

# Reclamation Manual

Directives and Standards

## *TEMPORARY RELEASE*

*(Expires 01/28/2013)*

<b>Subject:</b>	Recruitment, Relocation, and Retention Incentives and Flexibilities Related to Creditable Service for Leave Accruals
<b>Purpose:</b>	This Directive and Standard (D&S) provides Bureau of Reclamation requirements for determining and paying recruitment, relocation, and retention incentives, and for crediting non-Federal and military retiree experience toward service for annual leave accrual. The benefit of this D&S is to ensure judicious and consistent use of these incentives.
<b>Authority:</b>	Pub. L. 108-411 (Section 101 of the Federal Workforce Flexibility Act of 2004); Pub. L. 108-411 (Section 202(a), (2004)) of the Federal Workforce Flexibility Act of 2004); 5 U.S.C. 5753, 5754, and 6303; title 5 CFR Part 575 and 630; and Department of the Interior Personnel Bulletin No. 05-05 and 06-01 (575)
<b>Approving Official:</b>	Director, Policy and Administration
<b>Contact:</b>	Human Resources Division, 84-58000

1. **Introduction.** This D&S is intended to establish a consistent process to utilize and request recruitment, relocation, and retention incentives, and flexibilities related to creditable service for leave accruals. The incentives and flexibilities must be limited to recruiting and in some cases retaining highly-qualified candidates who would otherwise seek employment outside of Reclamation for similar positions in the non-Federal, private, non-profit, and academic sectors. The use of incentives and flexibilities is not a substitute for traditional recruiting efforts that could yield a competent and qualified employee without the use of such incentives and flexibilities. These incentives are to be used to meet Reclamation's most significant staffing challenges. Specifically, they must only be offered when a position requires knowledge, skills, abilities, and education that are otherwise difficult to find in the Federal and/or non-Federal workforce.
2. **Applicability.** This D&S applies to Reclamation managers, supervisors, and hiring or selecting officials.
3. **Definitions.**
  - A. **Creditable Service for Annual Leave Accrual for non-Federal Work Experience and Military Retiree Experience in the Uniformed Service.** A discretionary flexibility an agency may exercise to allow service credit time for non-Federal or uniformed service experience that would otherwise not be creditable under 5 U.S.C. 6303(e) for the purpose of determining a newly appointed or reappointed employee's annual leave accrual rate.

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- B. **Newly Appointed.** The first appointment (regardless of tenure) as an employee of the Federal Government; an appointment of a former employee of the Federal Government following a break in Federal Government service of at least 90 days; or, in certain cases, an appointment following a break in service of less than 90 days from a previous appointment as an employee of the Federal Government.
- C. **Rate of Basic Pay.** The rate of pay fixed by law or administrative action for the position to which the employee is or will be appointed, before deductions, and including:
- (1) any special rate under 5 CFR part 530, subpart C;
  - (2) any locality-based comparability payment under 5 CFR part 531, subpart F; or
  - (3) special pay adjustments for law enforcement officers under section 404 of the Federal Employees Pay Comparability Act of 1990 (Pub. L. 101-509).
- D. **Recruitment Incentive.** A payment made to a candidate as an incentive to accept a Federal job in situations where the agency would otherwise have difficulty filling a position (or group of positions). The incentive may be up to 25 percent of the employee's basic pay or up to 10 percent of basic pay for individuals in a specific group of positions.
- E. **Relocation Incentive.** A payment made to a current employee or group of employees to accept a position that would require the employee to move to a new commuting area or different geographical area. Relocation incentives are for situations in which an agency would otherwise have difficulty filling a position (or group of positions). The incentive may be up to 25 percent of the employee's basic pay or up to 10 percent of basic pay for individuals in a specific group of positions.
- F. **Retention Incentive.** A payment made to retain a current employee or group of employees that possess unusually exceptional qualifications or are essential to retain in the agency due to a critical need, who the agency has determined would be likely to leave for employment outside the Federal Government. The incentive may be up to 25 percent of the employee's basic pay or up to 10 percent of the basic pay for each individual in a specific group of positions.
- G. **Service Agreement.** A written agreement between Reclamation and an employee or potential employee where the individual agrees to complete a specified period of employment in return for payment of recruitment or relocation incentive.

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H. **Statement of Understanding.** A written document provided to individuals who have been approved to receive an individual or group retention incentive that details the terms and conditions associated with receiving a retention incentive.

