



**DEPARTMENT OF THE NAVY**  
**COMMANDER**  
**NAVAL EDUCATION AND TRAINING COMMAND**  
**250 DALLAS STREET**  
**PENSACOLA, FLORIDA 32508-5220**

NETCINST 12575.1A  
N1CP  
24 Aug 2021

NETC INSTRUCTION 12575.1A

From: Commander, Naval Education and Training Command

Subj: RECRUITMENT, RELOCATION, AND RETENTION INCENTIVES

Ref: (a) 5 CFR  
(b) DoD Instruction 1400.25, Volume 575 of 2 February 2018  
(c) DON Memo: Department of the Navy Final Policy for Pay Administration (General) of 3 Feb 12

1. Purpose. To establish policy and guidance governing the use of Recruitment, Relocation, and Retention (3R) incentives for civilian employees within the Naval Education and Training Command (NETC) Domain.

2. Cancellation. NETCINST 12575.1.

3. Policy. It is the policy of NETC to implement the authorities granted by references (a) through (c) to recruit and retain a quality workforce to meet our mission needs. 3R incentives allow management to offer up to 25 percent of basic pay to an individual newly appointed to the federal civilian service, a current employee who must relocate to accept a position in a different geographic area, or an employee who is likely to leave (separate/retire) federal service.

a. Employees must agree to a minimum period of service prior to receiving an incentive using NETC 12575/1 (Recruitment, Relocation, or Retention Incentives Service Agreement). Consideration of these incentives will be on an exceptional basis. Special consideration will be given for hard-to-fill positions, where the need and potential benefit to the Navy are documented.

b. A geographic location is defined as a position that is considered to be in a different geographic area if the worksite of the new position is 50 or more miles from the worksite of the position held immediately before the move. If the worksite of the new position is less than 50 miles from the worksite of the

position held immediately before the move, but the employee must relocate (e.g., establish a new residence) to accept the position, NETC 12575/2 (Verification of Residency) will be used to verify residency.

4. Eligibility. Section 575 of reference (a) outlines which employees are eligible for incentives and those employees who are ineligible for incentives. Reference (b) provides guidelines, responsibilities, and procedures regarding 3R incentives. Reference (c) provides pay compensation guidance and flexibilities to attract and retain skilled employees to support the mission.

a. Employees eligible for the 3R incentives include:

(1) A General Schedule position paid under 5 U.S.C. 5332 or 5305 (or similar special rate authority).

(2) A senior-level, scientific, or professional position paid under 5 U.S.C. 5376.

(3) A Senior Executive Service (SES) position paid under 5 U.S.C. 5383 or a Federal Bureau of Investigation and Drug Enforcement Administration SES position paid under 5 U.S.C. 3151.

(4) A position as a law enforcement officer, as defined in 5 CFR 550.103.

(5) A position under the Executive Schedule (ES) paid under 5 U.S.C. 5311-5317 or a position where the rate of pay is fixed by law at a rate equal to a rate for the ES.

(6) A prevailing rate position, as defined in 5 U.S.C. 5342(a)(3).

(7) Any other position in a category for which payment of recruitment incentives has been approved by Office of Personnel Management (OPM) at the request of the head of an executive agency.

b. Employees who are ineligible for 3R incentives include:

(1) Employees in positions to which an individual is appointed by the President, either by and with the advice and consent of the Senate, or without the advice and consent of the Senate.

(2) Employees in positions in the SES as non-career appointees (as defined in 5 U.S.C. 3132(a)).

(3) Employees in positions excepted from the competitive service by reason of their confidential, policy-determining, policy-making, or policy-advocating nature.

5. Certification for Incentives. Recommending officials must certify, absent an incentive, the activity would have difficulty filling the position or retaining a highly qualified employee, by providing a written description of same, and include documentation showing:

a. The results of recent efforts to attract quality candidates for similar positions using indicators such as offer acceptance rates, proportion of positions filled, and the length of time required to fill similar positions.

b. Information regarding offers made and acceptance rate to include the salaries typically paid outside the Federal Government for similar positions.

c. Number of pending vacancies.

d. Length of time recently required to fill similar positions.

e. Recent turnover in similar positions.

f. Labor market factors that affect the organization's ability to recruit highly qualified candidates for similar positions.

g. Special qualifications needed for the position.

h. Agency efforts to use non-pay authorities, such as special training and work scheduling flexibilities, to resolve

difficulties alone or in combination with a recruitment incentive.

i. The desirability of the duties, work or organizational environment, or geographic location of the position.

j. Other supporting factors.

