

UNITED STATES DEPARTMENT OF AGRICULTURE
FOOD SAFETY AND INSPECTION SERVICE
WASHINGTON, DC

FSIS DIRECTIVE

4420.1

12/8/21

GROUP RETENTION INCENTIVE FOR IN-PLANT VETERINARY MEDICAL OFFICERS

I. PURPOSE

This directive provides instructions for the group retention incentive for in-plant Veterinary Medical Officers (VMOs)/Public Health Veterinarians (PHVs), here after referred to as VMOs. The group retention incentive for in-plant VMOs was launched on July 6, 2020. This directive reissues information provided in FSIS Notice 34-20, *Group Retention Incentive for In-Plant Veterinary Medical Officers/Public Health Veterinarians*.

II. BACKGROUND

A. Attracting and retaining veterinarians for mission-critical in-plant VMO positions is vital to advancing the Agency's core mission and aligns with goals set forth in the FSIS Strategic Plan and the Agency's Annual Plans. FSIS' in-plant VMOs are key members of the Agency's regulatory team with multi-faceted responsibilities, including primary responsibility for conducting examinations and determining dispositions of animals under FSIS jurisdiction. FSIS recognizes and values the unique expertise required of VMOs to qualify for an in-plant position.

B. The issuance of retention incentives, or monetary payments, is one of many tools the Agency is using to attract and retain its in-plant VMO talent.

III. ELIGIBILITY

A. Current, permanent, full-time and part-time in-plant VMOs with five (5) or more years of in-plant service are eligible for this retention incentive as outlined in Section IV of this directive.

B. In-plant VMOs include:

1. General Schedule (GS)-12 in-plant VMOs in relief positions, assigned to patrols or in single establishment assignments; and
2. Any remaining in-plant GS-13 VMOs.

C. Satisfactory performance and conduct are required to receive a retention incentive.

D. Employee eligibility will be reviewed annually in June. There is no employee application process for this program.

DISTRIBUTION: Electronic

OPI: OPPD

IV. RETENTION INCENTIVE

A. A retention incentive is a monetary payment made to an employee as an incentive to remain in a position; this payment is in addition to the employee's basic salary.

B. VMOs receive a retention incentive payment based upon the years of in-plant FSIS service they have completed. The payment is calculated as of the date the program launched and at annual review periods thereafter. The annual review period is conducted in June. A VMO is placed into a service year group during each annual review period.

NOTE: Service year groups are different from service computation dates (SCDs) and are administratively determined by the Office of Human Resources (OHR). Only service as an FSIS in-plant VMO is considered when determining eligibility and service year group. Recalculations are done at the next annual review.

C. During service year groups 5-11, eligible employees will automatically be issued a sliding scale retention incentive that will vary between 2% - 6% of the employee's rate of basic pay. The incentive will be paid out on a bi-weekly basis and is based on the basic pay received for the pay period. No service agreement will be required (see Attachment for additional information.) Bi-weekly payments will start after the eligibility review period is completed (July).

D. Eligible employees with service as an in-plant VMO are eligible to receive a lump sum retention incentive payment at key 5-year milestones, upon completion of a 1-year service agreement, to be paid out in year 15 and at 5-year intervals thereafter with 20, 25, 30, and 35+ years of service. Eligible in-plant VMOs may enter into service agreements in year 14 and at subsequent 5-year intervals (19, 24, 29, etc.). The lump sum incentive payment is based on the basic pay the VMO earned during the year prior to payment. The Office of Field Operations (OFO) will reach out to eligible VMOs after the eligibility review period is completed with the option of signing the one-year service agreement (July) (see Attachment for additional information.)

E. An employee may not receive a recruitment incentive and a retention incentive simultaneously. Employees with 0 - 4 years of service are not eligible for a retention incentive. VMOs receiving recruitment incentives, as well as those who are not receiving recruitment incentives, but have less than the required years of in-plant service for a retention incentive may be eligible for future payments if they meet requirements starting at five (5) years of in-plant VMO service.

F. Employees with service year groups over 11 years but outside of the milestone years (15, 20, 25, etc.) are not eligible for a retention incentive until the year prior to the milestone year when they will be eligible to enter into a one year service agreement as outlined in Section IV. D.

G. FSIS may unilaterally terminate the program based solely on the management needs of the Agency. Employees under a service agreement are entitled to retain any retention incentive payment attributable to completed service and to receive any portion of a retention incentive payment owed by the Agency for completed service. Termination or reduction of a retention incentive may not be grieved or appealed.

