



Fact Sheet

Retention Incentive

The National Capital Region Medical Directorate (NCR-MD) MTFs and Centers may pay a retention incentive to a current Federal Civil Service employee with 1 or more years of continuous Federal service as an incentive to remain employed with the MTF/Center if all three of the following conditions are met:

- the agency determines that the unusually high or unique qualifications of the employee or a special need of the agency for the employee's services makes it essential to retain the employee;
- the employee would be likely to leave the Federal service in the absence of a retention incentive;
- the position occupied is designated as a "hard to fill" position.
 - Direct Hire Authority positions are automatically considered "hard to fill."
 - For positions not covered by Direct Hire Authority, it must be certified by the appropriate Director in writing that, absent the incentive, the employee would be likely to leave Federal Civil Service for employment outside the Federal Government.

This incentive may not be used to attempt to delay retirement, nor prevent the employee's transfer to another Federal Agency. The retention incentive may be paid for as long as the conditions warrant the incentive to exist. The incentive will expire and/or cancel annually on the anniversary of the initial certification or most recent recertification. In order to continue the incentive, it must be reviewed and recertified at least annually, and prior to the date of expiration.

Payment

The incentive may be up to 25 percent of the annual rate of basic pay, including locality, and special rate. It will be paid in bi-weekly installments as regular pay.

Service Agreement

A service agreement is not required for retention incentives that are paid in bi-weekly installments. An agency must notify an employee in writing when it terminates a retention incentive when no service agreement is required. Termination or reduction of a retention incentive is not grievable or appealable.

References

5 U.S.C. 5754
5 CFR part 575, subpart C
NCR-MD Administrative Instruction 1432.01