

Reclamation Manual

Directives and Standards

Subject:	Recruitment, Relocation, and Retention Incentives and Flexibilities Related to Creditable Service for Leave Accruals
Purpose:	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 work experience and military retiree non-campaign experience toward service for annual leave accrual. The benefit of this D&S is to ensure judicious and consistent use of these incentives.
Authority:	Pub. L. 108-411 (Sections 101 and 202(a) of the Federal Workforce Flexibility Act of 2004); 5 U.S.C. 5753, 5754, and 6303; title 5 CFR Parts 575 and 630; and Department of the Interior Personnel Bulletin Nos. 05-05 and 06-01 (575)
Approving Official:	Director, Policy and Administration
Contact:	Human Resources (HR) Policy and Programs Division (HRPPD), 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 selecting or hiring officials.
3. **Definitions.**
 - A. **Creditable Service for Annual Leave Accrual for Non-Federal Work Experience and Military Retiree Non-Campaign Work Experience in the Uniformed Service.** A discretionary flexibility an agency may exercise to allow service credit time for non-Federal or military retiree non-campaign uniformed service work 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.

Reclamation Manual

Directives and Standards

- B. **Newly Appointed.** The first appointment (regardless of tenure) as a civilian employee of the Federal Government; an appointment of a former civilian 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 a civilian 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 potential employee as an incentive to accept a Federal job in situations where Reclamation would otherwise have difficulty filling a position (or group of positions). The incentive may be up to 25 percent of the candidate's basic pay or up to 10 percent of basic pay for candidates in a specific group of positions that are similar or located in the same office.
- E. **Relocation Incentive.** A payment made to a current employee or group of employees to accept a position or positions that would require the employee(s) to move to a new commuting area or different geographical area. Relocation incentives are for situations in which Reclamation 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 employees in a specific group of positions that are similar or located in the same office.
- 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 Reclamation due to a critical need, whom Reclamation 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 employee in a specific group of positions that are similar or located in the same office.
- 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 a recruitment or relocation incentive.

Reclamation Manual

Directives and Standards

H. **Statement of Understanding (SOU).** 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 the retention incentive.

4. Responsibilities.

A. **Commissioner.** The Commissioner is responsible for approving or denying requests for recruitment, relocation, and retention incentives in accordance with the authority retained in Paragraph 6.I.(1)(b)(iii)(aa) of the Reclamation Manual [Delegations of Authority](#) (Delegations of Authority).

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

- (1) ensuring consistency and equity in offering a recruitment, relocation, and retention incentive, taking into consideration the need to maintain a balanced workforce and manage budget constraints;
- (2) ensuring, through consultation with the Manager, HRPPD, all applicable rules, regulations, and guidelines for receiving or awarding the incentives and allowing service credit are met;
- (3) reviewing and approving or denying requests to use flexibilities toward service credit for annual leave accrual in accordance with the authority delegated in Paragraph 6.I.(1)(b)(i) of the [Delegations of Authority](#);
- (4) reviewing and approving or denying requests for recruitment, relocation, and retention incentives as delegated in Paragraph 6.I.(1)(b)(iii)(bb) of the [Delegations of Authority](#); and
- (5) reviewing and forwarding recruitment, relocation, and retention incentive requests for which the Commissioner has retained authority in Paragraph 6.I.(1)(b)(iii)(aa) of the [Delegations of Authority](#).

C. **Deputy Commissioners, Regional Directors, Directors, and Senior Level Positions.** Deputy commissioners, regional directors, directors, and senior level positions are responsible for:

- (1) reviewing and approving or denying requests to use flexibilities toward service credit for annual leave accrual in accordance with the authority delegated in Paragraph 6.I.(1)(b)(i) of the [Delegations of Authority](#);
- (2) reviewing and approving or denying requests for recruitment, relocation, and retention incentives as delegated in Paragraph 6.I.(1)(b)(iii)(cc) of the [Delegations of Authority](#); and

Reclamation Manual

Directives and Standards

- (3) reviewing and forwarding recruitment, relocation, and retention incentive requests, that exceed the authority delegated to them in Paragraph 6.I.(1)(b)(iii)(cc) of the [Delegations of Authority](#), and leave flexibility justification packets, that exceed the authority delegated to them in Paragraph 6.I.(1)(b)(i), through HR channels and the Manager, HRPPD in Denver to the Director, Policy and Administration for approval.

