



**DATE:** March 22, 2022

**TO:** Mayor and City Council

**FROM:** Chief of Police

**SUBJECT:** Adopt a Resolution Authorizing the City Manager to Reestablish a Police Trainee/Entry Level/Academy Graduate (TEAG) Hiring Bonus Program & Lateral Hiring Bonus Program and Reestablish a Hiring Incentive Referral Program (HIRP) for City Employees

## **RECOMMENDATION**

That the City Council adopts a resolution (Attachment II) authorizing the City Manager to reestablish a Police Trainee/Entry Level/Academy Graduate (TEAG) Hiring Bonus Program & Lateral Hiring Bonus Program in the amount of \$10,000 per Qualified Candidate Hired Under the TEAG Program and \$20,000 per Qualified Candidate Hired Under the Lateral Hiring Bonus Program and Reestablish a Hiring Incentive Referral Program (HIRP) which will provide a \$2,000 incentive to current City of Hayward employees who refer qualified employees for full-time permanent positions within the Police Department

## **SUMMARY**

The Hayward Police Department has experienced a significantly diminished pool of well-qualified police officer applicants due to the competitive market and other factors. To attract more qualified applicants, and as a reflection of industry standards around recruiting of police officers nationally, staff recommends the permanent reestablishment of the Police Trainee/Entry Level/Academy Graduate (TEAG) Hiring Bonus Program in the amount of \$10,000, Lateral Hiring Bonus Program in the amount of \$20,000, and Hiring Referral Incentive Program (HIRP) in the amount of \$2,000. The bonus awards for the TEAG and Lateral Hiring Bonus Programs would be distributed over a three-to four-year period in a phased approach.

## **BACKGROUND**

The Hayward Police Department, like many other municipalities across the United States, has experienced a diminished pool of qualified police officer applicants. In 2019, the Council approved the establishment of a hiring bonus program that met industry standards in police recruiting. The original resolution<sup>1</sup> authorizing the creation of this program provided for a set number of bonuses to be awarded during a one-year period.

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<sup>1</sup> May 4, 2019 Meeting of the Hayward City Council:  
<https://hayward.legistar.com/LegislationDetail.aspx?ID=3945369&GUID=3EE1F943-25BB-44D2-8729-46516B26A803&Options=ID|Text|&Search=bonus>

In 2020, the program was temporarily halted to evaluate the program’s effectiveness. HPD’s evaluation found that there was a gain in applications received and qualified employees hired during the program’s operation. 26 qualified candidates were hired, in part, due to the established bonus program. It is more imperative than ever that HPD reestablishes a hiring bonus program to regain recruiting competitiveness given the challenges cause by the COVID pandemic and issues facing the recruiting of police officers nationally.

Hiring bonuses are now industry standard and are commonly used by departments to engage and attract the best talent. Our research has shown that utilizing two types of hiring bonus programs can aid in attracting talent to our agency. One program provides incentives for entry-level officers via a Trainee/Entry Level/Academy Graduate (TEAG) hiring bonus and the other program provides incentives for experienced candidates already working as police officers in the Lateral Officer Hiring Bonus Program.

**DISCUSSION**

TEAG PROGRAM: Across the United States, very few agencies utilize a signing bonus program for TEAG candidates. Table 1 below shows some of the regional jurisdictions where signing bonus are provided to Entry Level/Academy Graduates. Reestablishing a TEAG Program will increase the City of Hayward’s competitive regional advantage.

**TABLE 1: JURISDICTIONS OFFERING SIGNING BONUSES FOR ENTRY LEVEL/ACADEMY GRADUATES**

JURISDICTION	EXAMPLE OF SIGNING BONUSES OFFERED
BART Police Department SF Bay Area	<ul style="list-style-type: none"> <li>• \$15,000 Signing Bonus</li> </ul>
Palo Alto Police Department	<ul style="list-style-type: none"> <li>• \$10,000 – Academy Graduates</li> <li>• Paid over phases</li> </ul>
Alameda County Sheriff’s Office	<ul style="list-style-type: none"> <li>• \$12,000 – Academy Graduate</li> <li>• \$10,000 – Deputy Sheriff Recruit</li> </ul>

To attract more qualified TEAG applicants, staff recommends that the City adopt a Police Trainee/Entry Level/Academy Graduate (TEAG) Hiring Bonus Program. Based on surveying local agencies within California and the Western United States, staff recommends \$10,000 hiring bonus incentive. This amount is competitive and provides for a substantial recruitment advantage as compared to agencies recruiting in the region. The employee hired would make a three-year commitment or repay the City on a prorated basis. It is further recommended that the TEAG signing bonus be distributed over four (4) phases as illustrated in Table 2 below.

