

HUMAN RESOURCES MANUAL

1

Instruction 572-1: Payment of Travel and/or Transportation Relocation Expenses

Issuance Date: 05/09/2008

Material Transmitted:

Department of Health and Human Services (HHS) Instruction 572-1, Payment of Travel and/or Transportation Relocation Expenses, dated May 9, 2008.

Material Superseded:

HHS Instruction 571-1, Payment of Travel and/or Transportation Expenses, dated August 8, 1996

Background:

This Instruction has been superseded due to the 2004 Federal Travel Regulations (FTR) revision. The FTR, contained in 41 Code of Federal Regulations, Chapters 300 through 304, implements statutory requirements and Executive branch policies for travel by federal civilian employees and others authorized to travel at government expense. The regulations were promulgated so that official travel might be conducted in a responsible manner with administrative costs minimization.

This revised Instruction:

- Uses budgetary limitations in addition to whether a new appointee resides outside of the local commuting area to determine if relocation expense allowances will be placed on vacancy announcements.
- Includes policy for payment of travel advances.
- Includes policy related to relocation expense allowances for CONUS moves; eliminates references to overseas employment and payment of interview expenses, covered by different policy issuances.
- Clarifies distinctions between relocation expense allowance and relocation incentive payments covered by the "3R's" policy.
- Enumerates responsibilities.
- Develops specific language that can be used for vacancy announcement postings to ensure consistency among all operating HR organizations in the Department.
- Clarifies instructions for payment of mandatory or discretionary allowances when authorized to avoid misapplication of the regulations. Specifically, payment of all allowances listed in the tables as mandatory must be paid and cannot be selectively applied. Includes tables from FTR as exhibits in the policy to provide clear guidance on this provision of the policy and governing regulation.
- Includes provisions for reporting and accountability reviews as required.

This issuance is effective immediately. Implementation under this issuance must be carried out in accordance with applicable laws, regulations, bargaining agreements, and Departmental policy.

HUMAN RESOURCES MANUAL

2

Instruction 572-1: Payment of Travel and/or Transportation Relocation Expenses

Issuance Date: 05/09/2008

Antonia T. Harris

Deputy Assistant Secretary for Human Resources

INSTRUCTION 571-1

SUBJECT: PAYMENT OF TRAVEL AND/OR TRANSPORTATION RELOCATION EXPENSES

572-1-00	Purpose
572-1-10	References
572-1-20	Definitions
572-1-30	Coverage and Exclusions
572-1-40	Responsibilities
572-1-50	Policy
572-1-60	Employment Service Agreement Requirements
571-1-70	Separation before Completing 12 Months of Service
572-1-80	Reporting and Accountability

Exhibit A: Relocation Expense Allowances Paid to First Official Station in the Continental United States (CONUS)

Exhibit B: Relocation Expense Allowances Paid to Transfer between Official Stations in the CONUS

572-1-00 PURPOSE

The purpose of this Instruction is to provide policy and guidance for the payment of:

- A. Expenses for travel, transportation of immediate families, and transportation of household goods to a new post of duty for a current Federal employee, a new appointee, or a student trainee;
- B. Travel expenses for pre-employment interviews; and
- C. Travel and transportation expenses of an employee, his/her family, and household goods when an employee's duty station is permanently changed from one geographic area to another geographic area within the continental United States, normally at least 50 miles distance from the old duty station.

572-1-10 REFERENCES

- A. Title 41, CFR, Federal Travel Regulation System, Chapter 302, Relocation Allowances
- B. 5 USC § 5723 (law - travel and transportation expenses of new appointees and student trainees)

