



Relocation Incentive Plan

The OIG seeks to recruit, select and retain the best-qualified individuals for our positions. The Relocation Incentive Plan allows management to offer a relocation incentive to a current Federal employee who must relocate to a different geographic area without a break in service.

What is a relocation incentive?

An incentive payment of up to 25 percent of the employee's annual basic pay to offset the cost of relocation for the purpose of accepting a specific position with the OIG, used to attract highly qualified individuals for hard to fill positions.

Who is excluded from this directive?

Newly appointed employees, Presidential Appointees, SES non-career appointees; and positions excepted from the competitive service.

When is it appropriate to use a relocation incentive?

In evaluating the appropriateness of using the recruitment incentive, consider the following factors:

- Success of recent efforts to recruit candidates for similar positions (offer acceptance rates, proportion of positions filled, time required, etc.).
- Recent turnover in similar positions.
- Labor market factors that may affect the ability of the OIG to recruit candidates for similar positions now or in the future.
- Special qualifications needed.

How much can we pay for relocation?

- Up to 25 percent of an employee's annual basic pay rate.

Who can request and approve recruitment incentives for the OIG?

The Treasury Department's Relocation policy delegates approval authority to the Inspector General.

Assistant Inspectors General and Counsel provide a brief written request and justification by email to the Assistant Inspector General for Management who then submits the request to the Deputy Inspector General and Inspector General for Inspector General Approval.

The request and justification should outline the work experience of the candidate, the skills developed while gaining the experience, and any related education which enhances the candidate's qualifications; or the special need of the agency for particular skills or knowledge possessed by the individual. It should include the reasons for:

- Determining that a position is likely to be difficult to fill.
- Authorizing a recruitment incentive.
- The amount and timing of the approved recruitment incentive payment and the length of the required service period.
- Not having the employee perform the work of the position from the geographic area where he or she worked prior to the move.

When do we make the determination to make the payment?

Before the employee enters on duty.

When do we make the payment and how is the employee paid?

After the employee enters on duty and has established residence in the new work area. Payments may be made as a Lump-Sum or in installments as prescribed in the service agreement.

Is there anything required of the employee in exchange for payment?

Yes, the employee must sign a written service agreement for up to 4 years.

When does the service period begin and end?

It begins on the first day of a pay period and ends on the last day of a pay period as specified in the service agreement.

Can a service agreement be terminated prior to its expiration?

Yes, under the following conditions:

- Unilaterally based solely on the OIG's need. The employee receives all relocation incentive payments for completed service and retains any portion of the relocation incentive payment he or she has already received that is attributable to uncompleted service.
- When the employee is demoted or separated for cause or when the employee receives a rating of record of less than "Fully Successful", or if the employee fails to fulfill the terms of the service agreement. The employee retains the relocation incentive payments previously paid that are attributable to the completed portion of the service period.

Management must notify an employee in writing when it terminates a relocation incentive agreement and the reason(s) for the termination.

Can a service agreement start date be delayed?

Yes, we may delay the date until after an employee completes a probationary period or an initial period of formal training when continued employment in the position is contingent upon successful completion of the formal training or probationary period. In either case, the OIG will determine if the employee will need to successfully complete the probationary period and/or training before we pay an incentive.

What happens if the employee does not complete their service agreement?

If the employee does not fulfill the agreed-upon (non-terminated) service agreement, he or she will need to repay the portion of the incentive attributable to the uncompleted portion of the agreement.

May we pay relocation bonuses in lieu of reimbursing an employee for relocation expenses under the General Services Administration's (GSA) Federal Travel regulations?

No, relocation bonuses have no effect on an employee's entitlement to reimbursement for relocation expenses under GSA's Federal Travel Regulations.

Are there any other sources of information related to this directive?

Yes, any items not covered by this directive are addressed by Department of the Treasury Relocation Directive 575, Subpart B and 5 CFR 575.

Who do I call?

For questions please contact the Office of Management at (202) 927-5200 or OIG-OM@oig.treas.gov.