

# CIVILIAN MARINE PERSONNEL INSTRUCTION

CMPI 575

COVER SHEET - 338

**Recruitment Bonus and Retention Allowance**

Date: 17 Aug 04

Attached is CMPI 575, Recruitment Bonus and Retention Allowance. CMPI 575 replaces CMPI 500 in its entirety.

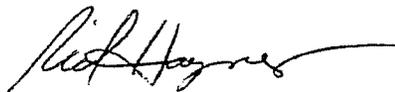
## Reason for Revision

CMPI 575 (formerly 500) has been streamlined and updated and is consistent with higher level policy, law and regulation. CMPI 575 was reviewed as part of the total CMPI review project, the goal of which was to streamline the CMPIs, eliminate redundant and non-policy information, and return them to basic policy documents required for the management of the MSC civil service mariner (CIVMAR) program.

## Effective Date

The above revision is effective upon receipt.

Authorized for MSC:



Approved:



By direction of the Secretary of the Navy

INSTRUCTION 575  
(C.S. 338 of 17 Aug 04)

RECRUITMENT BONUS AND RETENTION ALLOWANCE

- Section 1. General Provisions
- 2. Forms

Section 1. General Provisions

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1-1. PURPOSE AND SCOPE. This instruction sets forth policies, assigns responsibilities, and delegates authorities for recruitment bonuses and retention allowances for civil service mariners (CIVMARs) of the Military Sealift Command (MSC)

1-2. REFERENCES.

- a. Title 5, United States Code (5 USC)
- b. Title 5, Code of Federal Regulations (5 CFR), Part 575
- c. Civilian Personnel Manual, CPM 575
- d. DoD 7000.14-R, Volume 8
- e. ASD(FM&P) Memo of 3 Oct 91 (NOTAL)
- f. OCPM ltr 12575 OCPM 02C24 of 20 Oct 1992 (NOTAL)
- g. OASD (FM&P) Memo of 3 Nov 99 (NOTAL)
- h. ODASN (CP/EEO) Memo of 9 Nov 99 (NOTAL)

1-3. DEFINITIONS. See CMPI Definitions/Glossary Appendix.

1-4. RECRUITMENT BONUSES AND RETENTION ALLOWANCES. The requirements and conditions of and DOD policy on recruitment bonuses and retention allowances are contained in references (a), (b) and (c) and summarized below. The Office of Personnel Management (OPM) approved the extension of recruitment bonus and retention allowance authorities to MSC CIVMARs, references (e) and (f). The group retention allowance for Able Bodied Seaman of MSC was approved in references (g) and (h). Recruitment bonuses and retention allowances for CIVMARs must be in accordance with reference (c). Information on bonuses and allowances may also be found on the Office of Personnel Management's website.

a. Recruitment Bonus.

(1) A recruitment bonus of up to 25 percent of basic pay (calculated as a percentage of annual rate of basic pay and paid in a lump sum) may be offered to certain *newly appointed* employees. To pay a bonus there must be a *written determination* by the *approving official* that, in the absence of such a bonus, difficulty would be encountered in filling the position. Before payment, individual offered the bonus must sign a *written service agreement* to complete a *minimum period of employment* of not less than 6 months (reference (b)) with the DoD Component; for MSC CIVMARs, the DoD component is the Department of the Navy.

(2) To make a *timely offer* of employment, an *approving official* may establish criteria for offering recruitment bonuses in advance and *authorize the recommending official to offer a recruitment bonus* (in any amount within a pre-established range) to any candidate without further review or approval. Such designations must be in writing and included in local operating guidance.

(3) If an individual paid a bonus fails to complete the service agreement, he/she will be obligated to repayment of the recruitment bonus on a pro rata basis. Payments made for periods of time not completed in accordance with individual service agreements are over payments and are subject to the debt collection process (reference (d)).

b. Retention Allowance.

(1) A retention allowance of up to 25 percent of basic pay may be offered to certain *current* employees to help retain their services. It is paid in the same manner and at the same time as basic pay. It cannot be considered a part of basic pay for any purpose and cannot be offered or authorized prior to an individual's employment with an agency.