#### 4. **Responsibilities.**

A. **Deputy Commissioners.** Deputy commissioners are responsible for:

- (1) reviewing and considering requests for recruitment, relocation, and retention incentives; and
- (2) making a determination for approval or denial to arrive at consensus.

B. **Director, Policy and Administration.** The Director, Policy and Administration is responsible for:

- (1) reviewing all requests for recruitment, relocation, and retention incentives;
- (2) ensuring, through consultation with the Human Resources Manager in Denver, all applicable rules, regulations, and guidelines for receiving or awarding the incentives and allowing service credit are met;
- (3) approving or denying requests to allow over 3 years of non-Federal and military retiree experience toward annual leave accrual; and
- (4) upon surnaming the request packet, forwarding requests for recruitment, relocation, and retention incentives to the appropriate deputy commissioner for final decision.

C. **Regional and Office Directorates and Chief of Staff.** Regional and Senior Executive Service (SES) level office directorates and the Chief of Staff for Washington, D. C. based employees are responsible for:

- (1) supporting or denying requests to offer recruitment, retention, and relocation incentives;
- (2) forwarding recruitment, relocation, and retention incentive requests and justification packets that he/she supports through human resources channels to the Human Resources Division Manager in Denver and Director, Policy and Administration in Denver and to the deputy commissioners for approval;

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- (3) reviewing and approving/disapproving requests to use flexibilities to allow up to a maximum of 3 years of non-Federal and military retiree experience toward service credit for annual leave accrual; and
- (4) reviewing and supporting or denying requests to use flexibilities to allow over 3 years of non-Federal and military retiree experience toward service credit for annual leave accrual and sending those requests through his/her regional human resources office to the Human Resources Division Manager in Denver.

**D. Human Resources Division Manager in Denver.** The Human Resources Division Manager in Denver is responsible for:

- (1) receiving and reviewing all requests for awarding recruitment, relocation and retention incentives and requests to allow more than 3 years of non-Federal and military retiree experience toward service credit for annual leave accrual received from regional human resources managers;
- (2) ensuring all applicable rules, regulations, and guidelines for receiving or awarding the incentives or allowing the service credit are met; and
- (3) forwarding the request/justification packets that are complete and meet applicable criteria as stated in 5 CFR 575 and this D&S to the Director, Policy and Administration for surname and review.

**E. Managers, Supervisors, and Selecting Officials.** Managers, supervisors, and selecting officials will:

- (1) determine the need to offer an incentive or flexibility;
- (2) work closely with their regional/servicing human resources office to develop official requests and justifications to request approval to offer the incentives and/or use the leave flexibility;
- (3) gather, compile information, and create the written justification packet to request the incentive or use of the flexibility;
- (4) ensure consistency and equity in offering and using incentives and leave flexibilities;
- (5) consider budget implications of offering an incentive; and

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- (6) submit complete justification packets through their regional/servicing human resources office to be sent to the appropriate management official for action.

**F. Regional and Servicing Human Resources Officers and their Staff.** Regional and servicing human resources officers and their staff are responsible for:

- (1) providing guidance to managers, supervisors, and selecting officials on the requirements that must be met to offer incentives or use leave flexibilities;
- (2) reviewing incentive and service credit request packets to ensure they contains all required information;
- (3) forwarding completed request packets to their regional director for review and his/her action/recommendation;
- (4) receiving request packets back from the regional director after his/her review or decision;
- (5) sending incentive request packets and packets requesting over 3 years credit toward annual leave accrual for non-Federal and military retiree experience that are recommended for approval to the Human Resource Division, Program Management Branch in Denver, Colorado, to be sent either through channels to the deputy commissioners or to the Director, Policy and Administration as appropriate;
- (6) notifying officials that have submitted requests for incentives or to use the leave flexibility of the final decisions rendered on those requests;
- (7) maintaining information and reports associated with incentives and leave flexibilities utilized as required by the Office of Personnel Management (OPM) and the Department;
- (8) ensuring all recruitment, relocation, and retention incentive information and the associated reports are available and accessible to individuals performing official accountability reviews within Department guidelines; and
- (9) processing and documenting personnel actions within the Federal Personnel and Payroll System (FPPS) to document the approved incentives to be paid (or stopped) or service credit to be allowed as appropriate.

