**EMPLOYEE REFERRAL POLICY**

**PROGRAM OVERVIEW**

At [EMPLOYER'S NAME], we are committed to attracting and retaining top talent. To support this goal, we have established an employee referral program to reward current employees who refer qualified candidates for open positions.

Employees are eligible for a referral bonus if the referred candidate is hired by [EMPLOYER'S NAME]. However, the following individuals are not eligible for referral bonuses:

* Executives or officers of [EMPLOYER'S NAME].
* Employees in the Human Resources Department.
* Supervisors or managers with direct oversight of the referred position.
* [Consultants, temporary employees, or interns.]

To qualify for the referral bonus, employees must be actively employed by [EMPLOYER'S NAME] on the date the referral bonus is paid.

This referral program complies with applicable state laws, including referral bonus requirements under Illinois state law.

**POSITIONS ELIGIBLE FOR REFERRAL**

Referral-eligible positions, for which referral bonuses may be awarded, are listed on [EMPLOYER'S NAME]’s internal website. Employees can review the site regularly for updates on open positions that qualify for referral rewards.

To be eligible for a referral bonus, the following conditions must be met:

* The referred candidate must have their first point of contact with [EMPLOYER'S NAME] through the referring employee.
* The position must be designated as eligible for the referral bonus at the time of hire.

Referral bonuses will not be awarded for:

* Former or current [EMPLOYER'S NAME] employees hired into a new position.
* Candidates represented by employment agencies that charge placement fees.
* Candidates hired into temporary roles, even if the role later transitions into full-time employment.
* Referrals involving the referring employee's family members.

**REFERRAL PROCESS AND GUIDELINES**

How to refer a candidate

1. Complete the referral form: Fill out the Employee Referral Form available online through [EMPLOYER'S NAME]’s intranet or submit it to the [DEPARTMENT NAME] Department.
2. Candidate application: Instruct the candidate to list your name as the referring employee in the designated section of their application form.
3. Personal connection: [The referred candidate must be someone you know personally.]

Evaluation process

All referred candidates will undergo evaluation in accordance with [EMPLOYER'S NAME]’s hiring policies and procedures. Referral status does not guarantee employment or alter the evaluation process.

Improper conduct

Employees found attempting to manipulate the referral process or seek bonuses improperly may face disciplinary action, up to and including termination of employment.

**REFERRAL AWARD CRITERIA**

Eligibility for referral bonuses

Employees who refer a candidate hired by [EMPLOYER'S NAME] [and who remains employed for a minimum of [NUMBER] [weeks/months]] will qualify for a referral bonus.

If multiple eligible employees refer the same candidate:

* First submission: The employee who submitted the Employee Referral Form first will receive the bonus.
* Split bonus: Alternatively, the referral bonus may be divided equally among referring employees.

Payment structure

Referral bonuses are paid as follows:

1. Single payment: [You will receive a referral bonus of $[AMOUNT]/a bonus calculated based on the new hire’s salary], payable after the successful completion of the new hire’s [NUMBER] [weeks/months] introductory period.

**OR**

1. Two installments:

* First installment: Half of the bonus is paid [on the payroll date covering the new hire’s start date/after the new hire successfully completes the [NUMBER] [weeks/months] introductory period].
* Second installment: The remaining half is paid on the payroll date covering the new hire’s [NUMBER]-month employment anniversary.

Taxation

All referral bonus payments are subject to applicable taxes and withholdings.

**POLICY ADMINISTRATION**

The [DEPARTMENT NAME] Department is tasked with overseeing the administration of this policy. This includes:

* Ensuring compliance with policy provisions.
* Addressing and resolving disputes related to employee referrals.

For questions regarding this policy or inquiries about specific employee referrals not covered within the policy, employees are encouraged to contact the [DEPARTMENT NAME] Department for assistance.

**APPLICABILITY TO COLLECTIVE BARGAINING AGREEMENTS**

The provisions of this policy are designed to operate in conjunction with, and not to replace, amend, or override, any terms established in a collective bargaining agreement (CBA) between [EMPLOYER'S NAME] and a union.

Employees covered under a CBA are encouraged to consult their specific agreement for details on how its terms interact with this policy. If discrepancies arise between this policy and the terms of the CBA, the CBA will take precedence.

For clarification on how this policy aligns with collective bargaining agreements, employees should contact either the [DEPARTMENT NAME] Department or their union representative.

**ACKNOWLEDGEMENT OF RECEIPT AND REVIEW**

I, \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (employee name), acknowledge that on \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (date), I received and reviewed a copy of [EMPLOYER'S NAME]’s [NAME OF POLICY]. I understand that it is my responsibility to familiarize myself with the policy and adhere to its terms.

I also acknowledge that this policy is not intended to create an employment contract or alter my at-will employment status, unless otherwise specified in a written agreement signed by an authorized representative of [EMPLOYER'S NAME]. Any delay or failure by [EMPLOYER'S NAME] to enforce the provisions of this policy does not constitute a waiver of its rights to enforce them in the future.

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Signature

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Printed Name

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Date