6. Calculating Incentives for Service Periods of Various Lengths. The total amount of recruitment or relocation incentive payments may not exceed 25 percent of the annual rate of basic pay of the employee at the beginning of the service period multiplied by the number of years (including fractions of a year) in the service period (not to exceed 4 years). As defined in Section 530.202 of reference (a), basic pay means the total amount of pay received at a rate fixed by law or administrative action for the position held by an employee, including any special rate or any locality-based comparability payment or other similar payment or supplement under other legal authority, before any deductions. With OPM approval, this cap may be raised to 50 percent (based on a critical agency need), as long as the total incentive does not exceed 100 percent of the employee's annual rate of basic pay at the beginning of the service period.

a. Required service period begins on the first day of the first pay period beginning on or after the commencement of service at the new duty station. The service period must terminate on the last day of a pay period.

b. Formal training. Employees receiving an incentive must sign a service agreement. A Service Agreement shall be used to document the payment terms, conditions, and service period of the authorized incentive. The agreement may be signed prior to the start date of employment, however; payment shall not be authorized until verification of residency. Commands may delay a service agreement commencement date for employees whose employment requires formal training until after the employee completes an initial period of formal training when continued employment in the position is contingent on successful completion of the formal training. The determination to pay a relocation incentive will be signed before the employee enters on duty in the position, as required in sections 575.210(b)(3) and 575.208(a)(3) of reference (a). However, the service

agreement must specify that if an employee does not successfully complete the training before the service period commences, the agency is not obligated to pay any portion of the relocation incentive to the employee.

7. Procedures. If an activity wishes to offer an applicant an incentive, authorizing officials must notify NETC Headquarters, via NETC N1CP, and notification packages must include supporting documentation. NETC Headquarters' acknowledgement of notification letter must accompany the Request for Personnel Action submitted to the Office of Civilian Human Resources Stennis Operations Center at least 14 days prior to the effective date of the action in order to process the action.

8. Records Management

a. Records created as a result of this instruction, regardless of format or media, must be maintained and dispositioned per the records disposition schedules located on the Department of the Navy Assistant for Administration, Directives and Records Management Division portal page at <https://portal.secnav.navy.mil/orgs/DUSNM/DONAA/DRM/Records-and-Information-Management/Approved%20Record%20Schedules/Forms/AllItems.aspx>.

b. For questions concerning the management of records related to this instruction or the records disposition schedules, please contact the local records manager.

9. Review and Effective Date. Per OPNAVINST 5215.17A, NETC will review this instruction annually around the anniversary of its issuance date to ensure applicability, currency, and consistency with Federal, Department of Defense, Secretary of the Navy, and Navy policy and statutory authority using OPNAV 5215/40 (Review of Instruction). This instruction will be in effect for 10 years, unless revised or cancelled in the interim, and will be reissued by the 10-year anniversary date if it is still required, unless it meets one of the exceptions in OPNAVINST 5215.17A, paragraph 9. Otherwise, if the instruction is no longer required, it will be processed for cancellation as soon as the need for cancellation is known following the guidance in OPNAV Manual 5215.1 of May 2016.

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10. Forms. The following forms are available for download from the NETC Reference Library in DON TRACKER or by contacting NETC Directives at [netc\\_directives@navy.mil](mailto:netc_directives@navy.mil).

a. NETC 12575/1 (Recruitment, Relocation, or Retention Incentives Service Agreement)

b. NETC 12575/2 (Verification of Residency)



K. BECK  
Chief of Staff

Releasability and distribution:

This instruction is cleared for public release and is available electronically on the NETC Public Website ([www.netc.navy.mil](http://www.netc.navy.mil)), via the NETC Reference Library in DON TRACKER, or by email at [netc\\_directives@navy.mil](mailto:netc_directives@navy.mil).