D. Manager, HRPPD. The Manager, HRPPD is responsible for:

- (1) receiving and reviewing all requests for awarding recruitment, relocation and retention incentives and requests to use flexibilities toward service credit for annual leave accrual received from servicing HR managers and/or delegates;
- (2) ensuring all applicable rules, regulations, and guidelines for receiving or awarding the incentives or allowing the service credit are met;
- (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; and
- (4) providing the deputy commissioners and the Director, Policy and Administration an annual fiscal year report on the use of the recruitment, relocation, and retention incentives Reclamation-wide within 30 days of the end of the fiscal year.

E. Serving HR Officers and Their Staff. Servicing HR officers and their staff are responsible for:

- (1) providing guidance to managers, supervisors, and hiring or 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 contain all required information;
- (3) forwarding completed request packets to the regional director or directorate for review and action/recommendation;
- (4) receiving request packets back from the regional director after review or decision;
- (5) sending incentive request packets and packets that exceed the authority delegated to deputy commissioners, regional directors, directors, and senior level positions in Paragraphs 6.I.(1)(b)(i) and 6.I. (1)(b)(iii)(cc) of the [Delegations of Authority](#) for leave flexibility or recruitment, relocation, and retention incentives respectively, to the Manager, HRPPD, to be sent to the Director, Policy and Administration;

Reclamation Manual

Directives and Standards

- (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;
- (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; and
- (10) verifying recruiting difficulties as claimed.

F. Managers, Supervisors, and Hiring or Selecting Officials. Managers, supervisors, and hiring or selecting officials are responsible for:

- (1) determining the need to offer an incentive or flexibility;
- (2) working closely with their servicing HR office to develop official requests and justifications to request approval to offer the incentives and/or use the leave flexibility;
- (3) gathering and compiling information, and creating the written justification packets to request the incentive or use of the flexibility;
- (4) ensuring consistency and equity in offering and using incentives and leave flexibilities;
- (5) considering budget implications of offering an incentive; and
- (6) submitting complete justification packets through their servicing HR office to be sent to the appropriate management official for action.

G. HRPPD, Policy and Programs Team. A specialist within the HRPPD, Policy and Programs Team will be responsible for reviewing requests to offer recruitment, relocation, and retention incentives or service credit for annual leave accruals received from servicing HR offices that have been recommended for approval by the deputy commissioner, director, regional director, or senior level position to:

- (1) ensure conformance to statutory, regulatory, and policy requirements;
- (2) confirm the amount of the incentive requested and employee eligibility; and

Reclamation Manual

Directives and Standards

- (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 Manager, HRPPD 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 the 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 is required based on receipt of an incentive.

5. **Creditable Service for Annual Leave Accrual for Non-Federal Work Experience and Military Retiree Non-Campaign Work 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) Covered positions include all appointive positions in the executive, judicial, and legislative branches of the Government of the United States.
- (2) Excluded positions are those in the uniformed service, which are not eligible to be approved for creditable service.

C. **Criteria.** As indicated in the definitions section and in previous sections 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 non-campaign work experience. A fact sheet is provided on the HR Intranet Web site that summarizes the criteria and important information regarding this specific leave flexibility. During the non-Federal or military retiree work 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; and

Reclamation Manual

Directives and Standards

- (3) the service time to be credited must not include any service that is already considered creditable for leave accruals such as campaign service time.

D. **Requesting Approval.** To request approval to use this flexibility, hiring or selecting officials must submit a written request through management channels. The HR Intranet Web site contains a checklist showing the specific 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 qualifications, skills, experience, and/or expertise the individual possesses that were acquired during the non-Federal or military retiree non-campaign work 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;
- (4) the success of recent efforts to recruit high quality candidates for the same or similar positions;
- (5) recent turnover in similar positions and labor market factors; and
- (6) identification of any other incentives that have been requested and/or approved for the individual.

E. **Other Important Information.**

- (1) Use of this flexibility is discretionary.
- (2) The decision and approval/disapproval to allow the non-Federal and/or military retiree non-campaign work 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 their Federal career, they 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.

Reclamation Manual

Directives and Standards

- (6) If the individual separates from Federal service or transfers to another Federal agency before the 1 year service requirement is met, that individual 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, within the personnel and payroll system used by Reclamation (currently 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 must only be paid to recruit individuals or groups of individuals for employment 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 must only be paid to individuals in the following eligible position categories:
 - (a) general schedule (GS);
 - (b) law enforcement officers;
 - (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.

