



PLANNING YOUR RECRUITMENT

HIRING INCENTIVES GUIDE

The Department of Health and Human Services must use its competitive advantage to attract new candidates and keep employees who will contribute to the success of the organization. The available hiring incentives, in addition to basic salary and other benefits available to employees, can make our organization the employer of choice.

Hiring incentives can be keys to success in attracting candidates or retaining current employees. Each of these incentives has specific requirements and procedures that need to be followed. Your HR consultant will help you understand the requirements and which incentives are appropriate for your situation.

Recruitment Incentive

- Allows a hiring manager to request a payment of up to 25% of the annual rate of pay (including locality pay) to a newly appointed or reappointed (former) employee.
- May be used by itself or with a superior qualifications appointment; however, a recruitment incentive must be considered by itself first.
- Employee must sign a 12 month agreement.

Relocation Incentive

- Allows a hiring manager to request a payment of up to 25% of the annual rate of pay (including locality pay) to a current federal employee who is accepting a position in a different geographic area and has a rating of record of at least fully successful or equivalent.
- Employee must sign a 12 month agreement
- The employee may only receive this incentive, usually paid in a lump sum, once he/she has established a residence in the new geographic area; but, the incentive must be approved before the employee relocates.

Retention Incentive

- Allows a hiring manager to request payment of up to 25% of an employee's pay (including locality pay) to retain the employee in Federal employment.
- This flexibility may be used if the agency determines that the unusually high or unique qualifications of the employee or special need of the agency for the employee's services makes it essential to retain the

employee and the employee would likely leave the Federal service in the absence of a retention incentive.

- To receive a retention incentive, an employee must remain employed with the agency for a specified period.
- Typically, retention incentives are paid on a bi-weekly basis, so the employee is not required to sign a service agreement.

Superior Qualifications Appointments

- Superior qualifications appointments, also known as **appointments above the minimum rate**, involve setting pay at rates *above step one* of the General Schedule (GS) grade to which a new employee is appointed. A similar authority exists for appointments to positions covered by the Federal Wage System.
- This authority can also be used with the reappointment of an employee who has had a break in service of 90 days or more or if the individual's Federal employment during the previous 90 days was under a time-limited or non-permanent appointment in the competitive or excepted service.
- The candidate's skills, competencies, experience, education, and/or accomplishments must be relevant to the requirements of the position to be filled and must be significantly higher than that needed to be minimally qualified for the position and/or be of a more specialized quality compared to the other candidates.



- The possibility of using a recruitment incentive must be considered before using this pay setting authority.
- A superior qualifications appointment may not be effected until the advanced rate is approved by an authorized official and must be approved prior to the new appointee's entrance on duty.

Highest Previous Rate (HPR)

- This pay setting flexibility applies to General Schedule and Federal Wage System positions and allows an employee's pay to be set above step one of the grade based on a higher rate of pay the employee received in a previous Federal job.
- Use of this flexibility is usually at the discretion of the hiring official.
- HPR may be authorized for an employee upon reemployment, transfer, reassignment, promotion, demotion, or change in type of appointment.
- Under this provision, an employee's rate of pay may not exceed the maximum rate for the employee's new grade.
- The decision to offer HPR must be made prior to the effective date of the personnel action which authorizes its use.

Student Loan Repayment

- Through the student loan repayment program, agencies may repay federally insured student loans in return for service to the agency.
- The program may be used as a recruitment or retention incentive for candidates or current employees.
- There is an overarching student loan repayment [policy](#) for the Department; however, Operating Divisions may have local policies which govern the use of the authority within those organizations.
- There are maximum authorized payments per calendar year and for lifetime totals.
- The authorization of payments toward a student loan requires that the employee signs a service agreement with the agency.
- In addition, the receipt of some student loan repayment monies may offset other incentives to which the employee may be entitled such as Physician Comparability Allowances.

Accelerated Annual Leave Accrual Rate

- Normally, new employees earn four hours annual per pay period upon initial appointment in the Federal service regardless of their past private sector employment experience.
- Agencies have authority to provide service credit for prior work experience that otherwise would not be creditable for the purpose of determining the annual leave accrual rate for new appointments. For example, instead of earning four hours of annual leave per pay period, individuals can begin their

career earning six hours per pay period under this incentive authority.

- The authority can be used for a newly-appointed candidate, a reappointed employee with a break in service of at least 90 calendar days, or a retired member of one of the uniformed services.
- This service credit may be authorized 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 while on active duty with one of the uniformed services.
- Only experience that is directly related to the position being filled may be credited toward an annual leave service computation date.
- This incentive must be approved prior to the new employee's entrance on duty – authorization cannot be made retroactively.

Flexible Work Arrangements

Alternative Work Schedules

Alternative work schedules are those outside a normal, fixed eight-hour workday / 40-hour workweek that afford employees flexibility to accommodate personal activities while maintaining full-time hours. These include:

- Compressed Work Schedules, which for full-time employees is an 80-hour biweekly basic work requirement scheduled for less than 10 workdays,
- Flexible Work Schedules, which allow for a degree of flexibility in either start or stop times around a core workday, while still maintaining a given eight-hour workday / 40-hour workweek for full-time employees.

Additional information on alternative work schedules can be found at OPM's website: www.opm.gov/oca/aws/.

Job Sharing

Job sharing may help balance some employees' work and family responsibilities. Under such arrangements, two employees each work less than full-time, but coordinate their schedules and assignments so together they "share" a work role and ensure the duties and responsibilities of what would otherwise be one full-time position are properly carried out.

Part-Time Work

Part-time work allows an employee to work between 16 and 32 hours each week on a pre-arranged work schedule.

Telework

- Telework refers to any arrangement in which an employee performs officially assigned duties at home or other worksites geographically convenient to the residence of the employee.



- A telework center is a multi-agency facility that provides a geographically convenient office setting as an alternative to the employee's main office.
- Visit www.telework.gov for more information.

Physicians Comparability Allowance (PCA)

- A Physicians Comparability Allowance is authorized for GS (non-title 38) physicians.
- Up to \$14,000 per year may be authorized if the employee has served as a government physician for 24 months or less and up to \$30,000 per year may be authorized if the employee has served as a government physician for more than 24 months.
- Physicians must sign a service agreement from one to four years in conjunction with receipt of a PCA.

Subsidized Transportation

The Department of Health and Human Services provides a subsidy or reimbursement to employees who commute to work using public transportation or a registered vanpool. Employees may be reimbursed for use of public transportation or a vanpool up to the maximum allowable by law. An application is required to participate.

Conclusion

Available hiring incentives represent a resource that may be underutilized due to a lack of information. To employ a world-class workforce, we must be competitive with the best employers. We should not let excellent candidates slip away without considering available incentives that may convince them to come to work for HHS. Although budget realities won't allow us to offer these incentives in every case, appropriate use of these incentives will help us hire and retain an outstanding workforce.

In addition to the incentives described here, the Federal government offers an excellent benefits package for employees to include.

- generous annual and sick leave
- health and life insurance
- long-term care insurance
- retirement benefits and the thrift savings plan
- government funded training and education opportunities
- quality of work life programs such as on-site fitness centers and/or health units, health fairs, preventive screenings, activity challenges
- flexible spending accounts on health related cost
- dependent care

When a candidate considers these benefits and the relative stability of employment with the Federal government, we are an employer of choice.

