
Director, Human Resources

For questions, please contact Sarah Nunes, Employment Division Manager, at (408) 975-1458.

Attachment - Hiring Incentive Referral Program procedures

Hiring Incentive Referral Program

PURPOSE

The purpose of the City of San Jose's Hiring Incentive Referral Program (HIRP) is to support the City's efforts to fill new and vacant full-time, permanent, budgeted positions and build organizational attention around recruiting, to ensure the City's programs and initiatives continue to meet service demands.

AUTHORITY

The Human Resources Department administers the Referral Incentive award. The Director of Human Resources, or designee, will resolve any issues regarding interpretations or administration of this program.

PROGRAM

1. Program Overview

The HIRP pays a total of \$500.00 to current City employees (Referrer) who refer non-City employees to the City of San Jose for employment into a full-time, permanent or overstrength, budgeted position. The new employee must have no prior work history with the City and notification of the referral must be provided to the Human Resources Department through the on-line application process.

2. Eligibility Guidelines

- A. The Referrer must be a current City employee.
- B. The new employee must be hired into a vacant full-time, permanent or overstrength, budgeted position.
- C. The new employee must pass probation.
- D. The new employee must have no prior work history with the City of San Jose.
- E. Notification of the referral must occur by response to a specific question in the on-line application.
- F. Only one (1) incentive award may be granted per new employee referral.
- G. The employment process will be reviewed to ensure that the Nepotism policy is not violated.

Hiring Incentive Referral Program

3. Ineligibility Guidelines

- A. A Referrer cannot be Division Manager level and above.
- B. Human Resources staff and other employees whose regular duties include recruitment and hiring on a City-wide or department basis are not eligible to participate in the program.
- C. Employees involved in the recruiting and/or hiring for a specific position are not eligible to receive an incentive award for that position.
- D. Police Department employees who are also eligible to participate in the Police Department referral incentive program may choose one or the other incentive award but may not receive both.

4. Incentive Award

If all program criteria have been successfully met, \$500.00 is paid to the Referrer in the following pay period in which the New Employee passes probation with the City of San Jose. Incentive awards will be reported as taxable income.

PROCEDURES

Employee	<ul style="list-style-type: none">• Refers potential candidates to apply for open positions with the City of San Jose.
Human Resources Staff	<ul style="list-style-type: none">• Obtains job referral information from the new hire's online job application form.• Notifies the referring employee if they are eligible to participate in the program.• Confirms new employee passes probation. If all other eligibility requirements are met, notifies Payroll to process payment of the HIRP incentive award.• Any disputes or interpretations of the program will be handled through the Human Resources Department.
Payroll	<ul style="list-style-type: none">• Processes HIRP incentive award payment as taxable income.