

DEPARTMENT OF DEFENSE



Civilian Personnel Management Service

**INCENTIVES AND
AUTHORITIES FOR
RECRUITMENT
AND
HIRING**

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INTRODUCTION

The purpose of this guide is to furnish a ready reference on the various hiring authorities and incentive tools that are available for use in crafting job offers for prospective job candidates. The use of these hiring authorities will allow for greater flexibility and assist in expediting the hiring process. Some of the incentives involve the starting salary itself, but most involve forms of compensation other than salary – which together with the salary and the Federal benefits package comprise the total remuneration being presented to a candidate. In most situations, the usual salary offer of step 1 is sufficient - the salary offer alone is competitive, particularly when the value of the Federal retirement, health insurance, and other benefits is factored into the calculation. Under NSPS, the usual salary offer will be within the lower portion of a pay band. However, in the face of greater than usual demands the tools and authorities discussed in this guide may be used to enhance the offer to a candidate. Some of these demands could include a scarcity of candidates with a particular competency or experience, or higher salaries in the labor market for an occupation or job.

In the following material there is a brief summary of each tool or authority, followed by a few examples of how these can be used either individually or in combination to craft a competitive employment offer. Additional details can be found in Title 5 of the Code of Federal Regulations, the DoD Civilian Personnel Manual (DoD 1400.25-M), and DoD policy memoranda (the latter two sources of information are accessible via the Civilian Personnel Management Service web site at www.cpms.osd.mil).

Direct-Hire Appointing Authorities:

- **Direct-Hire under Title 5:**

- Authority: 5 U.S.C. Section 3304 and 5 CFR Part 337, Subpart B
- The Office of Personnel Management (OPM) approves government-wide and agency specific direct-hire authorities (DHA) when it is determined that there is:
 - a severe shortage of candidates, or
 - a critical hiring need.
- DHA expedites the hiring process by eliminating certain requirements:
 - Rating and ranking of resumes/applications is not required. However, individuals must meet qualification requirements.
 - Veterans' preference does not apply. However, qualified veterans should be selected as they are found, just as any qualified non-preference eligible candidate would be.
- An offer of immediate employment may be made to a qualified individual at a job fair or similar recruitment event as long as there is an open vacancy announcement on USAJOBS AND there are no available, qualified individuals on the agency's reemployment priority list, PPP, or under other displaced employee programs.
- The authority may be used for temporary, term (time-limited), and permanent appointments unless the approved authority states otherwise.

Questions and Answers on DHA may be found on OPM's website at <http://www.opm.gov/DirectHire/factsheet.asp>

- **Government-wide Title 5 Direct-Hire Authorities for Medical Occupations:** All grade levels at all locations for the following occupations (GW001, issued June 20, 2003), (<http://www.opm.gov/employ/html/sroa2.asp#directhire>):

- Diagnostic Radiologic Technologist, GS-0647
- Medical Officer, GS-0602
- Nurse, GS-0610, GS-0620
- Pharmacist, GS-0660

- **DoD-specific Direct-Hire Authorities for Medical Occupations:**

Walter Reed Army Medical Command – authority to fill 82 positions covering 9 occupational series; valid through December 31, 2009)

http://www.cpms.osd.mil/ASSETS/31B12AD4164745ECA6ADDD8F9DDEAD57/dha_dod_009.pdf:

- 1) Health Aid and Technician, GS-0640-5/6/7/9 (14 positions)
- 2) Medical Technologist, GS-0644-11/12 (13 positions)
- 3) Medical Technician, GS-0645-5/7 (1 position)
- 4) Medical Instrument Technician, GS-0649-5/7/8 (5 positions)

- 5) Health System Administration, GS-0670-12 (1 position)
- 6) Health System Specialist, GS-0671-9/11 (12 positions)
- 7) Medical Records Technician, GS-0675-5/6/7/8 (8 positions)
- 8) Medical Support Assistant, GS-0679-5/6 (26 positions)
- 9) Pharmacy Technician, GS-0661-6 (2 positions)

