



## ***Enterprise Human Resources and Payroll (EHRP) Instructional Letter***

Number: EHRP05-08

Date: April 17, 2005

Subject: Retention Allowance Processing

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### **Purpose**

The conversion of the HHS payroll system to the Defense Finance and Accounting Service (DFAS) on April 17, 2005 will require changing procedures for processing retention allowances. This letter provides information on this process.

### **Current Process**

The current process requires the HR Processor to enter a NOAC 810A/Retention start/change any time the employees basic pay changes. There is no automatic adjustment sent to our current payroll provider.

### **Process with DFAS**

Retention allowances will be automatically increased for employees whose retention has been entered as a percentage of base pay. Agencies will not need to enter a 810A/Retention start/change for increase based on increased to pay associated with promotions, within grade increase, COLA's, pay adjustments, etc. For these types of increases, EHRP will automatically adjust the retention based on the new base pay. This new amount will be sent to DFAS on the PAR action that causes the increase, e.g. Promotion.

Changes to retention percentage amounts due to annual reviews by management will still need to be processed with an 810A/Retention start/change.

For further assistance or for questions regarding the information in this letter, please contact the HRS Help Desk at 301-504-3000.