**G. Human Resources Division, Program Management Branch.** A specialist within the Human Resources Division, Program Management Branch in Denver, Colorado, is

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responsible for reviewing requests to offer incentives or allow over 3 years of service credit for annual leave accruals for non-Federal and military retiree experience received from regional human resources offices that have been recommended for approval by their regional director to:

- (1) ensure conformance to statutory, regulatory, and policy requirements;
- (2) confirm the amount of the incentive requested and employee eligibility; and
- (3) forward request packets that are complete and meet the criteria as stated in 5 CFR 575.108 or 5 CFR 575.208 and this D&S, through the Human Resources Division Manager in Denver to the Director, Policy and Administration.

**H. Employees and/or Potential Employees.** Employees and/or potential employees are responsible for:

- (1) providing documentation and information to his/her supervisor or potential supervisor as required to support requests for incentives and/or to leave flexibilities; and
- (2) signing and adhering to the terms of the Service Agreement that are required based on his/her receipt of an incentive.

**5. Creditable Service for Annual Leave Accrual for Non-Federal Work Experience and Military Retiree Experience in the Uniformed Service.**

**A. Eligibility.** The following individuals are eligible to be approved for creditable service:

- (1) newly appointed or reappointed permanent employees with previous non-Federal experience; and
- (2) newly appointed or reappointed permanent employees who are retired members of the active duty service as defined by 38 U.S.C. 4030.

**B. Positions.**

- (1) Individuals employed in covered positions, which include all appointive positions in the executive, judicial, and legislative branches of the Government of the United States are eligible to be approved for creditable service.

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- (2) Individuals employed in excluded positions, which are those in the uniformed service, are not eligible to be approved for creditable service.
- C. **Criteria.** As indicated in the definitions paragraph and in previous paragraphs of this D&S, this flexibility allows eligible employees in covered positions to be credited with extra service time toward their annual leave accruals for their non-Federal and military retiree experience. A fact sheet is provided in Appendix A that summarizes the criteria and important information regarding this specific leave flexibility. During the non-Federal or military retiree time, the entire service to be credited to the individual must meet the following criteria:
- (1) The individual must have been performing duties directly related to the position to which he/she is being appointed.
  - (2) The specific experience or expertise he/she acquired during this time must be essential and required for the position to which he/she is being appointed.
  - (3) The service time to be credited must not include any service that is already considered creditable for leave accruals.
- D. **Requesting Approval.** To request approval to use this flexibility, selecting officials must submit a written request through management channels. Please see Appendix B for a checklist that contains a listing of all of the documentation and information that must be contained within the written request packet and submitted before a decision will be made. Overall, the written request must include:
- (1) the amount of service to be credited;
  - (2) an explanation of the skills, experience, and/or expertise the individual possesses that were acquired during the non-Federal or military service time to be credited;
  - (3) details regarding the important Reclamation mission or performance goal that will be achieved by crediting the service time to the individual; and
  - (4) all of the documentation and information listed in Appendix B, Creditable Service for Leave Accrual checklist and justification form.
- E. **Other Important Information.**
- (1) Use of this flexibility is discretionary.

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- (2) The decision and approval to allow the non-Federal and/or military retiree experience time to be credited toward annual leave accrual must be made before the individual enters on duty and cannot be made retroactively.
- (3) The service time must be credited toward annual leave accrual only.
- (4) For the individual to continue to receive credit for the service time throughout his/her Federal career, he/she must complete 1 full year of continuous service with the Department.
- (5) Individuals are not required to sign a Service Agreement in order to receive this type of service credit.
- (6) If the individual separates from Federal service or transfers to another Federal agency before the 1-year service requirement is met, he/she is not entitled to retain the service credit.
- (7) All decisions to award extra credit toward annual leave accrual must be documented on a Standard Form 144, Statement of Prior Federal Service, and within FPPS and the individual's Official Personnel Folder by a Standard Form 50, Notification of Personnel Action.

#### **6. Recruitment Incentives.**

A. **Eligibility.** A recruitment incentive may be paid to recruit individuals or groups of individuals who:

- (1) will be newly appointed to the Federal Government; or
- (2) will be reemployed in the Federal service as explained in the definition section of this D&S; and
- (3) will be employed in a permanent position with a full-time work schedule.

