



UNITED STATES OFFICE OF PERSONNEL MANAGEMENT
Washington, DC 20415

Employee Services

Friday, February 2, 2018
CPM 2018-04

MEMORANDUM FOR: HUMAN RESOURCES DIRECTORS

FROM: MARK D. REINHOLD
ASSOCIATE DIRECTOR, EMPLOYEE SERVICES

Subject: New Recruitment, Relocation, and Retention Incentive Waiver Request
Templates and Updated Calculation Fact Sheets

Recruitment, relocation, and retention incentives (3Rs) are compensation flexibilities available to help Federal agencies recruit and retain employees. These incentives are administered under 5 U.S.C. 5753 and 5754 and 5 CFR part 575, subparts A, B, and C. This memorandum provides information on new 3Rs tools and guidance.

We are issuing new tools to assist agencies in requesting waivers of the normal 3Rs payment limits to allow higher incentive payments. Federal agencies have the authority to approve a recruitment or relocation incentive without U.S. Office of Personnel Management (OPM) approval for payments of up to 25 percent of an employee's annual rate of basic pay times the number of years in a service agreement (not to exceed 4 years or 100 percent of annual basic pay). Similarly, agencies have the authority to approve a retention incentive for an individual employee without OPM approval for payments of up to 25 percent of the employee's rate of basic pay. Finally, agencies have the authority to pay a retention incentive of up to 10 percent of basic pay to an eligible group or category of employees without OPM approval.

Agencies may request that OPM waive one or more of these limits to address a critical agency need. To assist agencies with submitting a request to OPM for waivers of the normal 3Rs payment limitations, we have developed new templates and posted them on the OPM website. The fillable templates are intended to help agencies include all of the required information and facilitate the request and approval process.

In addition, we have updated the existing fact sheets entitled "[Retention Incentive Payment and Termination Calculations](#)" and "[Calculating Maximum Recruitment and Relocation Incentives for Service Periods of Various Lengths](#)." Among the updates, we revised the calculation examples and added separate tables showing the maximum incentive payment amounts if an agency obtains an OPM waiver.

The new waiver templates and updated fact sheets are posted on OPM's website at <https://www.opm.gov/policy-data-oversight/pay-leave/recruitment-relocation-retention-incentives/#url=Fact-Sheets>. Agency headquarters-level human resources offices may contact OPM at pay-leave-policy@opm.gov for additional information. Employees must contact their agency human resources office for further information.

cc: Chief Human Capital Officers (CHCOs), and Deputy CHCOs.