- **Direct-Hire Authority under the DoD FY09 Appropriations Act:**

- Authority: Section 8079 of the National Defense Authorization Act for 2009, Public Law 110-329.
- Allows individuals to be directly appointed into certain medical occupations provided:
 - Individual has a recognized degree or certificate from an accredited institution in a health-care profession or occupation; **and** has successfully completed a clinical education program;
 - Individual meets the qualification requirements for the position; and
 - Available and qualified veterans' are considered and selected in accordance with veterans' preference rights.
- Similar to the Title 5 direct hire authority, the Appropriations Act authority may be used at career fairs and other recruitment events to make immediate job offers PROVIDED veterans' preference rights are followed and no other qualified candidates exist on PPP, reemployment program lists, and other displaced employee programs.
- Rating and ranking of resumes/applications is not required.
- The authority may be used for temporary, term (time-limited), and permanent appointments unless the approved authority states otherwise.
- Covered medical occupations include:

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| • Physicians | • Occupational Therapists |
| • Dentists | • Physical Therapists |
| • Podiatrists | • Rehabilitation Therapists |
| • Optometrists | • Respiratory Therapists |
| • Nurses | • Speech Pathologists |
| • Physicians Assistants | • Dietitians |
| • Expanded-function dental auxiliaries | • Nutritionists |
| • Chiropractors | • Industrial Hygienists |
| • Pharmacists | • Psychology Technicians |
| • Audiologists | • Social Services Assistants |
| • Psychologists | • Practical Nurses |
| • Social Workers | • Nursing Assistants |
| • Orthotists | • Dental Hygienists |
| • Prosthetists | |

Special Appointing Authorities for Veterans:

- **Veterans' Recruitment Appointment (VRA):**

- The VRA is a convenient method of appointment for both the agency and the veteran. Use is discretionary.
- The VRA is a special authority that allows eligible veterans to be appointed at any grade up to GS-11 or equivalent without competition.
- The candidate does not have to be on a list of eligibles, but must meet the basic qualification requirements for the position.
- VRA appointees initially are hired for a 2-year period.
- Successful completion of the 2-year VRA appointment leads to a permanent civil service appointment. (Please note, however, that a veteran may be employed without competition on a temporary or term appointment based on VRA eligibility. Such an appointment is not a VRA appointment and does not lead to conversion to a permanent position.)
- Eligibility Requirements:
 - Disabled veterans; ***or***
 - Veterans who served on active duty in the Armed Forces during a war, or in a campaign or expedition for which a campaign badge has been authorized; ***or***
 - Veterans who, while serving on active duty in the Armed Forces, participated in a United States military operation for which an Armed Forces Service Medal was awarded; ***or***
 - Recently separated veterans.

Note: Veterans claiming eligibility on the basis of service in a campaign or expedition for which a medal was awarded must be in receipt of the campaign badge or medal.

- There is no minimum service requirement, but the individual must have served on active duty, not active duty for training.
- Training Requirement: Individuals with less than 15 years of education must agree to participate in a training or educational program.

- **Veterans' Employment Opportunity Act (VEOA):**

- VEOA provides eligible veterans the right to apply to any vacancy when an agency (defined as DoD under VEOA) accepts applications from outside its own workforce.
- Veterans who are selected are given career or career-conditional appointments.
- Eligibility Requirements:
 - Separated under honorable conditions, and either
 - Preference eligible, OR