#### **B. Positions.**

- (1) Recruitment incentives may only be paid to individuals in the following eligible position categories:
  - (a) general schedule (GS);
  - (b) law enforcement officers;

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- (c) prevailing rate employees such as or including;
    - (i) nonsupervisory, negotiated pay employees (BB);
    - (ii) leader, negotiated pay employees (BL);
    - (iii) supervisor of negotiated rate employees (XE) in the Federal Wage System;
    - (iv) nonsupervisory pay schedules (WG), Federal Wage System;
    - (v) leader pay schedules (WL), Federal Wage System; and
    - (vi) supervisory pay schedule (WS), Federal Wage System.
  - (d) senior-level positions (SL);
  - (e) scientific or professional, 5 U.S.C. 3104 (ST);
  - (f) senior executive service (SES);
  - (g) executive pay, 5 U.S.C. 5311-5317 (EX); or
  - (h) any position where the rate of pay is fixed by law at a rate equivalent to a rate for the EX.
- (2) The Secretary of the Department must submit written request to OPM to approve other categories for coverage.
- (3) Recruitment incentives cannot be paid to individuals in the following excluded positions or appointments:
- (a) presidential appointees;
  - (b) non-career appointees in the SES; or
  - (c) those in positions excepted from the competitive service by reason of their confidential, policy determining, policy-making, or policy-advocating natures (Schedule C).

**C. Considerations.** Before requesting approval to offer individual or group recruitment incentives, requesting officials must consider:

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- (1) the non-Federal salary plus fringe benefits the candidate currently receives;
- (2) the actual salary plus fringe benefits the candidate would receive within Federal service without and with the proposed incentive if approved;
- (3) projected costs of renewed recruitment efforts if the candidate does not accept the position;
- (4) Reclamation's mission requirements and program priorities; and
- (5) the specialized experience, education, and/or skills the individual possesses that will benefit the organization and that are in addition to the basic qualification requirements for the position.

#### D. **Criteria.**

- (1) **Individual Recruitment Incentive.** Potential employees who will serve in an eligible position and under covered appointments must further meet all of the following requirements before a recruitment incentive is requested:
  - (a) he/she must possess knowledge, skills, abilities, and/or education that are difficult to find within the Federal service;
  - (b) he/she must be highly qualified for the position being filled;
  - (c) the position in which he/she would serve must be one that Reclamation has identified as being difficult to fill with candidates that possess the competencies (i.e., knowledge, skills, abilities, behaviors, and other characteristics) required for the position; and
  - (d) the individual has indicated that he/she will not accept a position in the Federal service without receiving the recruitment incentive.
- (2) **Recruitment Incentive for Groups.** Potential employees who will serve in eligible positions or under covered appointments in specific groups or categories of positions must further meet all of the following requirements before a recruitment incentive is requested:
  - (a) the position for which the individual is being hired must be a position Reclamation has targeted and designated in writing as difficult to fill with candidates that possess the competencies required for the position in the past or are likely to be difficult to fill in the future;

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- (b) he/she must possess knowledge, skills, abilities, and/or education that are difficult to find within the Federal service;
  - (c) he/she must be highly qualified for the position being filled; and
  - (d) the individual has indicated that he/she will not accept a position in the Federal service without receiving the recruitment incentive.
- E. **Requesting Approval.** To request approval to offer this incentive for either individual or individuals within a previously targeted and designated group of positions, officials must submit a written request through management channels. Please see Appendix C for a checklist that contains a listing of all of the documentation and information that must be contained within the written request packet and submitted before a decision will be made. Overall, the written request must include:
- (1) the success of recent efforts to recruit candidates for similar positions, including indicators such as offer acceptance rates, the proportion of positions filled;
  - (2) length of time required to fill similar positions;
  - (3) recent turnover in similar positions;
  - (4) reason for requesting the incentive(s);
  - (5) the amount of incentive recommended (no more than 25 percent of basic pay for individual recruitment incentives or no more than 10 percent of basic pay for group recruitment incentive members);
  - (6) how the incentive will be paid such as:
    - (a) an initial lump-sum payment at the commencement of the service period;
    - (b) equal installments throughout the service period required by the Service Agreement;
    - (c) a final lump-sum payment upon completion of the full service period; or
    - (d) a combination of these payment methods.
  - (7) recommended Service Agreement length (no less than 6 months or more than 4 years); and

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- (8) a complete listing of all other incentives, leave flexibilities, or special appointment authorities (superior qualifications) also recommended or approved for the employee(s).

