

## Sign-On Bonus Policy

### Purpose and Objective

The purpose of the sign-on bonus policy is to outline the requirements and responsibilities of management and of the employee, timing of payments and the implementation of the sign-on bonus. The sign-on bonus is a non-recurring and non-accumulating sum of money which is paid to an employee with the sole objective of incentivizing the employee who is receiving the bonus to accept employment with Merrimack County. The sign-on bonus is subject to all applicable payroll taxes.

### Eligibility

The bestowing of the sign-on bonus upon the employee from Merrimack County is contingent upon the following eligibility factors:

1. Employee must be hired in one of the designated positions which have been determined by management as difficult to recruit and/or retain. (Addendum Attached)
2. Subcontractors, per diem, registry and/or independent consultants are not eligible to receive sign-on bonus.

### Responsibilities of the Employee

Upon determination of eligibility of the employee and prior to the payment of the sign-on bonus, the employee is responsible for the following:

1. The employee is responsible for agreeing to and signing a written agreement between the employee and the County in acknowledgement of understanding and in agreement to the following stipulations:
  - The bonus paid will be taxable and subject to all regular payroll taxes. In the event that employee leaves County employment within the first year from date of hire, sign-on bonus payments will end upon date of separation from County employment. Employee will have no obligation to repay sign-on bonus payments received prior to separation of employment.

### Actions

Management determines based on past experience and historical and current staffing patterns of the County which position titles are deemed difficult to recruit for and/or retain. This determination will be utilized in determining the eligible employees to receive the sign-on bonus. Sign-on bonuses will be utilized for these position titles only when other recruitment methods have been deemed unsuccessful. Key factors management will consider in determining which position titles are difficult to recruit/retain consist of the following:

1. Turnover frequency and existing vacancies

2. Labor market factors, conditions of and staffing patterns for other entities in the industry
3. Results of previous recruitment/retention methods
4. Specific qualifications for the position and relative difficulty in attaining such qualifications
5. Availability of funds for the purpose of a sign-on bonus.

Before communications of the sign-on bonuses to the eligible employees, the payment terms and payment amounts will be reviewed by the Board of Commissioners, who will make the final determination of the bonuses to be granted and in what amounts, as well as the determination of the payment date. Changes in positions included for sign-on bonuses will be reviewed and approved by the Board of Commissioners as needed.

#### Implementation

Communications of the sign-on bonuses to the eligible employees to be receiving the bonuses will occur simultaneous to the discussion concerning the employee's acceptance of employment at the County. Effective date of implementation will be date approved by Board of Commissioners. The sign-on bonus will expire on December 31, 2023. The Board of Commissioners will review in December of 2023 the need for any continuation of the sign-on bonus.

Sign-on bonuses will be paid by the thirteenth month of employment. Payment will be made in twelve monthly payments to eligible employee. The first payment will be made in the next pay period following 30 days of employment. Each future payment thereafter will be made in the second pay period of each month. Final payment will be made in the month following anniversary date of hire and will be communicated to the employee upon acceptance of employment. The attached Addendum will provide positions as well as the payment information.

**Employees with a hire date on or after January 1, 2024 and before July 1, 2024 will receive the sign-on bonus in a single payment in the next pay period following 90 days of employment. Employees with a hire date of July 1, 2024 or later will not be eligible for a sign-on bonus.**

Policy Approval Date: 12/14/2021

Revised: 6/09/2022, 2/24/2023, 12/11/23

**ADDENDUM**

| <b>POSITION</b>         | <b>1<sup>st</sup> Payment<br/>30 Days<br/>from Date<br/>of Hire</b> | <b>2<sup>nd</sup> thru 11<sup>th</sup><br/>Payment – 2<sup>nd</sup><br/>Pay Period<br/>Each Month</b> | <b>Final<br/>Payment<br/>Next Pay<br/>Period<br/>following<br/>Anniversary<br/>Date of Hire</b> | <b>TOTAL</b>   | <b>*1/1/24-<br/>6/30/24 Hires-<br/>Single<br/>payment after<br/>90 days of<br/>employment</b> |
|-------------------------|---|---|---|----------------|---|
| LNA                     | \$250   | \$250   | \$250   | <b>\$3,000</b> | <b>\$3,000</b>  |
| LPN                     | \$400   | \$400   | \$400   | <b>\$4,800</b> | <b>\$4,800</b>  |
| RN                      | \$417   | \$417   | \$413   | <b>\$5,000</b> | <b>\$5,000</b>  |
| Correctional<br>Officer | \$334   | \$334   | \$326   | <b>\$4,000</b> | <b>\$4,000</b>  |
| *MCDC –<br>Cook         | \$250   | \$250   | \$250   | <b>\$3,000</b> | <b>\$3,000</b>  |

\*Added with Board Approval 4/13/2023