

WORKFORCE SOLUTIONS

G R E A T E R D A L L A S

Policy Number: <u>A0121</u>	RE: Retention Bonus
Date Issued: January 3, 2024, Supplement to Employee Handbook	Effective Date: November 13, 2023

RETENTION BONUS POLICY

Background and Purpose

Workforce Solutions Greater Dallas (**WFSDallas**) is a state-appointed Local Workforce Development Board and, as such, is subject to complying with the requirements of Texas state and Federal law governing grant funds and related grant contracts. Subject to certain limitations provided in applicable law and this policy, WFSDallas may potentially provide retention support payments to Board Staff in certain limited circumstances. WFSDallas is committed to complying with applicable law.

Nothing in this policy shall conflict, revise, or modify any vested benefit or other payment obligation to any Board Staff employee under the WFSDallas Employee Handbook as revised from time-to-time.

This retention bonus policy is not intended to create any vested entitlement or benefit for any WFSDallas employee. No WFSDallas employee has any vested or unvested right to any benefits or entitlement under this policy. Employment with the WFSDallas is and remains at-will and may be terminated by either the employee or WFSDallas at any time for any reason.

Overview: Federal and state grant monies that TWC issues to workforce boards are appropriated to TWC by Acts passed by the Texas Legislature each biennium, namely the Texas General Appropriations Act (GAA)*. When a Texas state agency uses funds appropriated by the GAA to issue grants to workforce boards and certain other units of local government, Section 4.04(a)(1) and (b)(2), Article IX, GAA generally applies the salary limitations from Part 3, Article IX, GAA. Section 3.01 of those provisions applies to the salary classification schedules in Section 2.01, Article IX, GAA. Workforce boards use those classifications and schedules in connection with salary schedules submitted to TWC under what is sometimes referred to as a Board's House Bill 1 budget submission. Section 3.06, Article IX, GAA addresses recruitment and retention bonuses, applying [Texas Government Code § 659.262](#). Additionally, most grant funds that TWC issues to workforce boards are federal monies to which the Office of Management and Budget "Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards" (Uniform Guidance) is applied. The retention bonuses described in Texas Government Code § 659.262 constitute "incentive compensation" addressed in 2 C.F.R. § 200.430(f) of the Uniform Guidance. Federal grant funds are also subject to certain federal limitations on compensation. The combination of these requirements set some parameters for retention bonuses that the workforce board would pay with TWC-issued grant funds.

Policy

Application. This policy applies solely to individuals who are eligible WFSDallas employees. This policy is not funded, and payment of the retention bonus hereunder is made from the general assets of the Company or available funds from grant contracts (if any).

Eligibility and Conditions. This policy applies to WFSDallas identified employees after 12 months and stays 12 months with the organization. The retention bonus is a targeted payment outside of an employee's regular base salary that is offered as an incentive to keep a key employee on the job during a critical period. The time frame and retention bonus amount will be limited to a one-time lump-sum compensation payment not to exceed \$5,000 and pending availability of funds. All decisions must be made on a case-by-case basis as to the necessity of the bonus to retain the staff, and the amount of the bonus.

Action Required

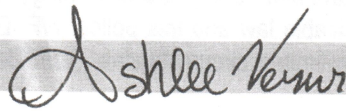
This policy should be distributed to all affected staff.

Contact

Inquiries regarding this policy should be directed to Workforce Solutions Greater Dallas at 214.290.1000.

Approved for Content:

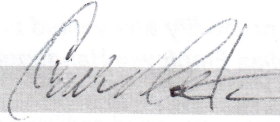
Signature



Date

1/2/24

WFSDallas Board Chair Signature



Date

1/3/2024