#### **F. Service Agreement.**

- (1) Before a recruitment incentive may be paid, the employee(s) or potential employee(s) must sign a written Service Agreement. A Service Agreement Template for Recruitment Incentives is provided in Appendix D.
- (2) By signing the Service Agreement, the employee agrees to remain in the service of Reclamation for the period of time stated in the agreement, and to the conditions and terms of the agreement.
- (3) A Service Agreement and payment of a recruitment incentive must be terminated when the employee:
  - (a) is demoted or separated for cause (i.e., for unacceptable performance or conduct);
  - (b) receives an official rating of record lower than “superior” or equivalent; or
  - (c) otherwise fails to fulfill the terms of the Service Agreement.
- (4) A Service Agreement and payment of a recruitment incentive may be terminated by Reclamation when:
  - (a) the individual’s position is affected by a reduction in force;
  - (b) there are insufficient funds to continue the planned incentive payments;
  - (c) conditions change such that the original determination to pay the incentive no longer applies (such as when the individual is assigned to a different position); or
  - (d) management has determined that needs of Reclamation require the agreement to be terminated.
- (5) Reclamation must notify employees in writing when it terminates a recruitment incentive Service Agreement.

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- (6) A recruitment incentive Service Agreement cannot commence during the service period established by an individual's relocation or retention incentive Service Agreement.

### **F. Other Important Information.**

- (1) Performance appraisals for individuals receiving recruitment incentives will be verified yearly at the time new performance ratings are received, upon the anniversary date of the incentive approval, or anytime approval is requested to extend an incentive beyond 1 year. If any of these reviews shows that the individual has received a final rating of less than "superior" the individual's Service Agreement will be terminated and he/she will no longer receive a recruitment incentive.
- (2) The decision to offer individual or group recruitment incentives is discretionary.
- (3) The decision and approval to pay a recruitment incentive (individual or group) must be made in writing, before the individual enters on duty and cannot be made retroactively.
- (4) The decision to approve, continue, reduce, or terminate a recruitment incentive cannot be appealed or grieved.

### **7. Relocation Incentives.**

A. **Eligibility.** A relocation incentive may be paid to a current employee (or group of employees) who must relocate to accept a position in a different geographic area if Reclamation determines that the position is likely difficult to fill in the absence of the incentive.

#### **B. Positions.**

- (1) Relocation incentives will only be paid to individuals or groups of individuals in the following eligible position categories:
  - (a) GS;
  - (b) law enforcement officers;
  - (c) prevailing rate employees (BB, BL, XE, WG, WL, WS);
  - (d) SL, ST, or SES; or

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- (e) any position where the rate of pay is fixed by law at a rate equivalent to a rate for the EX.
  - (2) By law, the Secretary of the Department must submit written request to OPM to approve other categories for coverage.
  - (3) Relocation incentives cannot be paid to individuals in the following excluded positions or appointments:
    - (a) presidential appointees;
    - (b) non-career appointees in the SES; or
    - (c) those in positions excepted from the competitive service by reason of their confidential, policy determining, policy-making, or policy-advocating natures (Schedule C).
- C. **Considerations.** Before requesting approval to offer a relocation incentive, requesting officials must consider:
- (1) the disparity in cost-of-living between the candidate's current residence and the proposed duty station;
  - (2) the personal or professional disruption that will occur as a result of relocation; and/or
  - (3) the challenges of the geographic area of the proposed duty station.
- D. **Criteria.**
- (1) **Individual Relocation Incentive.** Potential employees who will serve in an eligible position, under a covered appointment, must further meet the following requirements before a relocation incentive is requested:
    - (a) the position for which he/she would serve must be one in which Reclamation has identified as being difficult to fill with candidates that possess the competencies (i.e., knowledge, skills, abilities, behaviors, and other characteristics) required for the position;
    - (b) the individual must be highly qualified for the position;

