



United States Department of the Interior

OFFICE OF THE SECRETARY
Washington, DC 20240

March 11, 2024

PERSONNEL BULLETIN NO. 24-01

SUBJECT: Referral Bonus Awards

- 1. Purpose.** This Personnel Bulletin (PB) updates the Department of the Interior (DOI) policy for referral bonus awards that may be granted to employees who help the agency recruit new talent by referring persons who are subsequently selected for hard-to-fill, mission-critical positions. It supersedes previous guidance issued under Personnel Management Bulletin No. 09-11, dated August 6, 2009.
- 2. Authority.** Chapter 45 of Title 5, United States Code (U.S.C.), Section 3110 of 5 United States Code (U.S.C.), and Part 451 of Title 5, Code of Federal Regulations (CFR).
- 3. Policy.** The Department hereby updates the policy for the use of a referral bonus award program. This policy delegates to heads of bureaus and bureau equivalent office authority to carry out the provisions of law and regulation relating to referral bonus awards. Heads of bureaus and equivalent offices are responsible for administering this policy in accordance with this Personnel Bulletin and the law. This authority may be further delegated as deemed appropriate. Referral bonuses are granted, as with other awards, at the discretion of management and are not an entitlement. Heads of bureaus and equivalent offices along with their servicing human resources office (SHRO) must determine when the use of the referral bonus is appropriate and ensure established criteria for the award is followed.
- 4. Covered Employees.** All DOI employees who meet the definition of “employee” as defined in 5 U.S.C. 2105 are eligible for referral bonus awards with the exception of:
 - a. Employees whose regular, recurring job includes the recruitment of employees;
 - b. Employees who are related to the referred candidate as defined in 5 U.S.C 3110. This includes: father, mother, son, daughter, brother, sister, uncle, aunt, first cousin, nephew, niece, husband, wife, father-in-law, mother-in-law, son-in-law, daughter-in-law, brother-in-law, sister-in-law, stepfather, stepmother, stepson, stepdaughter, stepbrother, stepsister, half brother, half sister, and any individual related by blood or affinity whose close association with the employee is equivalent to a family relationship;

- c. All Senior Executive Service (SES) members who are excluded from receipt of incentive or time-off awards in accordance with 5 CFR §451.105 (Political Appointees including Schedule C, EX, SL, and ST);
 - d. Management officials in the supervisory chain of command of the position being filled; and
 - e. Other persons associated with or involved in the recruitment, rating, or selection of the candidate.
- 5. Criteria.** Referral bonus awards shall only be granted by the designated management official of the bureau who has encountered difficulty in recruiting high-quality candidates for certain hard-to-fill positions. The award may not be given for recommending an employee currently employed within the DOI, individuals currently employed as contractors or third-party vendors, nor for the exceptions listed in 4(a) through 4(e). However, the referred employee does not have to be newly appointed to the federal government. Managers anticipating using this hiring incentive must indicate so in the vacancy announcement; advertising the vacancy is a prerequisite to using this incentive unless utilizing a non-competitive hiring authority such as Schedule A or VRA. The following factors should be considered in determining hard-to-fill positions:
- a. lack of success in recent efforts to recruit candidates and retain employees in like positions;
 - b. availability in the labor market of highly qualified candidates;
 - c. recent turnover in similar positions; and
 - d. other unique factors that demonstrate difficulty in filling the positions.
- 6. Award Amount.** The maximum amount of any referral bonus may not exceed \$1000 or 16-hour time-off award. The award is subject to applicable tax rules such as withholding per 5 CFR § 451.104(c). Though DOI does not limit the number of referral bonuses an employee may receive in a calendar year, the budget of the bureau or office should be taken into consideration and a GS employee may not receive any portion of any allowance, differential, bonus, award or other similar payment under 5 United States Code 5307 in any calendar year which when combined with the employee's basic pay would cause the employee's aggregate compensation, including premium pay, to exceed the rate for Level I of the Executive Schedule. When setting an award amount, the organization should consider such things as:
- a. cost savings by avoiding certain recruiting expenses;
 - b. difficulty in filling the position;
 - c. the level of specialization or scarcity of the skillset required for the position; and

d. consistency of award amounts for similar referral circumstances.

- 7. Processing Procedures.** The referring employee must submit a “Candidate Referral Form” to the SHRO prior to the issuance of a selection certificate of the referred candidate. If a referred candidate is selected, the SHRO shall forward the form to the selecting office for completion.

Monetary awards will be processed as cash awards using the nature of action code 848 and cannot be issued before the referred candidate joins the agency. The remarks section of the SF-50 must clearly state “Referral Bonus Award.” Bureaus and equivalent offices should establish a policy on the amount of the referral bonus, how and when to disburse the referral bonus.

Time-off awards will be processed using the nature of action code 846 with a remark utilizing ZZZ. The code will allow text to be entered and the remark entered should state “Referral Bonus Award” for additional tracking purposes.

- 8. Recordkeeping.** SHROs are responsible for establishing Referral Bonus Award files and should file award documents in the Official Personnel Folder in compliance with instructions in the OPM Operating Manual, The Guide To Personnel Recordkeeping.

The SHROs are responsible for maintaining the referral forms and justifications for program review and reporting purposes in the Referral Bonus Awards file. These files must be maintained for a period of two years after issuance of the award. The Office of Personnel Management or the Department may periodically review records to ensure consistency with rules, regulations, policies, and procedures.

- 9. Program Oversight and Reporting.** The SHRO is responsible for monitoring and ensuring the effective use of referral bonuses as well as reporting the usage of this incentive to the Office of Human Resources, as required.

The Office of Human Capital may conduct periodic reviews and evaluations of the use of referral bonus awards to ensure the basis and award amounts are consistent with the criteria established in this Personnel Bulletin.

- 10. Labor-Management Obligations.** Bureaus/Offices are reminded to fulfill their labor-management obligations, as appropriate, in implementing the requirements set forth in this PB.

- 11. Inquiries.** Any employee or employee representative seeking further information concerning this policy may contact their respective SHRO. SHROs should confer with their human capital policy offices for clarity on this policy. The Office of Human Capital serves as principal liaison to the U.S. Office of Personnel Management. Bureau human capital offices may contact the Office of Human Capital at DOI_Office_of_Human_Resources@ios.doi.gov.

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Attachment:
Sample - DOI Candidate Referral Form