

ORDER

3450.40

**AIRCRAFT CERTIFICATION SERVICE
NEW EMPLOYEE REFERRAL BONUS PROGRAM**



October 7, 2004

**DEPARTMENT OF TRANSPORTATION
FEDERAL AVIATION ADMINISTRATION**

[illegible]

3450.40

FAA Form 1320-5 (6-80) USE PREVIOUS EDITION

FOREWORD

This order prescribes the Federal Aviation Administration's (FAA) Aircraft Certification Service (AIR) policy and procedures for establishing a New Employee Referral Bonus Program.

AIR is committed to hiring the most qualified candidates to carry out its safety-sensitive business. Because they often require highly specialized skills, certain AIR positions are very hard-to-fill. AIR employment professionals believe that one of the best referral sources of candidates for these hard-to-fill positions are our own employees.

I look forward to AIR's use of the New Employee Referral Bonus Program to increase the numbers of highly qualified professionals in our work force.

John J. Hickey
Director, Aircraft Certification Service, AIR-1

TABLE OF CONTENTS

CHAPTER 1. NEW EMPLOYEE REFERRAL BONUS PROGRAM OVERVIEW

<i>Paragraph</i>	<i>Page</i>
1. Purpose.....	1
2. Distribution	1
3. Eligibility	1
4. Referral Bonus Amount	1
5. Bonus Program Advantages.....	1

CHAPTER 2. CRITERIA FOR DESIGNATING HARD-TO-FILL POSITIONS

200. Vacant Position Assessment	3
---------------------------------------	---

CHAPTER 3. REFERRAL AWARD GUIDELINES

300. Eligibility	5
301. AIR Employees Not Eligible to Participate in the New Employee Referral Bonus Program.....	5
302. Referral Bonus Eligibility	5
303. Ineligible Referrals.....	5

CHAPTER 4. NEW EMPLOYEE REFERRAL/BONUS PROGRAM PROCESS

400. Decision Making Participants	7
401. Vacancy Announcement	7
402. All Candidates For Hard-To-Fill Positions And Referring Employees.....	7
403. Contact Process	7
404. Application Process	7

CHAPTER 5. BONUS PROGRAM FUNDING

500. Referral Bonus Funding.....	9
501. Endorsement Of Form.....	9
502. AIR Awards Coordinator	9
503. Manager	9

APPENDICES

Paragraph

Page

APPENDIX 1. AIR NEW EMPLOYEE REFERRAL FORM (1 page)

**APPENDIX 2. AIR NEW EMPLOYEE REFERRAL BONUS PROGRAM
PAYOUT FORM (1 page)**

APPENDIX 3. TERMS AND DEFINITIONS (2 pages)

CHAPTER 1. NEW EMPLOYEE REFERRAL BONUS PROGRAM OVERVIEW

- 1. PURPOSE.** This order establishes and describes the Federal Aviation Administration (FAA) Aircraft Certification Service's (AIR) New Employee Referral Bonus Program.
- 2. DISTRIBUTION.** This order is distributed to all employees within AIR.
- 3. ELIGIBILITY.** Current AIR employees who refer a candidate for a vacancy designated as hard-to-fill on the vacancy announcement or other recruitment communications.
- 4. REFERRAL BONUS AMOUNT.** The award amount is \$500 less applicable taxes.
- 5. BONUS PROGRAM ADVANTAGES.**
 - a.** Supports FAA Flight Plan.
 - b.** Cost Effective Recruitment Method of Obtaining Quality Hires.
 - c.** Lower Turnover Rate of Employees Referred by Current Employees.
 - d.** An Industry Best Practice.
 - e.** Improves Employee Relations.
 - f.** A Positive Recruitment Tool.

CHAPTER 2. CRITERIA FOR DESIGNATING HARD-TO-FILL POSITIONS

200. VACANT POSITION ASSESSMENT. Each vacant position will be assessed based on the criteria listed below to determine if it should be designated as a hard-to-fill position. The hiring manager, in coordination with the AIR Human Resources Focal Point (HRFP) and the servicing Human Resource Management Division (HRMD), will make the determination to designate a position as hard-to-fill.

a. Attracting Candidates. Difficulty has been encountered in attracting candidates or an adequate number of highly qualified candidates for a vacant position or,

b. Well-qualified Candidates. Well-qualified candidates find a vacant position unattractive because of location or other factors or,

c. Labor-market Factors. Labor-market factors affect the ability of AIR to attract highly qualified candidates for a vacant position or,

d. Candidates with Highly Specialized Skills. Candidates with highly specialized skills are required to fill the vacant position.

CHAPTER 3. REFFERAL AWARD GUIDELINES

300. ELIGIBILITY. To be eligible for a referral bonus, AIR employees making referrals must be full-time or part-time permanent or in a temporary position at the time of the referral and at the time of the bonus payment. Rules prohibiting nepotism continue to apply.