- Have completed 3 or more years of active service (meaning active duty in a uniformed service and includes full-time training duty, annual training duty, full-time National Guard duty, and attendance, while in the active service, at a school designated as a service school by law or by the Secretary concerned.) A veteran who is released under honorable conditions shortly before completing a 3-year tour is also eligible.
- **30 Percent or More Disabled Veterans:**
 - An agency may give a noncompetitive temporary appointment of more than 60 days or a term appointment to any veteran:
 - retired from active military service with a disability rating of 30 percent or more; *or*
 - rated by the Department of Veterans Affairs (VA) since 1991 or later to include disability determinations from a branch of the Armed Forces at any time, as having a compensable service-connected disability of 30 percent or more.
 - There is no grade level limitation for this authority, but the appointee must meet all qualification requirements, including any written test requirement.
 - The agency may convert the employee, without a break in service, to a career or career-conditional appointment at any time during the employee's temporary or term appointment.
 - **Disabled Veterans Enrolled in a VA Training Program:**
 - Disabled veterans eligible for training under the VA vocational rehabilitation program may enroll for training or work experience at an agency under the terms of an agreement between the agency and VA. While enrolled in the VA program, the veteran is **not a Federal employee** for most purposes but is a beneficiary of the VA.
 - Training is tailored to the individual's needs and goals, so there is no set length. If the training is intended to prepare the individual for **eventual appointment** in the agency rather than just provide work experience, the agency must ensure that the training will enable the veteran to meet the qualification requirements for the position.
 - Upon successful completion, the host agency and VA give the veteran a Certificate of Training showing the occupational series and grade level of the position for which trained. The Certificate of Training allows any agency to appoint the veteran noncompetitively under a status quo appointment which may be converted to career or career-conditional at any time.

Additional information on Special Appointing Authorities for Veterans may be found in the Office of Personnel Management's Veterans' Guide located at <http://opm.gov/veterans/html/vetguide.asp>

Student Educational Employment Program (SEEP) Authorities:

- The SEEP is comprised of two components: the Student Temporary Employment Program (STEP), and the Student Career Experience Program (SCEP).
- Students gain exposure to public service while enhancing their educational goals and shaping their career choices.
- Agencies can bring well educated graduates into their workforce and at the same time give managers the ability to evaluate the student's performance in real world situations.
- The STEP provides maximum flexibility to both students and managers because the nature of the work does not have to be related to the student's academic or career goals.
- The SCEP provides work experience which is directly related to the student's academic program and career goals.
- Students in the SCEP may be noncompetitively converted to term, career or career-conditional appointments following completion of their academic and work experience requirements.
- Eligibility Requirements:
 - A student enrolled or accepted for enrollment as a degree-seeking (diploma, certificate, etc.) student
 - At least the minimum age required by Federal, state, or local laws and standards governing the employment of minors
 - Taking at least half-time course load in an accredited high school, technical, or vocational school, 2 or 4-year college or university, graduate, or professional school
 - U.S. citizen or a national (resident of American Samoa or Swains Island)
 - Non-citizens may be eligible if permitted by a Federal agency's appropriation act and eligible to work under U.S. immigration laws. U.S. citizenship is required for conversion to permanent employment under SCEP.

Federal Career Intern Program (FCIP) Authority:

- The FCIP is designed to help agencies recruit and attract exceptional individuals into a variety of occupations.
- It is intended for positions at grade levels GS-5, 7, and 9 (or equivalent).
- In general, individuals are appointed to a 2-year internship. Upon successful completion, interns may be eligible for permanent placement within an agency.
- Program highlights:
 - Appointed in the excepted service
 - Subject to OPM qualifications
 - No nominating process—applicants apply directly to Federal agencies
 - No public notice requirement for appointments
 - Appointments are not subject to ICTAP requirements
 - Several options in terms of application of veterans' preference when making appointments

- May be appointed year round
- No limitation on promotion potential
- Return rights provision for career-career-conditional employees within an agency or component
- Does not require participants go on rotational assignments
- Administered by agencies, not OPM

Recruitment Incentive Flexibilities:

● **Superior Qualifications Appointment (SQA):**

- Used for a newly-appointed GS employee to the Federal Government or reappointed to a GS position following a 90-day break in service.
- Permits setting the pay above the minimum rate (Step 1) because of the superior qualifications of the candidate or a special need of the agency.
- Used for permanent and temporary positions in the competitive or excepted service.
- Can be used in conjunction with a recruitment incentive.

● **Recruitment Incentives:**

- Paid to an employee newly appointed to the Federal Government or reappointed following a 90-day break in service.
- May not exceed 25 percent of the employee's annual salary, per year of service for up to 4 years.
- May be increased to 50 percent with OPM approval, for no more than 2 years.
- May be paid as a lump-sum payment or in installments.
- Requires service agreement.
- May be paid to an individual not yet employed who has received a written offer of employment and signed a service agreement.
- For approval, the agency must make a determination that the position is likely to be difficult to fill without the use of the recruitment incentive.

