

RETENTION INCENTIVES

Employee:
Title, PP/Series/Grade:

Reference: [5 CFR 575 subpart C](#)

Instructions: This checklist applies to reviews of retention incentives authorized on or after May 13, 2005.

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The agency has established a retention incentive plan that includes the following elements: [5 CFR 575.307]			
Y	N	Review Item	Comments
		The designation of officials with authority to review and approve payment of retention incentives;	
		The categories of employees who are prohibited from receiving retention incentives;	
		Required documentation for determining that an employee would be likely to leave the Federal service;	
		Any requirements for determining the amount of a retention incentive;	
		The payment methods that may be authorized;	
		Requirements governing service agreements at a minimum must include: <ul style="list-style-type: none"> a) Criteria for determining the length of a service period; Conditions for terminating a service agreement; and b) Obligations of the agency and the employee if an agency terminates a service agreement 	
		Documentation and record-keeping requirements are sufficient to allow reconstruction of the action and fulfill the requirements of 5 CFR 575.312 and 5 CFR 575.313 .	
The retention incentive is for a current employee who holds: [5 CFR 575.303]			
Y	N	Review Item	Comments
		General Schedule position paid under 5 U.S.C. 5332 or 5 U.S.C. 5305 (or similar special rate authority);	
		A senior-level or scientific or professional position paid under 5 U.S.C. 5376 ;	
		A Senior Executive Service (SES) position paid under 5 U.S.C. 5383 or a FBI and DEA SES position paid under 5 U.S.C. 3151 ;	
		A position as a law enforcement officer, as defined in 5 CFR 550.103 ;	
		A position under the Executive Schedule paid under 5 U.S.C. 5311-5317 or a position the rate of pay for which is fixed by law at a rate equal to a rate for the Executive Schedule;	
		A prevailing rate position, as defined in 5 U.S.C. 5342(a)(3) ; or	

RETENTION INCENTIVES

		Any other position in a category for which payment of retention incentives has been approved by OPM at the request of the head of an executive agency. (The agency must have documentation of OPM approval of coverage of such category.)	
Y	N	Review Item	Comments
		The employee is not excluded from receiving a retention incentive. [5 CFR 575.304]	
		An agency may pay a retention incentive to an individual employee under the following conditions: [5 CFR 575.305(a)] <ol style="list-style-type: none"> 1. Unusually high or unique qualifications (i.e., competencies) of the employee or a special need of the agency for the employee’s services make it essential to retain the employee; and 2. The employee would be likely to leave the Federal service in the absence of a retention incentive. 	
		A retention incentive may be paid only when the employee’s rating of record is at least “Fully Successful” or equivalent. [5 CFR 575.305(d)]	
		Unless approving coverage of individual employees under a previously approved group retention incentive, determination to pay retention incentive was approved by agency official at least one level higher than the employee’s supervisor. [5 CFR 575.307(b)]	
		There is a written determination documenting the basis: [5 CFR 575.308(b)] <ol style="list-style-type: none"> 1. For determining 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; 2. For determining that the employee would be likely to leave the Federal service in the absence of a retention incentive; and <p>For establishing the amount and timing of the approved retention incentive payment and the length of the service period.</p>	
		The retention incentive rate for a group or category of employees may not exceed: [5 CFR 575.309 (a)] <ol style="list-style-type: none"> 1. 25 percent, if authorized for an individual employee; or 2. 10 percent, if authorized for a group or category of employees. 	
		If applicable, an OPM-approved waiver of the payment limitation is in place which permits the agency to pay an individual employee up to 50 percent of the employee’s basic pay based on a critical agency need. [5 CFR 575.309(e)(1)]	

RETENTION INCENTIVES

		Agency may not offer or authorize a retention incentive for an individual prior to employment with the agency. [5 CFR 575.309(f)]	
		If applicable, if agency commenced a group or individual incentive service agreement or provided a group or individual retention incentive without a service agreement under 5 CFR 575.310(f) for any biweekly pay period during is in conformance with 5 CFR 575.309(g) .	
		The service agreement states the conditions for termination of the agreement, both for the employee and the agency. [5 CFR 575.310 and 5 CFR 575.311]	
		Service agreement ends must include the commencement and termination dates of the required service period. The service period must begin on the first day of the pay period and end on the last day of a pay period. [5 CFR 575.310] *Note: A written service agreement is not required under the condition described in 5 CFR 575.309(f).	
		Service agreement specifies the retention incentive percentage rate established under 5 CFR 575.309(a) ; whether the incentive will be paid in installments or in a lump-sum payment upon completion of the service period provided in the service agreement; whether any installment payments will be paid at less than the full retention incentive percentage rate established under 5 CFR 575.309(a) , with the accrued but unpaid incentive payment being paid in a lump sum upon completion of the full service period required by the service agreement under 5 CFR 575.309(c)(2) ; and the timing of incentive payments. [5 CFR 575.309(c)]	
		The agency reduces or terminates the authorized amount of a retention incentive in accordance with the regulations. [5 CFR 575.311]	
		Retention incentives that are subject to a service agreement, an authorized agency official must review the determination to pay a retention incentive at least annually to determine whether the original determination still applies or whether payment is still warranted as provided in paragraph (a)(2) of this section, and must certify this determination in writing. [5 CFR 575.311(a)(1)]	
		If retention incentive is paid without a service agreement, the agency conducts at least an annual review of incentive to determine whether payment is still warranted and certify such in writing. The conditions giving rise to the original determination to pay the incentive still exist. If incentive is not longer warranted, reduces, or terminates the authorized amount of the retention incentive in accordance with the regulations. [5 CFR 575.311(f)]	
		The agency monitors the use of retention incentives to ensure conformance to requirements. [5 CFR 575.312(a)]	
Incentive for a Group or Category of Employees			
Y	N	Review Item	Comments

RETENTION INCENTIVES

	<p>An agency may pay a retention incentive to a group or category of employees under the following conditions: [5 CFR 575.305(b)]</p> <ol style="list-style-type: none">1. Unusually high or unique qualifications (i.e., competencies) of the group or category of employees or a special need of the agency for the employees' services makes it essential to retain the employees in that group or category; and2. There is a high risk that a significant number of the employees in the group would be likely to leave the Federal service in the absence of a retention incentive.	
	<p>An agency may not include in a group retention incentive authorization an employee covered by 5 CFR 575.303(b), (c), (e) or those in similar categories of positions approved by OPM to receive retention incentives under 5 CFR 575.303(g). [5 CFR 575.305(c)]</p>	
<p>Case File Summary/Comments:</p>		

Reviewer/Title: _____ **Date:** _____