Reclamation Manual

Directives and Standards

- (d) SL positions;
 - (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 requests 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 confidentiality, policy determining, policy-making, or policy-advocating natures (Schedule C).
- C. **Considerations.** Before requesting approval to offer individual or group recruitment incentives, managers, supervisors, and selecting or hiring officials must consider:
- (1) the non-Federal salary plus benefits the candidate currently receives;
 - (2) the actual salary plus benefits the candidate would receive within Federal civilian 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 candidate possesses that will benefit the organization and that are in addition to the basic qualification requirements for the position.

Reclamation Manual

Directives and Standards

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) the potential employee must possess knowledge, skills, abilities, and/or education that are difficult to find within the Federal civilian service;
 - (b) the potential employee must be highly qualified for the position being filled;
 - (c) the position in which the potential employee 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 potential employee must have indicated that they will not accept the position being filled without receiving a 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(s) for which the potential employees are being hired must be one that Reclamation has targeted and designated in writing as difficult to fill with candidates that possess the competencies required for the positions in the past or are likely to be difficult to fill in the future;
 - (b) the targeted positions must have been identified by appropriate factors such as series, grade level, distinctive job duties, unique competencies required for the positions, and geographic location;
 - (c) the potential employees must possess knowledge, skills, abilities, and/or education that are difficult to find within the Federal service;
 - (d) the potential employees must be highly qualified for the position they are filling; and
 - (e) the potential employees must have indicated that they will not accept the position 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, managers, supervisors, and selecting or hiring officials must submit a written request through

Reclamation Manual

Directives and Standards

management channels. The HR Intranet Web site contains 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) labor market conditions;
- (5) reason for requesting the incentive(s);
- (6) special qualifications needed for the position;
- (7) 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);
- (8) how the incentive will be paid such as:
 - (a) one initial lump-sum payment at the commencement of the service period;
 - (b) equal installments throughout the service period required by the service agreement;
 - (c) one 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
- (8) a complete listing of all other incentives, leave flexibilities, or special appointment authorities (such as 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 sample service agreement template for recruitment incentives is provided on the HR Intranet Web site.

Reclamation Manual

Directives and Standards

- (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 for 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) At management’s discretion, a service agreement for a recruitment incentive will be terminated by Reclamation when:
 - (a) the employee’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 employee is assigned to a different position); or
 - (d) management has determined that Reclamation’s needs require the agreement to be terminated.
- (5) Reclamation must notify employees in writing when it terminates a recruitment incentive service agreement.
- (6) A recruitment incentive service agreement cannot commence during the service period established by an individual’s relocation or retention incentive service agreement.

G. 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, and/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.

Reclamation Manual

Directives and Standards

- (3) If targeted categories of positions for recruitment incentives have been used or identified, each group must be reviewed at least once each year to determine if the positions continue to be likely difficult to fill. Further an agency official must certify the determination in writing. If the positions are no longer likely to be difficult to fill, the agency may not offer the incentive to newly-appointed employees in that group on a group basis.
- (4) The decision and approval or disapproval to pay a recruitment incentive (individual or group) must be made in writing before the individual enters on duty and cannot be made retroactively.
- (5) The decision to approve, continue, reduce, or terminate a recruitment incentive cannot be appealed or grieved.

7. Relocation Incentives.

A. **Eligibility.** At management's discretion, a relocation incentive will be paid to a current employee (or group of employees) who must relocate to accept a position in a different geographic area, if the position has been determined to be 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;
 - (e) EX; or
 - (f) 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 a written request to OPM to approve any other categories for coverage.
- (3) Relocation incentives cannot be paid to individuals in the following excluded positions or appointments:
 - (a) presidential appointees;

Reclamation Manual

Directives and Standards

- (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.** Employees who are and 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 the employee will potentially 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;
 - (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 individuals' most recent official rating of record must be "Superior" or equivalent;
 - (e) the individual must establish a residence in the new area before the incentive will be paid; and
 - (f) the individual must continue to maintain a residence new area over the entire period of time the incentive is paid.
 - (2) **Relocation Incentive for Groups.** 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:

Reclamation Manual

Directives and Standards

- (a) the positions the individuals will potentially 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;
- (e) the individuals must establish a residence in the new area before the incentive will be paid; and
- (f) individuals must continue to maintain a residence in the new area over the entire duration of the full service agreement period.

