

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

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# FSIS NOTICE

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6/26/20

## GROUP RETENTION INCENTIVE FOR IN-PLANT VETERINARY MEDICAL OFFICERS/PUBLIC HEALTH VETERINARIANS

### I. PURPOSE

The purpose of this notice is to announce the launch of a new FSIS group retention incentive for in-plant Veterinary Medical Officers (VMOs)/Public Health Veterinarians (PHVs).

### II. BACKGROUND

A. Attracting and retaining veterinarians for mission- critical in-plant VMO/PHV positions is vital to advancing the Agency's core mission and aligns with goals set forth in the FSIS 2017 – 2021 Strategic Plan and the Agency's FY20 Annual Plan. FSIS' in-plant VMOs/PHVs 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/PHVs to qualify for an in-plant position. (See the attachment for Question and Answers).

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/PHV talent.

### III. ELIGIBILITY

A. Current in-plant VMOs/PHVs with 5 or more years of service are eligible for this retention incentive as outlined in section IV of this notice.

B. In-plant VMOs/PHVs include:

1. GS-12 in plant VMOs/PHVs in relief positions, assigned to patrol or single establishment assignments; and
2. Any remaining in-plant GS-13 VMOs/PHVs.

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

D. Employee eligibility will be reviewed annually.

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**DISTRIBUTION:** Electronic; All Field Employees

**NOTICE EXPIRES:** 7/1/21

**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/PHVs will begin receiving 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 launches and at annual review periods thereafter. A VMO/PHV is placed into a service year group at the time the program is launched.

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

C. During years 5-11, eligible employees will be issued a sliding scale retention incentive that will vary between 2% - 6% of the employee's rate of basic pay. No service agreement will be required. The incentive will be paid out on a bi-weekly basis and is based on the basic pay received for the pay period.

D. Eligible employees with 15+ years of service will receive a lump sum retention incentive payment of 5% of their rate of basic pay at key 5-year milestones upon the completion of a one-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/PHVs may enter into service agreements in year 14 and at subsequent 5-year intervals. The lump sum incentive payment is based on the basic pay the VMO/PHV earned during the year prior to payment.

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/PHVs 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 5 years of in-plant VMO/PHV service.

F. 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 RESPONSIBILITIES**

A. The Agency will review employee eligibility and recalculate service year groups annually.

B. Agency will distribute service agreements to eligible veterinarians via email with information about completion and submission.

#### **VI. QUESTIONS**

Refer questions to [PHVincentives@usda.gov](mailto:PHVincentives@usda.gov).



Assistant Administrator  
Office of Policy and Program Development

**FSIS In-Plant VMO/PHV 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:** FSIS in-plant VMOs/PHVs with satisfactory performance and conduct are potentially eligible, depending on their years of service as an in-plant VMO/PHV.

**Q3: When is this program starting?**

**A3:** This program will launch during the fourth quarter of Fiscal Year (FY) 2020 on July 1<sup>st</sup>, 2020. Those who are eligible to receive a biweekly payout in FY2020 should expect to receive it on or about Jul 28<sup>th</sup>. Those who sign a service agreement this year should expect to receive a payout in the fourth quarter of FY2021.

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

**A4:** Eligible employees with 5-11 years of service as an in-plant VMO/PHV will be issued biweekly retention incentive payments. No service agreement will be required. Additionally, eligible employees with service as an in-plant VMO/PHV 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/PHVs 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/PHV's administratively determined service year group and basic pay, including locality pay.

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

**A6:** This retention incentive applies to in-plant VMOs/PHVs 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/PHVs Based on Years of In-Plant Service and Retention Incentive Payout Amounts**

In-Plant VMO/PHV Service Year Group as of	% of Employee's Rate of Basic Pay	Payout Method and Timing	Service Agreement Required?
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**Program Launch Date**

5-6 years	6%	Biweekly	No
7-8 years	4%	Biweekly	No
9-11 years	2%	Biweekly	No
14, 19, 24, 29, 34+ years	5%	Lump sum	Yes

**Q8: I am eligible for retention incentive payments starting at 6%. Will my salary go down as I progress from high (6%) to lower (4%, 2%) retention incentive payment year groups?**

**A8:** There is a distinction between your basic pay, which includes locality pay, and the total compensation you receive when combining your basic pay with retention incentive payments. Keep in mind the incentive payment is an extra payment, separate from your basic pay or salary. In most cases, with a combination of locality pay, general pay increases, and Within Grade Increases (WGs), you will see an increase in your total compensation as you progress through the retention incentive payment groups and their associated percentages. There may be situations in which you could see a reduction to your total compensation, however. An example of this would be if you are at the end of the 9-11 year category and have been receiving a 2% retention incentive that is concluding because you have received it for 3 years. That year, there is a freeze on general pay increases. Your basic salary will not decrease, but there could be a reduction to your total compensation once the incentive ends. Many variables affect pay and each circumstance is different.

**Q9: Who authorized the group in-plant VMO/PHV retention incentive program?**

**A9:** FSIS requested, and received, delegated authority from USDA to develop, implement, and administer a group retention incentive plan for in-plant VMOs/PHVs in accordance with OPM, 5 CFR, and USDA guidelines.

**Q10: Why aren't in-plant PHVs with 0-4 years of service as an in-plant PHV eligible for the retention incentive?**

**A10:** Many current in-plant VMOs/PHVs 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/PHVs who will reach key 5-year service years following the completion of a one-year service agreement. Service years will be determined at program launch and reviewed annually.

**Q11: What happens if I do not meet or complete the terms of a service agreement?**

**A11:** Generally, the terms of the service agreement need to be satisfied to receive a retention incentive.

**Q12: I have 15 years of service; why didn't I receive a service agreement?**

**A12:** Service was reviewed immediately prior to the launch of the program, and eligible employees with 14, 19, 24, 29, 34, 39 years of service at the time of review were offered to sign a service agreement, with the lump sum payment occurring after the 1-year service agreement is completed in years 15, 20, 25, 30, 35, 40. Subsequent reviews will be completed annually.

**Q13: I left FSIS and have now come back to work as an in-plant VMO/PHV. I have enough service to**

**place me into one of the retention incentive payment categories. Will I receive a retention incentive payment?**

**A13:** Employees who left FSIS and have had a 90-day or greater break in service will need to work for 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/PHV service will be considered when determining service year group.

**Q14: I have service as an in-plant VMO/PHV and have service in another type of position. Is all my service considered when determining my eligibility for a retention incentive?**

**A14:** Only service as an FSIS in-plant VMO/PHV is considered when determining eligibility for a retention incentive.

**Q15: How does my Service Computation Date (SCD) factor into determining the amount of my retention incentive payout?**

**A15:** Service will be reviewed for each VMO/PHV 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.

**Q16: How long will the group in-plant VMO/PHV retention incentive program exist?**

**A16:** 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.