Instruction 572-1: Payment of Travel and/or Transportation Relocation Expenses

Issuance Date: 05/09/2008

- C. 5 USC § 5724 (law - travel and transportation expenses of employees transferred; advancement of funds; reimbursement on commuted basis)
- D. 5 USC § 5724a (law - relocation expenses of employees transferred or reemployed)
- E. 5 CFR Part 572 (regulations - travel and transportation expenses; new appointees and interviews)
- F. HHS Instruction 301-1 (United States citizens stationed overseas)
- G. HHS Travel Manual
- H. 5 USC § 5753 and 5754 (law - Recruitment, Relocation and Retention Incentives)
- I. 5 CFR Parts 575 (regulation - Recruitment, Relocation and Retention Incentives)
- J. 5 CFR Part 304 and 5 USC 3102 (Experts and Consultants)

572-1-20 DEFINITIONS

- A. New Appointee. (a) An individual who is employed with the Federal Government for the very first time; (b) An employee who is returning to the Government after a break in service (except an employee separated as a result of reduction in force or transfer of functions and is re-employed within one year after such action); or (c) A student trainee assigned to the Government upon completion of his/her college work.
- B. Reassigned employee. An employee who is reassigned within an agency from one position to another without promotion or change to lower grade.
- C. Transferred employee. A current Federal employee who changes from a position in one agency to a position in another agency, whether HHS or outside HHS, that can be filled under the same appointing authority, without a break in service of one full workday. This may also include employees separated as a result of reduction in force or transfer of functions who are re-employed within one year after such separation.
- D. Student Trainee. A new appointee assigned to the organization upon completion of their college work, under the Student Career Employment Program (SCEP).
- E. Relocation Expense Allowance. The payment of expenses associated with the travel, transportation of immediate families, and transportation of household goods to a new post of duty as described in Chapter 302, Relocation Allowances, of the Federal Travel Regulation. Relocation expense allowances are separate and distinct from relocation incentive payments made in accordance with 5 CFR Part 575, Recruitment, Relocation, and Retention Incentives.
- F. Relocation Incentive. An incentive paid to a *current* Federal employee who must relocate to accept a position in a different geographic area if it has been determined that

Instruction 572-1: Payment of Travel and/or Transportation Relocation Expenses

Issuance Date: 05/09/2008

the position is critical to the mission of the organization and is likely to be difficult to fill in the absence of such an incentive. Relocation incentives are separate and distinct from relocation allowances paid in accordance with the Federal Travel Regulation and not covered by this policy. Relocation Incentive guidance can be located in HHS Instruction 575.1, Recruitment, Relocation and Retention Incentives (3Rs).

572-1-30 COVERAGE AND EXCLUSIONS**A. Coverage**

1. Federal employees under consideration for paid travel expenses for pre-employment interviews;
2. A new appointee appointed to his/her first official duty station within the Continental United States (CONUS);
3. An employee being transferred or reassigned in the interest of the Government from one position or duty station to another for permanent duty, and the new duty station is at least 50 miles distant from the old duty station; and
4. A student trainee assigned to any CONUS position upon completion of college work.

B. Exclusions

1. Private persons;
2. Experts and consultants employed in accordance with 5 CFR Part 304 and 5 USC § 3109 (Note: This does not refer to the employment of Special Consultants under 42 CFR § Section 209(f));
3. Members of National Advisory Councils or Advisory Committees;
4. Members of the U.S. Public Health Service Commissioned Corps;
5. Appointees recruited or transferred from the continental United States to overseas duty stations. The HHS Instruction 301-1, Overseas Employment, addresses these policies; and
6. Individuals appointed under the Intergovernmental Personnel Act.

572-1-40 RESPONSIBILITIES**A. Office of Human Resources (OHR), Assistant Secretary for Administration and Management (ASAM) is responsible for:**

1. Reviewing and maintaining this policy;
2. Preparing and submitting periodic reports regarding usage of relocation expense allowances as requested by the Office of Personnel Management; and

Instruction 572-1: Payment of Travel and/or Transportation Relocation Expenses

Issuance Date: 05/09/2008

3. Monitoring the use of these allowances to ensure that documentation requirements are consistent with the requirements of this policy.