301. AIR EMPLOYEES NOT ELIGIBLE TO PARTICIPATE IN THE NEW EMPLOYEE REFERRAL BONUS PROGRAM.

- a. Any Employee Involved in the Hiring Process.
- b. Executives.
- c. Directorate/Division Managers and Assistant Managers.
- d. Hiring Managers or Other Managers of the Office Having the Hard-to-Fill Position.
- e. AIR Human Resource Focal Points.
- f. Any Other Employees Who Have Job Responsibilities for a Portion of the Recruitment/Selection/Hiring Process.
- g. FAA Contract Employees.

302. REFERRAL BONUS ELIGIBILITY. The first AIR employee to complete the referral form for each advertised position and return it to the AIR Human Resource Focal Point (HRFP) is eligible to receive the referral bonus.

303. INELIGIBLE REFERRALS.

- a. Referral of Any Current FAA Employee.
- b. Referral of Any Former FAA Employee Who Has Not Been Separated from the Agency for a Period of More Than One Year.
- c. Referral of a Temporary Employee.

CHAPTER 4. NEW EMPLOYEE REFERRAL BONUS PROGRAM PROCESS

400. DECISION MAKING PARTICIPANTS. The hiring Manager, in coordination with the AIR Human Resource Focal Point (HRFP) and servicing Human Resource Management Division (HRMD), will make the determination and document that a position is hard-to-fill.

401. VACANCY ANNOUNCEMENT.

a. The Vacancy Announcement, or other methods of recruitment communication, will state that a referral bonus will be paid to eligible employees for a valid referral of a candidate who is selected for a hard-to-fill position.

b. Vacancy Announcement Statement. “It has been determined that this is a hard-to-fill position. A Referral Bonus in the amount of \$500 will be paid to an eligible AIR employee who refers a candidate, external to the FAA, who is successfully employed by AIR for a minimum of 90 days.”

(1) All methods of soliciting job candidates for hard-to-fill positions, including e-mail, will include this statement.

(2) If this statement is not included on a vacancy announcement, or other method of recruitment communication, a referral bonus will not be paid.

402. ALL CANDIDATES FOR HARD-TO-FILL POSITIONS AND REFERRING EMPLOYEES must meet the criteria contained in this order.

403. CONTACT PROCESS.

a. Referring Employee contacts candidate and advises him/her that his/her name is being submitted as a candidate under the AIR New Employee Referral Bonus program.

b. Candidate should contact the AIR HRFP or servicing HRMD for information on applying for the vacant position.

404. APPLICATION PROCESS.

a. Candidate must apply for the vacant position in accordance with the Requirements of the vacancy or other announcement.

b. The Referring Employee fills out an AIR New Employee Referral form and delivers it to the AIR HRFP.

c. The AIR HRFP will date/time stamp and log in the referral form for entry into the Referral Award process.

d. Notification. The referring employee will be notified as soon as a determination is made regarding the referred candidate.

e. If the Referred Candidate Is Hired. The monetary bonus will be paid after the candidate has successfully completed 90 days of employment.

CHAPTER 5: BONUS PROGRAM FUNDING

500. REFERRAL BONUSES FUNDING will come from each AIR organization's fiscal year (FY) awards allocation account.

501. ENDORSEMENT OF FORM. The Hiring Manager and the AIR Budget Focal Point (BFP) for the Organization must endorse the form and submit it to the appropriate AIR awards coordinator for processing.

502. AIR AWARDS COORDINATOR prepares the Payment Action and endorses the AIR New Employee Referral Bonus Program Payout Form.

503. REFERRING EMPLOYEE'S MANAGER presents the New Employee Referral Bonus to the referring employee. A Copy of the Payout Form will be kept in the referring employee's Employee Performance Folder (EPF).

APPENDIX 1. AIR NEW EMPLOYEE REFERRAL FORM

CANDIDATE INFORMATION:		
Referred Candidates Name:		
Address:		
City:	State:	Zip Code:
Home Phone:	Work Phone:	
Position Title/Series/Grade of Position Being Referred For:		
Location:	Vacancy Announcement #	
Have you spoken with your referral candidate regarding this job vacancy?		
REFERRED BY:		
Employee Name:	Employee Work Phone:	
Employee Organization, Routing Symbol & Address:		
Signature:	Date:	
<p>Please return completed form with a copy of the referral candidate's application/resume to your HR Focal Point. Please note that the candidate must still apply for the vacant position in accordance with the requirements of the vacancy or other announcement.</p> <p>Thank You</p>		
HR FOCAL POINT USE ONLY		
HR Focal Point Name:	Date Received:	
Action Taken:		
No Interest:	Date Contacted:	
Interviewed:	Comments:	
Selected:	Start Date:	Completion of 90 days of employment

APPENDIX 2. AIR NEW EMPLOYEE REFFERAL BONUS PROGRAM PAYOUT FORM

(Attach copy of completed AIR New Employee Referral Program Form)

