

## HUMAN RESOURCES MANUAL

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### Instruction 572-1: Payment of Travel and/or Transportation Relocation Expenses

Issuance Date: 01/06/2012

#### Material Transmitted:

Department of Health and Human Services (HHS) Instruction 572-1, Payment of Travel and/or Transportation Relocation Expenses, dated January 06, 2012.

#### Material Superseded:

HHS Instruction 571-1, Payment of Travel and/or Transportation Relocation Expenses, dated May 9, 2008.

#### Background:

Executive Order 13589, issued on November 9, 2011, requires agencies to promote efficient spending. The Order covered several areas including travel, employee information technology devices, printing, executive fleet efficiencies, and extraneous promotional items. Part of the President's charge to agencies was to review their policies associated with domestic civilian permanent change of duty station travel (relocations), including eligibility rules, to identify ways to reduce costs and ensure appropriate controls are in place.

This Instruction has been revised to incorporate changes made in Departmental policy on the payment of travel and transportation expenses associated with employee relocations under the Executive Order.

This revised Instruction:

- Limits the payment travel expenses for new appointees who are reporting to their first official duty station to individuals who are being appointed to positions at the GS-13 grade level or above and equivalent level positions in other pay systems.
- Allows the payment of mandatory travel allowances only, unless the payment of discretionary expenses is authorized by the OPDIV/STAFFDIV Head and/or designated OPDIV/STAFFDIV Senior Travel Official.
- Corrects the allowable timeframe for employees to complete all aspects of travel to no more than 1 year after the effective date of the appointment or transfer from 2 years in compliance with Federal Travel Regulations.
- Clarifies the type of language that must be included in vacancy announcements when the payment of relocation expenses is authorized.

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- Expands the exclusions section and clarifies that the categories of individuals who are excluded from coverage under the provisions of this Instruction may be covered by other travel regulations and/or policies.

This issuance is effective immediately. Implementation under this issuance must be carried out in accordance with applicable laws, regulations, bargaining agreements, and Departmental policy.

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INSTRUCTION 571-1

**SUBJECT: PAYMENT OF TRAVEL AND/OR TRANSPORTATION RELOCATION EXPENSES**

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**572-1-00 PURPOSE**

The purpose of this Instruction is to provide policy and guidance for the payment of:

- A. Expenses for travel, transportation of immediate family, and transportation of household goods to a new post of duty for a new appointee;
- B. Travel expenses for pre-employment interviews; and
- C. Travel and transportation expenses of a current Federal employee, his/her immediate family, and household goods when the employee's duty station is permanently changed from one geographic area to another geographic area within the continental United States, normally at least 50 miles distance from the old duty station.

**572-1-10 REFERENCES**

- A. Title 41, CFR, Federal Travel Regulation System, Chapter 302, Relocation Allowances
- B. 5 USC § 5723 (law - travel and transportation expenses of new appointees and student trainees)
- C. 5 USC § 5724 (law - travel and transportation expenses of employees transferred; advancement of funds; reimbursement on commuted basis)
- D. 5 USC § 5724a (law - relocation expenses of employees transferred or reemployed)

- E. 5 CFR Part 572 (regulations - travel and transportation expenses; new appointees and interviews)
- F. HHS Instruction 301-1 (United States citizens stationed overseas)
- G. HHS Travel Manual
- H. 5 USC § 5753 and 5754 (law - Recruitment, Relocation and Retention Incentives)
- I. 5 CFR Parts 575 (regulation - Recruitment, Relocation and Retention Incentives)
- J. 5 CFR Part 304 and 5 USC 3102 (Experts and Consultants)

### **572-1-20 DEFINITIONS**

- A. New Appointee. (a) An individual who is employed with the Federal Government for the very first time; (b) An employee who is returning to the Government after a break in service (except an employee separated as a result of reduction in force or transfer of functions and is re-employed within one year after such action); or (c) A student trainee assigned to the Government upon completion of his/her college work.
- B. Private Person. An individual who does not meet the definition of employee in 5 U.S.C. 2105 or the definition of a new appointee in this Instruction.
- C. Reassigned Employee. An employee who is reassigned within an agency from one position to another without promotion or change to lower grade.
- D. Relocation Expense Allowance. The payment of expenses associated with the travel, transportation of immediate family, and transportation of household goods to a new post of duty as described in Chapter 302, Relocation Allowances, of the Federal Travel Regulation. Relocation expense allowances are separate and distinct from relocation incentive payments made in accordance with 5 CFR Part 575, Recruitment, Relocation, and Retention Incentives.
- E. Relocation Incentive. An incentive paid to a *current* Federal employee who must relocate to accept a position in a different geographic area if it has been determined that the position is critical to the mission of the organization and is likely to be difficult to fill in the absence of such an incentive. Relocation incentives are separate and distinct from relocation allowances paid in accordance with the Federal Travel Regulation and not covered by this policy. Relocation Incentive guidance can be located in HHS Instruction 575-1, Recruitment, Relocation and Retention Incentives (3Rs).
- F. Student Trainee. A new appointee assigned to the organization upon completion of their college work, under the Student Career Experience Program (SCEP).