**TABLE 2: ELIGIBILITY AND BONUS DISTRIBUTION FOR TEAG CANDIDATES**

<b>PHASE</b>	<b>QUALIFICATION</b>	<b>BONUS AMOUNT</b>
1 - 25%	Successful Completion of the testing process and acceptance of a final offer of employment to be paid on first pay period	<b>\$2,500</b>
2 - 25%	Successful Completion of Officer Field Training Program	<b>\$2,500</b>
3 - 25%	Successful Completion of the Officer Probationary Period	<b>\$2,500</b>
4 - 25%	Two years after the completion of Probationary Period	<b>\$2,500</b>
<b>TOTAL BONUS (Distributed Over a Four-Year Period):</b>		<b>\$10,000</b>

Table 3 below describes the internal monitoring of the signing bonus implementation.

**TABLE 3: INTERNAL MONITORING PROCEDURE FOR SIGNING BONUS IMPLEMENTATION**

<b>LEAD DEPARTMENT</b>	<b>PROCEDURE</b>
Police Department: Personnel & Training Unit Division	<ul style="list-style-type: none"><li>○ Determine TEAG Police Officer Applicant’s eligibility to participate in the program and notify applicant.</li><li>○ Classify that applicant has successfully completed the TEAG Police Officer testing process and has accepted a Final Offer of Employment.</li><li>○ Notify Payroll of applicant’s eligibility of each level of distribution of TEAG Officer Bonus Program.</li></ul>
Finance Department: Payroll	<ul style="list-style-type: none"><li>○ Process TEAG Officer Bonus distributions as taxable income.</li></ul>

**LATERAL OFFICER HIRING BONUS PROGRAM:** The Hayward Police Department, like many other municipalities across the United States, has experienced a diminished pool of well-qualified “Lateral” police officer applicants. Lateral hiring programs have intensified over the past year and industry standards in police recruiting have seen many law enforcement agencies incorporating robust monetary Lateral Bonus Programs to help attract more qualified Lateral Police Officer candidates. An effectively managed Lateral Bonus Program, coupled with other Lateral Officer hiring incentives, will expand our agency’s pool of qualified Lateral Police Officer applicants.

Across the United States, there are several agencies that have initiated Lateral Officer Bonus Programs. Most aggressively, we find these programs in the Western Region of the United States. Law enforcement agencies in the San Francisco Bay Area are using this recruitment technique to counter economic factors such as housing costs, general cost of living, and the cost of commuting. Table 4 below shows some of the jurisdictions where signing bonus are provided to Lateral Transfers.

**TABLE 4: JURISDICTIONS OFFERING SIGNING BONUSES FOR LATERAL POLICE OFFICERS**

JURISDICTION	EXAMPLE OF SIGNING BONUSES OFFERED
Salinas Police Department Salinas, CA	• \$20,000 Signing Bonus
Alameda Police Department Alameda, CA	• \$30,000 Signing Bonus
Palo Alto Police Department Palo Alto, CA	• \$25,000 Signing Bonus
Antioch Police Department Antioch, CA	• \$10,000 Signing Bonus
Modesto Police Department Modesto, CA	• \$15,000 Signing Bonus
El Segundo Police Department El Segundo, CA	• \$25,000 Signing Bonus
San Francisco Police Department San Francisco, CA	• \$5,000 Signing Bonus
Alameda County Sheriff	• \$15,000 Signing Bonus

To attract more qualified Lateral Police Officer applicants, it is recommended that the Hayward Police Department implement a Lateral Police Officer Hiring Bonus Program. Based on the results of the survey of local agencies within California and the Western United States, the amount of the bonus is recommended to be \$20,000. This amount is competitive and provides for a recruitment advantage as compared to agencies recruiting in the region. It is further recommended that the Lateral Bonus be provided over four (4) phases as illustrated in Table 5 below.

**TABLE 5: ELIGIBILITY AND BONUS DISTRIBUTION FOR LATERAL POLICE OFFICER CANDIDATES**

PHASE	QUALIFICATION	BONUS AMOUNT
1 - 25%	Successful Completion of the testing process and acceptance of a final offer of employment to be paid on first pay period	<b>\$5,000</b>
2 - 25%	Successful Completion of Lateral Officer Field Training Program	<b>\$5,000</b>
3 - 25%	Successful Completion of the Lateral Officer Probationary Period	<b>\$5,000</b>
4 - 25%	Two years after the completion of Probationary Period	<b>\$5,000</b>
<b>TOTAL BONUS (Distributed Over a Three to Four-Year Period):</b>		<b>\$20,000</b>

Table 6 below describes the internal monitoring of the signing bonus implementation.

**TABLE 6: INTERNAL MONITORING PROCEDURE FOR SIGNING BONUS IMPLEMENTATION**

LEAD DEPARTMENT	PROCEDURE
Police Department: Personnel & Training Unit Division	<ul style="list-style-type: none"> <li>○ Determine Lateral Police Officer Applicant’s eligibility to participate in the program and notify applicant.</li> <li>○ Classify that applicant has successfully completed the Lateral Police Officer testing process and has accepted a Final Offer of Employment.</li> <li>○ Notify Payroll of applicant’s eligibility of each level of distribution of Lateral Officer Bonus Program.</li> </ul>
Finance Department: Payroll	<ul style="list-style-type: none"> <li>○ Process Lateral Officer Bonus distributions as taxable income.</li> </ul>

**HIRP PROGRAM:** A recruitment strategy that utilizes its current employees to provide word-of-mouth recruiting can be an effective tool to engage and recruit new employees. This engagement can often provide some of the best candidates to fill vacancies within the Police department. To help encourage this word-of-mouth recruiting, staff recommends reestablishing a Hiring Incentive Referral Program (HIRP).