Employee's Information:	
Employee Name:	Employee SSN:
Employee Organization, Routing Symbol:	
Referred Candidates Information:	
Referred Candidates Name:	
Vacancy Announcement Candidate was referred for:	
Referred Candidate's Title, Series, and Grade:	
Referred Candidate's Organization & Routing Symbol:	
Date Referred Candidate was appointed to AIR organization:	
<div style="border-bottom: 1px solid black; margin-bottom: 5px;"></div> Signature of AIR HR Focal Point	Date
Endorsement By AIR Hiring Manager:	
Name, Organization & Routing Symbol of AIR Hiring Manager:	
I certify that the above named referred candidate has been successfully employed for a period of 90 days beginning.	
<div style="border-bottom: 1px solid black; margin-bottom: 5px;"></div> AIR Hiring Manager's Signature	Date
Endorsement By AIR Awards Coordinator:	
In accordance with the scale for Non-measurable Benefits of Limited Application and Moderate/Substantial Benefit a New Employee Referral Bonus in the amount of \$500.00 was processed for the above named employee.	
<div style="border-bottom: 1px solid black; margin-bottom: 5px;"></div> Signature of AIR Awards Coordinator	Date

APPENDIX 3. TERMS AND DEFINITIONS

AIR	Aircraft Certification Service.
AIR Awards Coordinator	AIR Awards Coordinators are individuals within AIR Directorates and Divisions who are responsible for processing awards for their organization.
AIR Budget Focal Point	AIR Budget Focal Points are individuals within AIR Directorates and Divisions who are responsible for tracking/maintaining their organizations overall budget.
AIR Employee	A Federal civil service employee of the FAA, Regulation & Certification, Aircraft Certification Service.
AIR Hiring Manager	A manager within an AIR organization who has a vacant position that has been designated as hard-to-fill and for which a referral bonus will be paid.
Candidate	An applicant, external to the FAA, who is referred by an eligible AIR employee, for a designated hard-to-fill position.
Eligible Employee	AIR employees in full-time or part-time permanent or temporary positions at the time of the referral and at the time of the bonus payment.
External to the FAA	A candidate for employment who is not a Federal Civil Service employee of the Federal Aviation administration. A former FAA employee must have a break in service of at least one year to be considered an external to the FAA candidate.
FAA	Federal Aviation Administration
HRFP	Human Resource Focal Points are contacts within AIR Directorates and Divisions who handle human resource matters for their organization including the New Employee Referral Bonus Program. AIR Human Resource Focal Points work closely with their servicing Human Resource Management Divisions.
HRMD	Human Resource Management Division – The organization responsible for providing the full range of Human Resource Services to all of the FAA offices in a particular geographic location.

APPENDIX 3. TERMS AND DEFINITIONS (Continued)

Hard-to-fill Position	<p>A position designated as hard-to-fill because;</p> <ol style="list-style-type: none">Difficulty has been encountered in attracting candidates or an adequate number of highly qualified candidates for a vacant position orWell-qualified candidates find a vacant position unattractive because of location or other factors orLabor-market factors affect the ability of AIR to attract highly qualified candidates for a vacant position orCandidates with highly specialized skills are required to fill the vacant position.
Ineligible Employees	<p>AIR employees who are involved in the hiring process, executives, Directorate/Division Managers and Assistant Managers, Hiring Managers or Other Managers of the department having the hard-to-fill position, AIR Human Resource Focal Points and any other employees who have job responsibilities for a portion of the recruitment/selection/hiring process.</p>
Nepotism	<p>An FAA official may not appoint or advocate the appointment of a relative to any position in the FAA. An official advocates a relative's appointment if he or she simply refers a relative to a subordinate for consideration.</p>
Referring Employee	<p>Eligible AIR employee who refers a candidate, external to the FAA, for a hard-to-fill position using the AIR New Employee Referral Form.</p>
Referral Bonus	<p>An amount of \$500.00 paid to an eligible employee who refers a candidate, external to the FAA, who is successfully employed by AIR for a minimum of 90 days.</p>



U.S. Department
of Transportation
**Federal Aviation
Administration**

Directive Feedback Information

Please submit any written comments or recommendations for improving this directive, or suggest new items or subjects to be added to it. Also, if you find an error, please tell us about it.

Subject: Order 3450.40

To: Directive Management Officer, AIR-530

(Please check all appropriate line items)

☐ An error (procedural or typographical) has been noted in paragraph _____ on page _____.

☐ Recommend paragraph _____ on page _____ be changed as follows:
(attach separate sheet if necessary)

☐ In a future change to this directive, please include coverage on the following subject
(briefly describe what you want added):

☐ Other comments:

☐ I would like to discuss the above. Please contact me.

Submitted by: _____ Date: _____

FTS Telephone Number: _____ Routing Symbol: _____