(2) To pay a retention allowance there must be *written certification* by the *approving officer* 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 *and*, absent a retention allowance, the employee would be likely to leave the *Federal* service. This determination must be made on an individual, case-by-case basis, for each retention allowance, except when using the group retention allowance. In this case the written certification is made for the group/category of employees).

(3) Prior to the approval of any allowance *approving officials* must establish criteria for such offers and to ensure consistent treatment of employees in similar situations. Criteria applied in each case when determining to authorize the retention allowance and the amount of the payment must comply with those established under reference (b).

(4) At least every 12 months, *approving officials* must make a *written determination* whether the allowance is still warranted and that the conditions giving rise to the original determinations still exist. Additionally, approving officials must establish procedures to review the appropriateness of payments whenever the conditions that originally prompted the payment have changed significantly.

(5) An employee who accepts a voluntary separation incentive under 5 USC 5597 may not be considered for, or if receiving continue to receive, a retention allowance.

c. Group Retention Allowances.

(1) The policies, officials, payment, certification and all other criteria above under Retention Allowances applies to retention allowances for groups or categories of employees, when a retention allowance has been requested and approved for use for a group or category of employee.

(2) A request for a retention allowance for a group or category of CIVMAR must be fully documented as to need, the estimated additional annual cost, the percentage of allowance requested and include statistical and historical recruitment and retention data for the group or category of CIVMAR and be submitted through the chain of command.

(3) In accordance with reference (c), requests for group retention allowances of *up to 10%* shall be submitted through the chain of command to DOD for approval; requests for group retention allowances *in excess of 10%* shall be submitted through the chain of command to OPM for approval.

(4) All requests for group retention allowances must be coordinated with all other DOD Components having similarly situated employees, prior to submission to DASD (CPP).

(5) Requests for group retention allowances in excess of 10% must include the information specified in 5 CFR 575.309.

1-5. DOCUMENTATION AND RECORDS. The basis for each recruitment bonus and retention allowance must be fully documented and maintained so as to be available for review and/or submission upon request. In addition, on a fiscal year basis, the Approving Official is required to compile and maintain, for each recruitment bonus and retention allowance, the following data:

- a. The number of employees offered and the number accepting.
- b. The percentage of salary offered and accepted in each individual case.
- c. A summary statement assessing the effect of the bonus authority on the ability of the APMC to fill key positions with qualified candidates in a timely manner. A summary statement assessing the effect of the retention allowance authority on the ability to retain quality employees in key positions.

To ensure consistency in the approval of, documentation, and treatment of employees in similar situations, MSC Form 12330/14 and MSC Form 12330/15 will be used for each recruitment bonus and retention allowance request respectively.

1-6. DELEGATION OF AUTHORITY. Director, APMC is delegated authority to serve as Approving Official and approve recruitment bonuses and amounts and retention allowances and amounts for CIVMARs. The authority to serve as Approving Official for recruitment bonuses and retention allowances may be redelegated to a level no lower than two levels below the level of the Director, APMC. Per reference (c) the Approving Official must be at a higher level than the official(s) *making bonus/allowance offers* unless no higher level exists in the activity. Redelegations must be in writing and available for review, upon request.

1-7. RESPONSIBILITIES.

a. The Director, APMC will:

(1) Establish local policies, procedures, and guidelines for managing and administering CIVMAR recruitment bonuses and retention allowances consistent with the provisions of this instruction and references (a), (b), and (c). Locally established policies, procedures, and/or guidelines are to be available, electronically and/or hardcopy for ashore APMC employees processing such actions as well as for inspections and/or evaluations.

(2) Serve as the Approving Official for CIVMAR recruitment bonuses and retention allowances or appoint, in writing, an Approving Official consistent with the preceding redelegation authority level.

(3) Ensure that the Approving Official, in the fulfillment of his/her responsibilities, complies with locally established policies, procedures, and guidelines, this instruction and the requirements and provisions of references (b), and (c).

(4) Ensure that periodic, written self assessment and evaluation is conducted and findings and recommendations documented and appropriate actions taken on the implementation, documentation, approval, use, and payment of CIVMAR recruitment bonuses and retention allowances.

(5) Ensure recruitment bonus and retention allowance documentation and recordkeeping comply with reference (b) and (c) requirements.