V. AGENCY ROLES RESPONSIBILITIES

| Role | Responsibility |
|---------------------------------------|--|
| Office of the Administrator | <ul style="list-style-type: none"> • Provide overall executive oversight of the group retention incentive for in-plant VMOs • Annually make resource-informed decisions on whether to continue the retention incentives program based on Office of Field Operations (OFO)/Office of the Chief Financial Officer (OCFO)/Office of Management (OM) recommendations • Delegate authority to the Chief Human Capital Officer (CHCO) for management of the review and approval of the retention incentives program |
| Office of Field Operations | <ul style="list-style-type: none"> • Promote the retention incentives program to all eligible VMOs • Review eligible VMO report and provide final approval on VMOs meeting requirements for receiving an incentive • Ensure appropriate documentation for incentives are completed, reviewed, approved, and submitted to OHR • Validate the accuracy of reports received from OHR • Monitor service agreements to ensure the terms of the agreement are fulfilled • Maintain documentation as required • Terminate the incentive when the VMO no longer meets the requirements • Monitors the obligation and spending of the allocations for the incentive. • Periodically evaluate program success in achieving objectives and make adjustments as necessary |
| Office of Human Resources | <ul style="list-style-type: none"> • Ensure FSIS' use of the retention incentives conforms to the requirements • Administer the retention incentives program and ensure that all functions are performed pertaining to the approval, payment, reauthorization, and/or termination of retention incentives • Calculate service years, determine eligibility, and provide OFO with a report of potentially eligible VMOs • Ensure that the proper documentation is accurate, submitted, processed, and approved in a timely basis in the payroll system • Identify and take corrective action when VMOs no longer qualify for the incentive i.e., accepts a non-in plant VMO position within FSIS or separates from the Agency • Provide required reports to the Office of Personnel Management (OPM) as required • Monitor the use of these incentives to ensure that payments are consistent with the requirements of this policy • Maintain documentation as required • Recover amounts owed by the VMO in the event of termination or ineligibility by establishing an accounts receivable in the Administrative Billings and Collections (ABCO) system |
| Office of the Chief Financial Officer | <ul style="list-style-type: none"> • Allocate funding for the retention incentives program |

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| | <ul style="list-style-type: none"> • Sets the VMO incentive allocations • Provide financial oversight of the retention incentives as it relates to the obligation of funds • Record obligations and monitor funds in the financial systems • Periodically audit the recruitment and retention payments • Assign a dedicated shorthand code for the financial system |
| Office of Public Affairs and Consumer Education | <ul style="list-style-type: none"> • Develop stakeholder communications plan • Promote the incentives program internally and externally |

VI. QUESTIONS

Refer questions to PHVIncentives@usda.gov.



Assistant Administrator
Office of Policy and Program Development

FSIS In-Plant VMO Group Retention Incentive Program Questions and Answers

Q1: What is a retention incentive?

A1: A retention incentive is a monetary payment to an employee or a group of employees as an incentive to remain employed in a specific position, or a specific group of positions.

Q2: Who is eligible for this group incentive payment?

A2: Permanent, full-time and part-time FSIS in-plant VMOs with satisfactory performance and conduct are potentially eligible, depending on their years of service as an in-plant VMO.

Q3: When did this program start?

A3: This program launched during the fourth quarter of Fiscal Year (FY) 2020 on July 1, 2020.

Q4: What categories of in-plant VMOs can receive payments?

A4: Eligible employees with 5-11 years of service as an in-plant VMO will be issued biweekly retention incentive payments. No service agreement will be required. Additionally, eligible employees with service as an in-plant VMO are eligible to receive a lump sum retention incentive payment at key 5-year milestones, upon completion of a 1-year service agreement, to be paid out in years 15 and at 5-year intervals thereafter with 20, 25, 30, and 35+ years of service. Eligible in-plant VMOs may enter into service agreements in year 14 and at subsequent 5-year intervals.

Q5: What is the basis upon which the amount of the retention incentive payment is determined?

A5: The retention incentive payment is based on the VMO's administratively determined service year group and basic pay, including locality pay.

Q6: What locations does this group retention incentive for in-plant VMOs apply to?

A6: This retention incentive applies to in-plant VMOs in all geographic locations.

Q7: How will the retention incentive be determined and paid out? Is a service agreement required?