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- (c) the worksite of the new position must be in a different geographic area (50 or more miles from the worksite of the position held immediately before the move);
  - (d) the individual's most recent official rating of record must be "superior" or equivalent; and
  - (e) the individual must establish a residence in the new area before the incentive will be paid.
- (2) **Relocation Incentive for Groups.** Potential employees who serve in eligible positions or under covered appointments in specific groups or categories of positions must further meet the following requirements before a relocation incentive is requested:
- (a) the positions the individuals will fill must be positions Reclamation has targeted and designated in writing as difficult to fill with candidates that possess the competencies required for the position in the past or are likely to be difficult to fill in the future;
  - (b) the employees must be highly qualified for the positions;
  - (c) the worksite of the new positions must be in a different geographic area (50 or more miles from the worksite of the position held immediately before the move);
  - (d) the individuals most recent official rating of records must be "superior" or equivalent; and
  - (e) the individuals must establish a residence in the new area before the incentive will be paid.
- E. **Requesting Approval.** To request approval to offer this incentive either for an individual or individuals within a previously identified and designed group of positions, officials must submit a written request through management channels. Please see Appendix C for a checklist that contains a listing of all of the documents and information that must be contained within the written request packet and submitted before a decision will be made. Overall, the written request must include:
- (1) the success of recent efforts to recruit candidates for similar positions, including indicators such as offer acceptance rates, the proportion of positions filled;

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- (2) length of time required to fill similar positions;
  - (3) recent turnover in similar positions;
  - (4) reason for requesting the incentive(s);
  - (5) the amount of incentive recommended (no more than 25 percent of basic pay for individual relocation incentives or no more than 10 percent of basic pay for group relocation incentive members);
  - (6) how the incentive will be paid, for example:
    - (a) as an initial lump-sum payment at the commencement of the service period;
    - (b) in equal installments throughout the service period required by the Service Agreement;
    - (c) as a final lump-sum payment upon completion of the full service period; or
    - (d) a combination of these payment methods.
  - (7) Service Agreement length (no less than 6 months or more than 4 years); and
  - (8) a complete listing of all other incentives also recommended or approved for the employee(s).
- F. **Service Agreement.** Before a relocation incentive is paid, the employee(s) must sign a written Service Agreement. A Service Agreement Template for Relocation Incentives is provided in Appendix E.
- (1) By signing the Service Agreement, the employee agrees to remain in the service of Reclamation for the period of time stated in the agreement, and to the conditions and terms of the agreement.
  - (2) A Service Agreement and payment of a relocation incentive must be terminated when the employee:
    - (a) is demoted or separated for cause (i.e., for unacceptable performance or conduct);
    - (b) receives an official rating of record lower than “superior” or equivalent;

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- (c) otherwise fails to fulfill the terms of the Service Agreement; or
  - (d) management determines that the needs of Reclamation require the agreement to be terminated.
- (3) Reclamation must notify employees in writing when it terminates a relocation incentive Service Agreement.
  - (4) A relocation incentive Service Agreement cannot commence during the service period established by an individual recruitment incentive, Service Agreement, or previously authorized relocation incentive Service Agreement. A relocation Service Agreement may commence, though, while an employee is receiving previously authorized retention incentive payments.

#### **G. Other Important Information.**

- (1) Service Agreements for individuals receiving relocation incentives will be verified yearly at the time new performance ratings are received, upon the anniversary date of the incentive approval, or anytime approval is requested to extend an incentive beyond 1 year. If any of these reviews show that the individual has received a final rating of less than “superior” the individual’s Service Agreement will be terminated and he/she will no longer receive the relocation incentive.
- (2) The decision to offer individual or group relocation incentives is discretionary.
- (3) The decision and approval to pay a relocation incentive (individual or group) must be made in writing, before the individual is assigned and moves to the new position, and cannot be made retroactively.
- (4) The decision to approve, continue, reduce, or terminate a relocation incentive must be made in writing, on a case-by-case basis, and cannot be appealed or grieved.

#### **8. Retention Incentives.**

- A. **Eligibility.** A retention incentive may be paid to a current employee (or group of employees) when:
  - (1) he/she possesses unusually high or unique qualifications;
  - (2) he/she a permanent employee with a full time work schedule;

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- (3) a special need of Reclamation for the employee's services makes it essential to retain the individual; and
- (4) the employee(s) would be likely to leave Federal service in the absence of a retention incentive.

#### **B. Positions.**

- (1) Retention incentives may only be paid to individuals or groups of individuals in the following eligible position categories:
  - (a) GS;
  - (b) prevailing rate employees (BB, BL, XE, WG, WL, WS);
  - (c) SL, ST, or SES; or
  - (d) any position where the rate of pay is fixed by law at a rate equivalent to a rate for the EX.
- (2) The Secretary of the Department must submit written request to OPM to approve other categories for coverage.
- (3) Retention incentives cannot be paid to individuals in the following excluded positions or appointments:
  - A. presidential appointees;
  - B. non-career appointees in the SES; or
  - C. those in positions that are excepted from the competitive service by reason of their confidential, policy determining, policy-making, or policy-advocating natures (Schedule C), agency heads, or those expected to receive an appointment as an agency head.