(6) Satisfy applicable bargaining obligations.

b. Approving Official will:

(1) Ensure consistent treatment of employees in similar situations in the approval of recruitment bonuses and amounts and retention allowances and amounts.

(2) In the approval of a recruitment bonus and the amount, make a written determination that in the absence of the bonus, MSC would encounter difficulty in filling the position and ensure the basis for the determination is fully document, per reference (b).

(3) Ensure that each individual offered a recruitment bonus signs a written service agreement (PART IV, MSC Form 12330/14) prior to payment of the bonus.

(4) In the approval of each retention allowance and the amount of the allowance, make a written certification that the unusually high or unique qualifications of the employee or a special need of the Agency for the employee's services make it essential to retain the employee and, absent a retention allowance, the employee would likely to leave the Federal service.

(5) In compliance with reference (b), establish criteria for retention allowances that ensures the consistent treatment of employees in similar situations.

(6) Establish procedures for and conduct retention allowance reviews to determine need to continue, reduce or terminate the allowance.

(7) Ensure that the basis for each recruitment bonus and/or retention allowance is fully documented and that all documentation is maintained appropriately and available for review and submission upon request, per reference (b).

## Section 2. Forms

### 2-1. FORMS.

- a. Recruitment Bonus, MSC 12330/14, (latest revision)
- b. Individual Retention Allowance, MSC 12330/15 (latest revision)

**RECRUITMENT BONUS  
REQUEST, CERTIFICATION, APPROVAL, SERVICE AGREEMENT**

**PART I**

Recruitment Bonus Request, Determination and Justification; (PART I, IA, and IB) to be completed by Requesting, Recommending, or Approving Official (PART IA & IB on reverse)

Name of Candidate:	SSN:
Candidate is to be employed in the CIVMAR Rating/Position of:	Annual Salary:
Recommended Recruitment Bonus Amount -- Percentage of Base Salary:	Length of Service Agreement: <i>(must be at least 6 months)</i>
Requesting/Recommending Official's Signature:	Date:

**PART II, APPROVAL**

Approving Official's Name and Title:

I have reviewed Parts IA, and IB and:

Approve a recruitment bonus in the amount of \_\_\_\_\_ percent of annual salary for the rating/position which is \$\_\_\_\_\_ and the service agreement of \_\_\_\_\_ months.

In approving this bonus I have determined that in its absence Military Sealift Command would have difficulty filling the position.

Disapprove recruitment bonus

Signature of Approving Official:	Date:
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**PART III, OFFER OF APPROVED/PREAPPROVED RECRUITMENT BONUS**

Name and Title of official who may make this approved/pre-approved bonus offer:

In making this approved recruitment bonus offer to the candidate, I understand that I must obtain the candidate's signed services agreement, below, and return it to the approving official.

Signature of Official Making Approved Recruitment Bonus Offer:	Date:
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**PART IV, SERVICE AGREEMENT**

**(To be signed after final approval)**

I, \_\_\_\_\_, agree to serve \_\_\_\_\_ months with the Department of Navy as a result of accepting a recruitment bonus in the amount of \$ \_\_\_\_\_ which is \_\_\_\_\_ percent of my basic salary.

I understand that if I do not satisfy the terms of this agreement that I shall be indebted to the Federal Government and subject to repaying the recruitment bonus on a pro rata basis.

Typed or Printed Name of Candidate:	SSN:
Signature of Candidate:	Date:

Information contained in this document is covered by the Privacy Act of 1974 (PL 93-598). The authority for collection of information is contained in 5 USC 5753, EO 9397.

**PART 1A  
RECRUITMENT BONUS**

(To be completed by Requesting Official)

**Candidates Appointment Data**

1. Has the candidate entered on duty?  No (\_\_\_\_\_ projected EOD)  Yes (If "yes", bonus cannot be approved.)
2. Type of position being offered:
- Permanent appointment without time limitation.
  - Time limited appointment of at least 6 months.
  - Time limited appointment of less than 6 months. (If so, candidate not eligible for bonus.)
3. Is this a new appointment to the Federal service, or an appointment after a break in service of at least 90 days?
- Yes  No (If "no", candidate is not eligible for bonus.)