B. Operating Divisions (OPDIVs) are responsible for:

1. Determining which positions will be authorized payment of pre-employment interview travel expenses and relocation expense allowances based on whether or not the position is deemed hard-to-fill or critical to mission accomplishment;
2. Documenting the criteria used for determining whether discretionary allowances will be authorized;
3. Ensuring that service agreements are signed and submitted to their operating human Resources organizations; enforced; or waived in accordance with this policy;
4. Preparing Travel Authorizations (TAs) in order for payment of relocation allowances to be made.

C. Operating Human Resources Organizations (OHROs) are responsible for:

1. Documenting vacancy announcement postings to identify whether or not payment of relocation expense allowances will be paid;
2. Establishing and maintaining documentation and records containing the decision to authorize payment of relocation allowances as well as filing the signed service agreement in the employee's Official Personnel Folder;
3. Providing input to OHR for periodic or annual reporting requirements in the use of these allowances as required to maintain accountability.

572-1-50 POLICY

A. Travel and/or transportation expenses incident to the situations identified in accordance with the Federal Travel Regulations, Chapter 302, Relocation Allowances may be authorized when the following requirements have been met:

1. The authorized management official has determined that certain interviewees are eligible for payment of pre-employment travel expenses. The OPDIV has determined that it is in the best interest to interview candidates from outside of the commuting area, based on the designation of the position as hard-to-fill and mission critical.
2. The authorized management official has determined that the new appointment, reassignment, or the transfer of an employee to a permanent duty station is in the best interest of the Department and is not primarily for the convenience or benefit of the employee or at his/her request.

Instruction 572-1: Payment of Travel and/or Transportation Relocation Expenses

Issuance Date: 05/09/2008

3. The employee has signed an agreement to remain in Government service for 12 months following the date he/she reports for duty at a new permanent duty station, unless the employee is separated for reasons beyond his/her control and those reasons are acceptable to the Department. Employment Agreement for Manpower Shortage Positions in the 50 States and the District of Columbia, Form HHS-355, or Employment Agreement for Transfers to and within the Continental United States, Form HHS-355B (found at http://intranet.hhs.gov/forms/hhs_forms.html) is used to document this service and is filed on the right side of the employee's Official Personnel Folder.
4. An approved Travel Authorization (TA) has been prepared in writing (paper or electronic). Specific allowances and procedures for submission of requests for reimbursement must be provided in writing.
 - B. If relocation expense allowances are authorized, OPDIVs must pay all of the expenses listed as mandatory allowances of the appropriate table in the Federal Travel Regulation, Chapter 302, dependent upon appointment type (i.e. new appointee or transfer) and location (i.e. CONUS or OCONUS). It is not allowable to pay only selective benefits listed as mandatory (see Exhibits A and B, Column 1). However, expenses listed as discretionary allowances of the appropriate table may be paid at the discretion of the employing OPDIV (see Exhibits A and B, Column 2).
 - C. The authorized management official, in accordance with OPDIV Head delegation, determines whether or not relocation expense allowances will be authorized. This decision must be documented as part of the recruitment case or personnel file. A decision made in connection with one specific vacancy does not require a like decision in connection with future vacancies. Factors such as availability of funds or a determination of whether a position is considered hard-to-fill or critical to mission accomplishment will be considered in this decision.
 - D. The decision to pay relocation expense allowances must be stated on the vacancy announcement. If relocation allowances are authorized, the vacancy announcement posting must contain specific language to authorize them; for example: "Relocation expense allowances may be paid. If relocation expense allowances are paid, employees will be required to sign a one year service agreement. Failure to fulfill the one year service agreement may require repayment of relocation expense allowances."
 - E. If the decision to pay relocation expense allowances is made and the vacancy announcement advertises this benefit, an organization may not withdraw the entitlement to this allowance based on lack of funds.
 - F. The decision not to pay relocation expense allowances is discretionary and must be stated on the vacancy announcement. If relocation allowances are not authorized, the vacancy

Instruction 572-1: Payment of Travel and/or Transportation Relocation Expenses

Issuance Date: 05/09/2008

announcement posting must contain specific language to that effect; for example: "Relocation allowances are not authorized and will not be paid."

