

**PONDERA MEDICAL CENTER
ADMINISTRATIVE POLICY/PROCEDURE**

POLICY NUMBER: 84.11.2013.OP.54

TITLE: EMPLOYEE REFERRAL BONUS PROGRAM

AREAS AFFECTED: ALL EMPLOYEES

PURPOSE: The purpose of the PMC Employee Referral Bonus Program is to provide an incentive award to current employees who bring new talent to PMC by referring candidates who are subsequently selected and successfully employed in a hard-to-fill position.

DEFINITIONS:

Candidate: Persons not currently employed at PMC.

Eligible Position: A position identified by PMC's Chief Executive Officer (CEO), Chief Nursing Officer (CNO) and Director of Finance (DoF) as being hard-to-fill.

Eligible Employee: An employee who meets the qualifications for receiving a bonus as described in this policy.

POLICY:

PMC will provide a bonus award to current employees if the referred candidate is hired by PMC within six (6) months of the referral.

Employee Eligibility

All current employees are eligible to receive a referral bonus regardless of status with the exception of the following:

- Human Resources employees;
- Director or Chief Officer-level positions;
- Supervisors/Managers who manage the specific position.

The referring employee must be employed at the time of referral and at the time referred candidate is hired.

Candidate Eligibility

- Candidate must not be currently employed at PMC;
- Candidate may not be a former employee (rehire);
- Candidate may not have already been considered by PMC for the position;
- Candidate must accept employment offer for the eligible position.

Positions

Positions eligible for this program must be determined by PMC's CEO, CNO and DoF to be "hard-to-fill" positions.

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

- How critical the position is to PMC'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;
- Other unique factors that demonstrate difficulty in filling the position.

Referral Bonus Amount

Referral bonus amounts will be determined based on the need for the position and according to the following levels. The bonus amount will be listed on the open positions list.

| Level | Bonus Amount | Bonus Payable To |
|-------|--------------|-------------------|
| 1 | \$200 | eligible employee |
| 2 | \$400 | eligible employee |
| 3 | \$500 | Eligible employee |

Referral Bonus Payments

Referral bonus payments will be paid in periodic payments based on the bonus level according to the following schedule.

1. Level 1 Payment Structure
 - a. \$50 issued following completion of first full pay period worked;
 - b. \$50 issued following completion of 90-day period worked;
 - c. \$100 issued following the completion of the six-month probationary period.
2. Level 2 Payment Structure
 - a. \$100 issued following completion of first full pay period worked;
 - b. \$100 issued following completion of 90-day period worked;
 - c. \$200 issued following completion of the six-month probationary period.
3. Level 3 Payment Structure
 - a. \$200 issued following completion of first full pay period worked;
 - b. \$300 issued following completion of 90-day period worked.

The eligible person or persons must be on PMC's active payroll as of the date the award becomes payable per payment structure.

Referral bonus payments are subject to required tax withholdings and will be included in the employee's year-end gross earnings shown on the IRS W-2 Wage and Tax statement.

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 their Director and CEO, CNO and DoF having final approval authority.
- PMC will provide a form for completion and submission by the referring employee, which will include the candidate's application indicating that the employee has made the referral.
- PMC will designate a position as "hard-to-fill" and the bonus level on the open positions list.
- Any disputes arising from the application of this program will be the responsibility of the CEO, CNO and/or DoF to resolve and will not be considered a grievance under the Employee Grievance Policy.
- The hiring process will be fair and consistent with PMC's policy and procedures, with no bias for or against candidates whose selection might result in another employee's eligibility for a referral bonus.

Referrals Older than Six Months

Any referral older than six months will expire. If a referred candidate is not hired within six months of being referred, the referral bonus will no longer be paid if the candidate is hired. During those six months however, if another position becomes open for which the candidate is qualified, they may be considered for that position. If hired, the referring employee will receive the referral bonus associated with the position offered, if applicable.

Duplicate Referrals

If two employees refer the same candidate, only the first referral received will be eligible for payment.

Pondera Medical Center is an Equal Opportunity Employer. The bonus amounts and positions included in this plan may be modified or terminated at any time at the discretion of PMC.

PROCEDURE:

1. Once an eligible employee has identified a qualified candidate for a posted position, he or she must complete a referral form and submit it, along with the candidate's resume/application to the HR department.
2. Upon receipt of the referral card and resume/application, the HR department will date-stamp the form, note the bonus level for which the position qualifies and verify the candidate has not already been referred.
3. The candidate must have his/her interview scheduled through the Department Supervisor/Manager and Human Resources.
4. The candidate must be hired before the bonus amount will be paid.

Date of Origin: 10/13
Date of Last Review: 05/14; 05/15; 02/16; 04/17; 04/18; 05/19
Date(s) of Revision: 10/15; 11/19
Effective Date: 11/13; 11/19

Contact Person(s): Chief Executive Officer, Chief Nursing Officer, Director of Finance

Director Approval: Bill O'Leary

Date of Board of Directors Review: 11/21/13



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Employee Referral Form

Thank you for referring an employment candidate to PMC. To be valid, this card must be submitted with a completed resume/application to the Human Resources department. To become eligible for the bonus payment, all information must be filled out completely.

Applicant's Name: _____ **Date:** _____

Applicant's Phone Numbers: Home: _____

Cell: _____

Position Applied For: _____

- **What job related skills does your referral candidate possess that make him or her a prime candidate and qualified for the position at PMC?**

- **Why do you believe that the person you are referring would be an asset, if hired, to PMC?**

- ☐ I have secured permission from the above candidate and submit this resume/application for a position at Pondera Medical Center.

☐ I have attached a current resume/application.

☐ I have read the Employee Referral Policy and understand the requirements to receive a referral award.

Employee Name (Print)

HR Initials: _____

Date Received: _____

Position Bonus Level: _____