A7: See the table below:

Retention Incentives for In-Plant VMOs Based on Years of In-Plant Service and Retention Incentive Payout Amounts

| In-Plant VMO Service Year Group as of Program Launch Date | % of Employee's Rate of Basic Pay | Payout Method and Timing | Service Agreement Required? |
|---|-----------------------------------|--------------------------|-----------------------------|
| 5-6 years | 6% | Biweekly | No |
| 7-8 years | 4% | Biweekly | No |
| 9-11 years | 2% | Biweekly | No |
| 15, 20, 25, 30, 35+ years | 5% | Lump Sum | Yes |

Q8: Who authorized the group in-plant VMO retention incentive program?

A8: FSIS requested, and received, delegated authority from USDA to develop, implement, and administer a group retention incentive plan for in-plant VMOs in accordance with OPM, 5 CFR, and USDA guidelines.

Q9: Why aren't in-plant VMOs with 0-4 years of service as an in-plant VMO eligible for the retention incentive?

A9: Many current in-plant VMOs with 0-4 years of service are already receiving recruitment incentives. An employee cannot receive recruitment and retention incentives simultaneously. Therefore, FSIS made the decision to begin initial retention incentives in biweekly payments for those with 5-11 years of service, and to provide the retention incentive to in-plant VMOs who will reach key 5-year service years following the completion of a one-year service agreement. Service years were determined at program launch and are reviewed annually in June.

Q10: What happens if I do not meet or complete the terms of a service agreement?

A10: Generally, the terms of the service agreement need to be satisfied to receive a lump sum retention incentive.

Q11: I left FSIS and have now come back to work as an in-plant VMO. I have enough service to place me into one of the retention incentive payment categories. Will I receive a retention incentive payment?

A11: Employees who left FSIS and have had a 90-day or greater break in service need to work for at least 1 year prior to being considered for a retention incentive. Service is reviewed to determine eligibility and service year group at pre-determined, annual intervals to coincide with the initial reviews completed at the launch of the program. Previous in-plant VMO service will be considered when determining service year group. Although eligibility for a retention incentive is not immediate, an individual hired after a 90-day or greater break in service may be immediately eligible for a recruitment incentive in lieu of a retention incentive. In this situation, after the work period described in a recruitment incentive agreement is completed, the individual would then be eligible to be considered for a retention incentive.

Q13: I have service as an in-plant VMO and have service in another type of position. Is all my service considered when determining my eligibility for a retention incentive?

A13: Only service as an FSIS in-plant VMO is considered when determining eligibility for a retention incentive.

Q14: How does my Service Computation Date (SCD) factor into determining the amount of my retention incentive payout?

A14: Service will be reviewed for each VMO at the launch of the program and annually thereafter. The reviews serve as the basis upon which the retention incentive amount is calculated. This is potentially different from an employee's Service Computation Date (SCD); however, it does not change the employee's SCD. The service year group takes into consideration time as an in-plant VMO in paid status.

Q15: If I am currently receiving bi-weekly incentives and I participate on a detail or a temporary

promotion to a non-covered position or am performing non in-plant work, will that affect my incentive?

A15: Yes. Periods of time on voluntary detail or temporary promotion to a non-covered position will result in bi-weekly incentive pay stopping until you return to a covered position. A covered position is an in-plant VMO position.

Q16: If I am under a one-year service agreement and I am detailed or temporarily promoted to a non-covered position, does that time count towards my one-year commitment?

A16: No. Periods of time on voluntary detail or temporary promotion to a non-covered position are not creditable towards the completion of the service period, unless the detail is to another covered position within FSIS. If the position is not covered, the service period must be extended accordingly to complete the service period. A covered position is an in-plant VMO position in any location.

Q17: If I am under a one-year service agreement and I enter a period of nonpay of one pay period or more, how will that impact my one-year commitment?

A17: Periods of time in nonpay are not creditable towards the completion of the service period. The service period must be extended by the amount of nonpay to complete the service period.

Q18: If I am under a one-year service agreement and I am promoted to a permanent position that is not covered, including a GS-701 position with higher promotion potential in FSIS or reassigned to another USDA Mission Area/Agency or Staff Office, am I entitled to receive a pro-rated amount of the lump sum payment?

A18: No. If reassigned or promoted to a permanent position not covered, the service agreement is terminated.

Q19: How long will the group in-plant VMO retention incentive program exist?

A19: The Agency's intent is to continue this program for the foreseeable future. However, this program is discretionary and can be unilaterally discontinued by FSIS for any reason, including a lack of funds.