**PART 1B, WRITTEN CERTIFICATION**

The following describes and documents the factors and data considered in this determination. (Describe and document the factors considered in this bonus need, including the success of recent efforts to recruit candidates for similar positions, include data and indicators such as offer and acceptance rates, the proportion of positions filled, and the length of time required to fill similar positions; recent turnover in similar positions; labor-market factors (current and future) affecting recruitment ability for similar positions. *(If additional space is needed, attach separate sheet.)*)

**CERTIFICATION:**

Signature of Requesting/Recommending Official:

Date:

# INDIVIDUAL RETENTION ALLOWANCE REQUEST, CERTIFICATION, AND APPROVAL

## PART I

Retention Allowance Request, Determination and Justification; to be completed by Requesting Official *(along with PART IA on reverse)*

Name of Employee:		Employee's Rating	SSN:
Salary:	Percentage of Base Salary:	Annual addition to salary: \$	Proposed Effective Date:
This request is: <i>(Check only one)</i> <input type="checkbox"/> Initial Determination/Certification <input type="checkbox"/> 12 Month Review/Determination/Recertification <input type="checkbox"/> Special Review/Determination		Requesting Official's Signature:	Date:

## PART II, REVIEW AND CERTIFICATION/RECERTIFICATION/DETERMINATION

<input type="checkbox"/> Initial Determination	<input type="checkbox"/> 12 Month Review/Determination <i>(That the allowance is still warranted and the conditions that were the basis for the original determination still exist as described herein.)</i>	<input type="checkbox"/> Special Review/Certification <i>(The original conditions for the allowance have significantly changed and so to the percentage of allowance as described herein.)</i>
Name and Title of official authorized to make initial offer:	Signature:	Date:

## PART III, APPROVAL

Name and Title of Approving Official:	
I have reviewed this completed request/form, Parts I, IA and II and:  <input type="checkbox"/> Approve retention allowance in the amount of ____ percent of basic salary. <input type="checkbox"/> Disapprove the retention allowance.	
Signature:	Date:
Information contained in this document is covered by the Privacy Act of 1974 (PL 93-598). The authority for collection of information is contained in 5 USC 5753, EO 9397.	

# INDIVIDUAL RETENTION ALLOWANCE DETERMINATION WORKSHEET

## PART 1A

(To be completed by Requesting Official)		
<b>Position/Appointment Data</b>		
1. Position Rating:	Basic Salary: \$	2. Type of appointment (tenure): <input type="checkbox"/> Permanent <i>(Appointment without time limitation.)</i> <input type="checkbox"/> Temporary <i>(Not to exceed a specific date. Appointments with time limitation do not qualify for retention allowance.)</i>
4. Is employee on a service agreement for a recruitment bonus? <input type="checkbox"/> Yes <input type="checkbox"/> No <i>(If "yes" that service must be completed by the proposed allowance effective date, otherwise the allowance is not appropriate.)</i>		
<b>Need for Individual Retention Allowance</b>		
<input type="checkbox"/> Initial Determination	<input type="checkbox"/> 12 Month Determination	<input type="checkbox"/> Special Review/Determination
1. Does the employee have unusually high or unique qualifications? <input type="checkbox"/> Yes <i>(If "yes" summarize below)</i> <input type="checkbox"/> No		
2. Is there a special need to retain the CIVMAR? <input type="checkbox"/> Yes <i>(If "yes" describe below providing supporting evidence)</i> <input type="checkbox"/> No <i>(A special need involves situations clearly beyond the normal day-to-day management/operation of the organization. It may be evidenced by staffing a new program, conducting a new/highly visible and important project, or an inability to recruit adequate numbers of CIVMARS for rating and that rating is a "critical" rating to mission accomplishment.)</i>		
If the answer to both 1 and 2 above is "no" allowance is not appropriate.		
<b>Likelihood of the Employee Leaving</b>		
Is the CIVMAR likely to leave for employment outside the Federal Government, if not awarded a retention allowance? <input type="checkbox"/> Yes <input type="checkbox"/> No <i>(If "no" an allowance is not appropriate.)</i>		
If "yes" written evidence is to be attached. This may be a written offer of employment. It may also be a statement prepared and signed by the immediate supervisor or higher level describing evidence, such as personal knowledge that the CIVMAR is actively seeking outside employment and that competitive labor market conditions make it likely that such efforts will yield positive results for the CIVMAR.		