#### **C. Considerations.** Before requesting approval to offer individual or group retention incentives, requesting officials must consider:

- (1) the role of the individual(s) in the program, e.g., leadership, expert, etc., and the potential impact of the individual leaving the program;
- (2) Reclamation mission requirements and program priorities; and

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- (3) the unusually high or unique qualifications, specialized skills, or training and experience that the individual possesses, including a cost assessment of previous government-sponsored training or career development, if pertinent.
- D. **Criteria.** A retention incentive may be paid to current a employee or group of employees when:
- (1) he/she possesses unusually high or unique qualifications;
  - (2) a special need of Reclamation for the employee's services makes it essential to retain the employee;
  - (3) the employee(s) would be likely to leave the Federal service in the absence of a retention incentive; and
  - (4) the employee's most recent official performance rating of record is at least "superior" or the equivalent.
- E. **Requesting Approval.** To request approval to offer a retention to either a single individual or more than one individual within a previously identified and designed group of positions, officials must submit a written request through management channels. Please see Appendix F for a checklist that contains a listing of all of the documents and information that must be contained within the written request packet and submitted before a decision will be made. Overall, the written request must include:
- (1) a description as to the extent to which the employee's departure would affect Reclamation's ability to carry out an activity or perform a function essential to the mission;
  - (2) the availability in the labor market of candidates who, after a reasonable time, could perform the full range of the duties and responsibilities similar to the employee's position;
  - (3) the success of recent efforts to recruit candidates for similar positions, including indicators such as offer acceptance rates, the proportion of positions filled;
  - (4) length of time required to fill similar positions;
  - (5) recent turnover in similar positions;
  - (6) reason for requesting the incentive(s);

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- (7) the amount of incentive recommended (no more than 25 percent of basic pay for individual retention incentives or no more than 10 percent of basic pay for each member for group relocation incentive); and
- (8) a complete listing of all other incentives also recommended or approved for the employee(s).

#### **F. Statement of Understanding.**

- (1) A written Service Agreement is not required to receive either an individual or group retention incentive. Instead, management will provide recipients with a copy of the Statement of Understanding, which is included in Appendix G. The Statement of Understanding indicates that his/her retention incentive will be terminated if:
  - (a) he/she is demoted or separated for cause (i.e., for unacceptable performance or conduct);
  - (b) if conditions change such that the original determination to pay the incentive no longer applies (e.g., when the individual is reassigned to a different position);
  - (c) he/she receives an official rating of record lower than “superior” or equivalent; or
  - (d) management determines that the needs of Reclamation require the retention incentive to be terminated (such as insufficient funds to continue planned payments, or reduction in force).
- (2) Reclamation must notify employees in writing when it terminates a retention incentive.

#### **G. Other Important Information.**

- (1) Performance appraisals for individuals receiving retention incentives will be verified yearly at the time new performance ratings are received, upon the anniversary date of the incentive approval, and any time approval is requested to extend an incentive beyond 1 year. If any of these reviews shows that the individual has received a final rating of less than “superior” the individual’s retention incentive will be terminated.
- (2) The decision to offer individual or group retention incentives is discretionary.

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- (3) The decision and approval to pay a retention incentive (individual or group) must be made in writing.
- (4) The decision to approve, continue, reduce, or terminate a retention incentive must be made on a case-by-case basis, in writing, and cannot be appealed or grieved.
- (5) Reclamation will pay approved retention incentives in biweekly installments only and will set those installment payments at the full retention incentive rate approved for the individual.

### **9. Appendices.**

- A. Appendix A, Fact Sheet for Creditable Service for Annual Leave Accruals
- B. Appendix B, Creditable Service for Annual Leave Accrual Justification Form
- C. Appendix C, Recruitment and Relocation Incentive Justification Form
- D. Appendix D Service Agreement Template – Recruitment
- E. Appendix E, Service Agreement Template – Relocation
- F. Appendix F, Retention Incentive Justification Form
- G. Appendix G, Statement of Understanding - Retention
- H. Appendix H, Summary Chart for Recruitment, Relocation, and Retention Incentives