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 the HR Intranet Web site 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;
- (2) length of time required to fill similar positions;
- (3) recent turnover in similar positions;
- (4) labor market conditions;
- (5) reason for requesting the incentive(s);
- (6) special qualifications needed for the position;
- (7) 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);
- (8) how the incentive will be paid:

Reclamation Manual

Directives and Standards

- (a) as one 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 one final lump-sum payment upon completion of the full service period;
or
 - (d) a combination of these payment methods.
- (9) service agreement length (no less than 6 months or more than 4 years); and
- (10) 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 sample service agreement can be reviewed by going to the HR Intranet Web site.
- (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 for 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;
 - (c) otherwise fails to fulfill the terms of the service agreement;
 - (d) management determines that the needs of Reclamation require the agreement to be terminated; or
 - (e) the individual fails to maintain a residence in the new area over the entire duration of the full service agreement period established.
 - (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.

Reclamation Manual

Directives and Standards

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, and/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 or disapproval 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 must be paid to a current employee (or group of employees) when:

- (1) the employee possesses unusually high or unique qualifications;
- (2) is in a permanent position with a full time work schedule;
- (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 must 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;
 - (d) EX; or

Reclamation Manual

Directives and Standards

- (e) 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, managers, supervisors, and selecting or hiring 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 Reclamation;
 - (2) Reclamation mission requirements and program priorities;
 - (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; and
 - (4) whether there are quality and available potential internal sources of employees that are identified in any office succession plan (e.g., succession plans requiring leadership positions), who possess the competencies required for the position, and who, with minimal training, cost, and disruption of service to the public, could perform the full range of duties and responsibilities of the employee's position at the level performed by the employee.
- D. **Criteria.** Current employees or groups of employees who are and will serve in an eligible position, under a covered appointment must further meet the following requirements before a retention incentive is requested:
- (1) the employee possesses unusually high or unique qualifications;
 - (2) Reclamation has a special need for the employee's services makes it essential to retain the employee;

Reclamation Manual

Directives and Standards

- (3) the employee(s) would be likely to leave 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 incentive to either a single individual or more than one individual within a previously identified and designed group of positions, managers, supervisors, selecting and hiring officials must submit a written request through Management channels. The HR Intranet Web site contains a checklist 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 quality and availability of the potential sources of employees that are identified in any agency succession plan (e.g., succession plans requiring leadership positions), who possess the competencies required for the position, and who, with minimal training, cost, and disruption of service to the public, could perform the full range of duties and responsibilities of the employee's position at the level performed by the employee;
- (4) the success of recent efforts to recruit candidates for similar positions or successor positions, including indicators such as offer acceptance rates, the proportion of positions filled;
- (5) length of time required to fill similar positions;
- (6) recent turnover in similar positions or successor positions;
- (7) the qualifications of the employee or Reclamation's special need to retain the employee;
- (8) reason for requesting the incentive(s);
- (9) 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

Reclamation Manual

Directives and Standards

- (10) a complete listing of all other incentives also recommended or approved for the employee(s).

F. SOU.

- (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 SOU, which can be obtained by visiting the HR Intranet Web site. The SOU indicates that the retention incentive will be terminated if:
 - (a) individual or group is demoted or separated for cause (i.e., for unacceptable performance or conduct);
 - (b) 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) individual or group 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 the individuals in writing when a retention incentive is terminated.

G. Other Important Information.

- (1) Performance appraisals for employees receiving retention incentives will be verified yearly at the time new official 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 show 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 and approve a retention incentive (individual or group) is discretionary.
- (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.

Reclamation Manual

Directives and Standards

- (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.

RECLAMATION MANUAL TRANSMITTAL SHEET

Effective Date: _____

Release No. _____

Ensure all employees needing this information are provided a copy of this release.

Reclamation Manual Release Number and Subject

Summary of Changes

NOTE: This Reclamation Manual release applies to all Reclamation employees. When an exclusive bargaining unit exists, changes to this release may be subject to the provisions of collective bargaining agreements.

Filing instructions

Remove Sheets

Insert Sheets

All Reclamation Manual releases are available at <http://www.usbr.gov/recman/>

Filed by: _____

Date: _____