● **Student Loan Repayment Program:**

- Used to repay Federally insured student loans.
- Can be used as a recruitment or retention incentive for candidates or current employees of the agency.
- Maximum of \$10,000 for an employee in a calendar year and a lifetime total of not more than \$60,000 for any one employee.
- Requires service agreement for at least 3 years.

● **Physicians Comparability Allowance (PCA) (not available under NSPS):**

- Available only for GS physicians and dentists.
- Can be used for recruitment or retention problems.

- Can be authorized up to \$14,000 per year if the employee has served as a Government physician for 24 months or less, and up to \$30,000 per year if the employee has served as a Government physician for more than 24 months.
- **Relocation Incentives:**
 - Paid to a current employee who must relocate.
 - May not exceed 25 percent of the employee's annual rate of basic pay.
 - May be increased to 50 percent with OPM approval based on a critical agency need.
 - May be paid as a lump-sum payment or in installments.
 - Employee must establish a residence in the new geographic area prior to payment.
 - Approval requires the agency to determine that a position is likely to be difficult to fill due to a lack of candidates with the competencies required for the position without the relocation incentive.
- **Credit for Non-Federal & Uniformed Service for Determining Annual Leave Accrual Rate:**
 - Applies to newly appointed civilian employees or to civilian employees reappointed following at least a 90 calendar day break in service.
 - Allows employee to earn service credit for prior work experience that otherwise would not be creditable for the purpose of determining the employee's annual leave accrual rate.
 - May be given when the skills and experience of the selectee are essential to the new position and were acquired through performing duties in a non-Federal position or active duty with the uniformed services.
- **First Duty Station Travel:**
 - Travel and transportation expenses may be allowed to first duty station for appointees/student trainees.
 - Selected individual must sign service agreement for 12-month minimum, unless separated for reasons beyond the employee's control that are acceptable to the agency concerned.
 - Authorized expenses may be paid even though the individual concerned has not been appointed at the time travel to the first duty station is performed.
 - Includes: travel and transportation for the appointee and dependent(s), permanent change of station mileage if a personally owned vehicle is used, household goods transportation and storage in transfer, shipment of personally owned vehicle when authorized.

Additionally, there are other aspects of compensation that may be utilized or marketed in recruitment of medical personnel who provide direct patient care at DoD medical treatment facilities:

- **Title 38 Authorities:**
 - Special Salary Rate Authority:
 - Provides pay in an amount competitive with the amounts received by personnel at non-Federal facilities in the same labor market.
 - Head Nurse Pay:
 - Provides higher salary for registered nurses and nurse anesthetists in head nurse positions.
 - Allows for pay to be set two steps higher than would otherwise be applicable.
 - On-Call Pay:
 - When eligible employees are officially scheduled outside their regular hours of duty or on a holiday, the employee is paid 10 percent of his/her hourly rate of overtime pay for each hour.
 - If required to return to work, the on-call pay is suspended and the employee is paid basic pay or overtime pay as appropriate.
 - Night Differential:
 - Eligible employees scheduled to work between 6pm and 6am receive additional pay for each hour worked (10%).
 - This rate is applied to the entire tour if 4 hours are worked between 6pm and 6am.
 - Weekend Differential:
 - Eligible employees scheduled to work between 12pm Friday and 12pm Sunday receive 25% of their hourly rate of basic pay applied to the entire tour, including overtime.
 - Holiday Pay:
 - Eligible employees scheduled to work on a holiday receive double their hourly rate of basic pay for all hours worked, including overtime.
 - Overtime Work:
 - Eligible employees working approved overtime get 150% of their hourly rate of basic pay.

- **Student Loan Forgiveness Program (not yet authorized in regulations):**
 - Students entering the public health field have the balance of a student loan forgiven after 10 years of service.
 - Income based repayment stretches out the repayment period beyond the usual 10 years.