- G. Travel advances will normally be paid for relocation expense allowances if the employee states in writing that, absent payment of the advance, the employee would be unable to accept the position and relocate at his/her own expense. The payment of travel advances is otherwise considered discretionary.
- H. Employees will be informed in writing that all aspects of travel must be completed and a TA submitted no later than 2 years after the effective date of the appointment or transfer. OPDIV Heads may extend this deadline if circumstances beyond the employee's control prohibit completion of their relocation.

572-1-60 EMPLOYMENT SERVICE AGREEMENT REQUIREMENTS

- A. Employees receiving payment of relocation incentives and/or relocation expense allowance for travel, transportation, and related costs incident to appointment, reassignment, or transfer to a new duty station are required to sign an appropriate employment service agreement that they will remain in Federal Government employment for 12 months from the effective date of their appointment.
- B. If an employee refuses to sign an employment service agreement, the organization may not pay relocation expense allowances.

572-1-70 SEPARATION BEFORE COMPLETING 12 MONTHS OF SERVICE

- A. When an employee for whom travel and transportation expenses have been paid under this Instruction leaves Federal Government service within 12 months, the OPDIV Head must determine whether repayment of these amounts to the Government must be required or may be waived. The determination shall be entered on the Notification of Personnel Action.
- B. Repayment may be waived when the reasons are acceptable to the OPDIV Head exercising the authority. The reasons for waiver requests must be beyond the control of the employee and must be acceptable to the organization, such as those which may involve the physical or mental health of the employee or a member of the employee's immediate family.
- C. If the employee leaves this Department to work for another Federal agency, his/her obligation to serve 12 months is transferred to the gaining agency.

Instruction 572-1: Payment of Travel and/or Transportation Relocation Expenses

Issuance Date: 05/09/2008

- D. If the employee violates a service agreement (other than for reasons beyond their control and accepted by the OPDIV), the employee will have incurred a debt due to the Government and must reimburse all costs that the organization has paid towards relocation expense allowances including withholding tax allowance (WTA) and relocation income tax (RIT) allowance.

572-1-80 REPORTING AND ACCOUNTABILITY

- A. OHROs will maintain documentation regarding the use of relocation expense allowances and will provide accurate reports upon request of the OHR for internal accountability reporting or reporting to the OPM or other third parties.
- B. Each OPDIV must monitor the use of these allowances to ensure their use is consistent with prudent exercise of fiscal expenditures and the requirements of the regulations and this policy.

Exhibit A: Relocation Expense Allowances Paid to First Official Station in the Continental United States (CONUS)

Column 1 (Mandatory) Relocation allowances that agency must pay or reimburse	Column 2 (Discretionary) Relocation allowances that agency has discretionary authority to pay or reimburse
1) Transportation of employee & immediate family member(s)	1) Shipment of privately owned vehicle (POV)
2) Per diem for employee only	
3) Transportation & temporary storage of household goods	
4) Extended storage of household goods	
5) Transportation of a mobile home or boat used as a primary residence in lieu of the transportation of household goods	

Exhibit B: Relocation Expense Allowances Paid to Reassignment or Transfer Between Official Stations in the Continental United States (CONUS)

Column 1 (Mandatory) Relocation allowances that agency must pay or reimburse	Column 2 (Discretionary) Relocation allowances that agency has discretionary authority to pay or reimburse
1) Transportation & per diem for employee & immediate family member(s)	1) House hunting per diem & transportation, employee & spouse only
2) Miscellaneous moving expense	2) Temporary quarters subsistence expense (TQSE)
3) Sell or buy residence transactions or lease termination expenses	3) Shipment of privately owned vehicle (POV)
4) Transportation & temporary storage of household goods	4) Use of a relocation services company.
5) Extended storage of household goods	5) Property management services
6) Transportation of a mobile home or boat used as a primary residence in lieu of the transportation of household goods	6) Home marketing incentives
7) Relocation income tax allowance (RITA)	