

INCENTIVES

Pay

Additional Step-Increases

In addition to periodic step-increases (advancement to a higher rate within the same grade), which are awarded on the basis of length of service and an acceptable level of competence, additional step-increases may be granted in recognition of high quality performance above that normally found in the type of position concerned. This incentive, commonly known as a quality step-increase (QSI), is used by the head of the agency within available appropriations and under OPM regulations, which require an "outstanding" performance rating. (5 U.S.C. 5336)

Special Salary Rates

OPM may establish special salary rates to address situations in which the Government's recruitment or retention efforts are, or are likely to become, significantly handicapped, due to circumstances such as higher non-Federal pay, remote location, or undesirable working conditions. Special salary rates are rates of basic pay that are higher than the normal rates of basic pay for General Schedule employees. (5 U.S.C. 5305)

Recruitment Bonuses

An agency may pay a lump-sum recruitment bonus of up to 25 percent of the annual rate of basic pay of a difficult-to-fill position to an employee newly appointed to that position. The employee must sign a written agreement to complete a minimum period of service of 6 months with the agency. (5 U.S.C. 5753)

Relocation Bonuses

An agency may pay a lump-sum relocation bonus of up to 25 percent of the annual rate of basic pay of a difficult-to-fill position to an employee who must relocate to a different commuting area to accept the position. The employee must sign a written agreement to complete a period of service with the agency. (5 U.S.C. 5753)

Retention Allowances

An agency may pay a retention allowance of up to 25 percent of basic pay to an employee if 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 the agency determines that the employee would be likely to leave the Federal service without the allowance. Similarly, an agency may pay a retention allowance of up to 10 percent of basic pay (or up to 25 percent with OPM approval) to a group or category of employees. A retention allowance is paid at the same time as the employee's regular paycheck. (5 U.S.C. 5754)

Higher Rate for New Appointments

An agency may address the existing pay or unique qualifications of a candidate, or a special need of the Government for the candidate's services, by appointing an individual to a position at a rate above the minimum rate of the appropriate grade. (5 U.S.C. 5333)

Awards

Cash Awards

An agency may pay a cash award for performance, based on an employee's annual rating of record of fully successful or higher. Other cash awards may be given based on specific employee accomplishments, either as an individual or as a member of a group. More specifically, awards have long been given for suggestions or inventions. (5 U.S.C. chapter 45)

Time-Off Awards

Since 1990, agencies have been able to reward employee accomplishments by granting time off without charge to leave or loss of pay. These awards are used for the same types of accomplishments as cash awards. (5 U.S.C. 4502(e))

Honorary Awards

Often given by agency heads in formal public ceremonies, honorary awards are certificates, plaques, medals, or other non-monetary forms of recognition that represent high levels of respect and distinction. They are frequently used to reward exceptional service and contributions over an extended period of time. As an extension of this authority, informal recognition awards such as pins, mugs, or other off-the-shelf items are used to recognize accomplishments but in a less formal manner. (5 U.S.C. chapter 45)

Senior Executive Service (SES) Awards

To encourage excellence by career appointees in the Senior Executive Service, lump-sum performance awards may be paid to career senior executives who are rated at least fully successful. An SES performance award may not be less than 5 percent nor more than 20 percent of the recipient's rate of basic pay. (5 U.S.C. 5384)

SES Presidential Rank Awards

The President may award to a limited number of career appointees the rank of Meritorious Executive, for sustained accomplishment, or the rank of Distinguished Executive, for sustained extraordinary accomplishment. The rank of Meritorious Executive includes a lump-sum payment of 20 percent of the recipient's basic pay, while the rank of Distinguished Executive includes a lump-sum payment of 35 percent of the recipient's basic pay. (5 U.S.C. 4507)

Leave

Family and Medical Leave

Most Federal employees are entitled to up to 12 workweeks of unpaid leave during any 12-month period for birth, adoption, or foster care of a son or daughter; for care of a spouse, son or daughter, or parent who has a serious health condition; or for the employee's serious health condition. (5 U.S.C. 6381-6387)

Sick Leave for Family Care or Bereavement

Most Federal employees may use up to 13 days (104 hours) of sick leave each leave year to care for a family member who is incapacitated by illness, injury, pregnancy, or childbirth, or is

receiving certain examinations or treatments, or to make arrangements for or attend the funeral of a family member. (5 CFR 630.401)

Leave Bank/Leave Transfer Programs

An employee who becomes a member of a leave bank by donating leave to it each year may, after exhausting his or her available paid leave, receive leave from the bank to address a personal or family medical emergency. (5 U.S.C. 6361-6373)

In addition, an employee who is experiencing a personal or family medical emergency and has exhausted his or her available paid leave may receive annual leave directly from another employee through a leave transfer program. (5 U.S.C. 6331-6340)

Bone Marrow/Organ Donor Leave

An employee may use up to 7 days of paid leave each calendar year to serve as a bone-marrow donor. An employee also may use up to 30 days of paid leave each calendar year to serve as an organ donor. Leave for these purposes is in addition to annual and sick leave. (5 U.S.C. 6327)

Other Incentives

Alternative Work Schedules

There are two categories of alternative work schedules: flexible work schedules and compressed work schedules. Flexible work schedules consist of core hours (during which all employees must be at work) and flexible hours (during which employees may choose their times of arrival and departure). Compressed work schedules are fixed work schedules which enable employees to complete the basic 80-hour biweekly work requirement in less than ten workdays. (5 U.S.C. 6120-6133)

Repayment of Student Loans

In order to recruit or retain General Schedule employees, an agency may offer, in exchange for an agreement to work for the agency for not less than 3 years, to repay certain student loans. No employee may receive more than \$6,000 per year or a total of \$40,000. (5 U.S.C. 5379)