The HIRP pays a total of \$2,000 to current City employees who refer non-City employees to the City of Hayward Police Department for employment into a full-time, permanently budgeted position (see payment and award options in Table 6 below). The new employee must have no prior work history with the City and written notification of the referral must be provided to the HPD’s Personnel and Training Unit.

**ELIGIBILITY GUIDELINES:**

- a. The Referrer must be a current employee of the City of Hayward.
- b. The new employee must be hired into a vacant full-time, permanently budgeted position.
- c. The new employee must have no prior work history with the City of Hayward.
- d. The new employee must pass probation to obtain full benefits of the HIRP.
- e. Written notification from the referring employee must be provided to HPD’s Personnel and Training Unit prior to any formal offer of employment.

**INELIGIBILITY GUIDELINES:**

- a. A referring employee cannot be at the Executive level or above.
- b. City employees assigned to the Human Resources Department are not eligible for this program.
- c. Department employees assigned to HPD’s Personnel and Training Unit are not eligible for this program.
- d. Department employees assigned to HPD’s Recruitment Team are ineligible for referrals made during any Department sponsored recruiting event.

**TABLE 5: EXTERNAL AND INTERNAL MONITORING PROCEDURE FOR SIGNING BONUS IMPLEMENTATION**

<b>EMPLOYEE/LEAD DEPARTMENT</b>	<b>PROCEDURE</b>
Employee	○ Refers potential candidates to apply for open positions with the City of Hayward Police Department.
Police Department: Personnel & Training Unit Division	○ The process of confirmation of eligibility for employees seeking HIRP awards is TBD.
Finance Department: Payroll	○ Process HIRP incentive award payment as taxable income.

Payment/Award options for the HIRP are illustrated in Table 6:

**TABLE 6: PAYMENT AND AWARD OPTIONS**

<b>OPTION</b>	<b>PROCEDURE</b>
Cash/Monetary Award	<ul style="list-style-type: none"> <li>○ Referring Employee receives a \$2,000 total cash incentive phased as follows: <ul style="list-style-type: none"> <li>▪ Referring employee receives \$1,000 of award after formal offer of employment has been given to new employee.</li> <li>▪ Referring employee receives the remaining \$1,000 of the award upon completion of probationary period by new employee.</li> </ul> </li> </ul>

**FISCAL IMPACT**

The Trainee/Entry Level/Academy Graduate (TEAG) Bonus Program will cost up to \$10,000 per hire, which will be paid over 4 years following the hire date. Based on hiring trends from 2018 and 2019, the Police Department anticipates hiring a minimum of 10 officers eligible for TEAG bonuses per year. The estimated cost anticipated for the TEAG Bonus Program if a minimum of ten officers are hired in a single year is up to \$100,000 (*cost spread over four years*). The program will be funded through salary savings from vacant positions; therefore, no additional General Fund impact is anticipated.

The Lateral Bonus Program will cost up to \$20,000 per hire and will be paid over three to four years after the employee’s hiring date according to the bonus distribution discussed above. Based on hiring trends from 2018 and 2019, the Police Department anticipates hiring a minimum of nine (9) lateral officers per year. The annual cost for the Lateral Bonus Program if a minimum of nine officers are hired in a single year is up to \$180,000, with payments spread over three to four years. The program will be funded through salary savings from vacant positions; therefore, no additional General Fund impact is anticipated.

The Hiring Incentive Referral Program (HIRP) will cost up to \$2,000 per referral leading to a hire and will be paid over one to two years according to the payment schedule discussed above. Based on the hiring trends of the department from 2018 to 2019, the Police

Department anticipates hiring a minimum of 9 employees per year because of this program, representing 47% of total hiring. The annual costs of the HIRP, assuming 9 employees hired, is \$18,000. The program will be funded through salary savings from vacant positions but may require additional appropriations depending on the success of the program.

**STRATEGIC INITIATIVES**

This agenda item is a routine operational item and does not relate to one of the Council’s Strategic Initiatives.

**NEXT STEPS**

If the Council authorizes this action, staff will take the appropriate steps to implement the Trainee/Entry Level/Academy Graduate (TEAG) Hiring Bonus Program, Lateral Hiring Bonus Program, and Hiring Referral Program (HIRP).

*Prepared by:* Ryan Cantrell, Lieutenant – Program Manager, Recruiting

*Recommended by:* Toney Chaplin, Chief of Police

Approved by:



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Kelly McAdoo, City Manager