- **Other things to consider or to keep in mind:**
 - Always remember to consult with your servicing human resources office (HRO) for specific guidance, appropriate references, updates to regulations/authorities, and any administrative procedures applicable to your organization.
 - Always remember to consult with higher level management to secure funding and approval prior to making a firm commitment on an incentive to an employee.

- Consider the need for special salary rates (SSRs) and the cost implications with using other incentives.
- Funding of other incentives might not be necessary if SSRs are implemented.
- Coordination with the HRO is needed to ensure that incentive offers are ceased or reduced based on the approval of an SSR.
- Depending on when the SSR is projected, the amount of a recruitment incentive or SQA needs to be carefully calculated and negotiated to insure that new hires don't receive a windfall that would cause problems with internal equity.

Example 1: Student Loan Repayment Program

Name: Jeremy W.
Position Title: Social Worker, GS-0185-07
Experience: None
Location: Montgomery, AL

Jeremy has just graduated from college with a degree in social work and has incurred several thousand dollars in student loans. The agency has been recruiting for social workers but has experienced a severe shortage of qualified applicants. Jeremy has a job offer from a private hospital that can offer him more money (\$40,000), but he is very interested in working for the Federal Government. The agency has decided to make an offer to Jeremy to include a Student Loan Repayment; he will sign a service agreement for 3 years. Jeremy will start as a GS-0185-07, Step 1 making \$36,822, with repayment toward his student loan of \$8,000 for the first calendar year and \$5,000 for the second and third years.

Example 2: Recruitment Incentive & Credit for Non-Federal Service for Determining Annual Leave Accrual Rate

Name: Dawn S.
Position Title: Practical Nurse, GS-0610-05
Experience: 6 years
Location: Fort Meade, MD

Dawn is being newly hired into the Federal Government. She would normally start at the GS-05, Step 1 on the SSR Table 0304, earning \$34,139 annually. Since she has 6 years of specialized experience, the agency has decided to give her credit towards her annual leave accrual rate: she will be earning 6 hours of annual leave per pay period instead of 4 hours that a new employee would earn. Additionally, this position has been extremely difficult to fill, so the agency is offering Dawn a recruitment incentive of 25 percent of her annual rate of basic pay, which makes Dawn's first-year compensation \$42,674 (which includes her salary and the incentive).

Example 3: Recruitment Incentive, First Duty Station Travel & Student Loan Repayment Program

Name: Angelo M.
Position Title: Clinical Psychologist, GS-180-13
Experience: 2 years
Location: San Diego, CA

Angelo is being newly hired into the Federal Government in San Diego, CA. He presently lives in Montgomery, AL and would like to take the San Diego position as he has family in that area. However, another hospital has just offered him a similar position in CA making \$10,000 more than the GS-13, Step 1 salary of \$83,723. The activity has decided to offer the employee a recruitment incentive of 25 percent, bringing his first-year compensation up to \$104,654. A Student Loan Repayment in the amount of \$6,000 (with a service agreement of 3 years) and First Duty Station Travel are also being offered since the position has been very difficult to fill.

Example 4: Superior Qualifications Appointment (SQA), 1st Duty Station Travel, Student Loan Repayment Program and Credit for Uniformed Service for Determining Annual Leave Accrual Rate

Name: Casey L.
Position Title: Occupational Therapist, GS-631-11
Experience: 4 years Active Duty Service with the U.S. Army
Location: Tacoma, WA

Casey is being offered a position that has been vacant for some time. The agency has a critical need for occupational therapists in the Tacoma, WA area. Casey has worked with Iraq veterans while on active duty; he has been offered a position with a private hospital for \$6,000 more in salary, than the GS-11, step 1 salary, but Casey would like to continue his work with active duty/veterans. The activity is offering to start Casey at the Step 3, due to his specialized experience, (Step 1: \$57,657 vs Step 3, \$61,501). They also will pay 1st Duty Station Travel, for Casey to move his family from Charleston SC. The agency is also offering to assist Casey in repaying his student loans in the amount of \$11,000 with a 3 year service agreement (\$4 000 the first and second years, and \$3,000 the third year), and to give Casey credit for his time in military service by increasing his annual leave accrual rate to 6 hours per pay period instead of 4 hours for most new employees.