2.90 – Retention Incentives

2.90.10 General

Retention incentives are designed to help the Division retain quality employees with specialized skills (Certified Public Accountants). Retention incentives provide a monetary incentive for CPAs to remain employed long-term. Long-term employment of CPAs is needed to provide the Division the experience necessary to meet federal and state audit deadlines, and carry out its audit function in accordance with audit standards.

Incentives are needed because 1) financial audit positions (CPAs) require unique specialized qualifications, 2) CPAs are in high demand, and 3) CPAs are in short supply. Given that CPAs would be likely to leave Division employment in the absence of a retention incentive, retention incentives are essential to enabling the Division to carry out its duties.

2.90.20 Eligibility

Retention incentives may be paid to an auditor that has been continuously employed full-time for at least three years as of the end of December of the prior year. To be eligible, the employee must be licensed as a CPA in Alaska as of December of the prior year, be continuously employed full-time through the end of the first full pay period of July of the current year (the first pay period that begins and ends in July), and have received an annual performance rating by the Legislative Auditor of "Expected" or "Above Expected" during the prior year, as applicable.

Note: LWOP due to family leave or other entitlement (such as workers' compensation or ADA accommodations) will not disqualify a person for a retention incentive; however, LWOP time will not be considered when calculating years of service. LWOP that is not for family leave will be considered a break in service.

2.90.30 Calculation

The incentive amount will be calculated by multiplying the prior year earned regular wages for a qualified employee by the percent in the following table. Note: wages include personal leave used and holiday pay, but do not include leave cash-outs. Years of service is defined as continuous years of full-time employment as an auditor.

Years of Service	Percent
3	3%
4	3%
5 through 6	4%
7 through 10	8%
11 through 14	9%
15 through 19	10%
20+	11%

2.90.40 Timing

Retention incentives will be paid the first full pay period that begins and ends in July as part of the bi-weekly payroll.

2.90.50 One-Time Exception

Retention incentives will be paid beginning July 2023. For the first payments due July 2023, total years employed with the Division as of December 31, 2022, will be calculated as the total time employed with the Division regardless of prior breaks in service or full-time status. Further, any prior Division CPA who rejoins the Division from January through June 2023 may qualify for the incentive beginning July 2024. For these employees, the total years employed with the Division as of December 31, 2023, will be calculated by taking the total years employed with the Division (regardless of breaks of service or full-time status) at the time of rehire, plus time worked since rehire.

2.90.60 Approval

The policy was approved by the Legislative Budget and Audit Committee on December 14, 2022. The need for retention incentives is to be reconsidered by the Legislative Budget and Audit Committee during 2028.

2.90.70 Termination

If an employee is demoted or terminated for any reason, no payment of the retention incentive will be made.

2.90.80 Budgetary Availability

Retention incentive payments are contingent upon sufficient budgetary authority.