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- G. Transferred Employee. A current Federal employee who changes from a position in one agency to a position in another agency, whether HHS or outside HHS, that can be filled under the same appointing authority, without a break in service of one full workday. This may also include employees separated as a result of reduction in force or transfer of functions who are re-employed within one year after such separation.

**572-1-30 COVERAGE AND EXCLUSIONS**

## A. Coverage

1. Federal employees under consideration for paid travel expenses for pre-employment interviews;
2. A new appointee appointed to his/her first official duty station within the CONUS;
3. An employee being transferred or reassigned in the interest of the Government from one position or duty station to another for permanent duty, and the new duty station is at least 50 miles distant from the old duty station; and
4. A student trainee assigned to any CONUS position upon completion of college work.

## B. Exclusions – the provisions in this Instruction do not apply to the following individuals who may be covered by other travel regulations and/or policies:

1. Private persons;
2. Experts and consultants employed in accordance with 5 CFR Part 304 and 5 USC § 3109;
3. Intern program participants serving on temporary rotational assignments as part of their development plans;
4. Certain title 42 Fellows if covered by special travel provisions in title 42 U.S.C or 42 C.F.R.
5. Individuals who are detailed or appointed under the Intergovernmental Personnel Act (IPA).
6. Members of National Advisory Councils or Advisory Committees;
7. Members of the U.S. Public Health Service Commissioned Corps; and
8. Appointees recruited or transferred from the continental United States to overseas duty stations. The HHS Instruction 301-1, Overseas Employment, addresses these policies.

**572-1-40 RESPONSIBILITIES**

## A. Office of Human Resources (OHR), Assistant Secretary for Administration (ASA) is responsible for:

1. Reviewing and maintaining this policy;

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2. Preparing and submitting periodic reports regarding usage of relocation expense allowances as requested by the Office of Personnel Management; and,
3. Monitoring the use of these allowances to ensure that documentation requirements are consistent with the requirements of this policy.

B. Operating and Staff Divisions (OPDIVs/STAFFDIVs) are responsible for:

1. Determining which covered positions will be authorized payment of pre-employment interview travel expenses and relocation expense allowances based on factors such as cost effectiveness, labor market conditions, availability of local and qualified candidates, difficulties in filling the position, and the criticality of the position to mission accomplishment,.
2. Authorizing the payment of discretionary allowances and documenting the criteria used for determining whether discretionary allowances will be authorized (the OPDIV/STAFFDIV Head holds this authority and may delegate the authority to authorize the payment of discretionary allowances to a Senior Travel Official);
3. Ensuring that service agreements are signed and submitted to their Operating Human Resources Organizations; enforced; or waived in accordance with this policy; and,
4. Preparing Travel Authorizations (TAs) in order for payment of relocation allowances to be made.

C. Operating Human Resources Organizations are responsible for:

1. Documenting vacancy announcement postings to identify whether or not payment of relocation expense allowances will be paid;
2. Establishing and maintaining documentation and records containing the decision to authorize payment of relocation allowances as well as filing the signed service agreement in the employee's Official Personnel Folder; and,
3. Providing input to OHR for periodic or annual reporting requirements in the use of these allowances as required to maintain accountability.

**572-1-50 POLICY**

A. Travel and/or transportation expenses incident to the situations identified in accordance with the Federal Travel Regulations, Chapter 302, Relocation Allowances may be authorized when the following requirements have been met:

1. The authorized management official has determined that interviewees for certain positions are eligible for payment of pre-employment interview travel expenses in accordance with the criteria in section 572-1-40 B 1.

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2. The authorized management official has determined that the new appointment, reassignment, or the transfer of an employee to a permanent duty station is in the best interest of the Department and is not primarily for the convenience or benefit of the employee or at his/her request.
3. The employee has signed an agreement to remain in Government service for 12 months following the date he/she reports for duty at a new permanent duty station, unless the employee is separated for reasons beyond his/her control and those reasons are acceptable to the Department. Employment Agreement for Manpower Shortage Positions in the 50 States and the District of Columbia, Form HHS-355, or Employment Agreement for Transfers to and within the Continental United States, Form HHS-355B (found at [http://intranet.hhs.gov/hr/ohr/forms/hhs\\_forms.html](http://intranet.hhs.gov/hr/ohr/forms/hhs_forms.html)) is used to document this service and is filed on the right side of the employee's Official Personnel Folder.
4. An approved Travel Authorization (TA) has been prepared in writing (paper or electronic). Specific allowances and procedures for submission of requests for reimbursement must be provided in writing.
  - B. Except for student trainees, travel expenses for a new appointee reporting to his/her first official duty station may be authorized only for appointments to positions at the GS-13 grade level or above and equivalent level positions in other pay systems.
  - C. If relocation expense allowances are authorized, OPDIVs/STAFFDIVs must pay all of the expenses listed as mandatory allowances of the appropriate table in the Federal Travel Regulation, Chapter 302, dependent upon appointment type (i.e. new appointee or transfer) and location (i.e. CONUS or outside the CONUS). It is not allowable to pay only selective benefits listed as mandatory (see Exhibits A and B, Column 1). However, expenses listed as discretionary allowances of the appropriate table may be paid at the discretion of the employing OPDIV/STAFFDIV only when authorized by the OPDIV/STAFFDIV Head or the Senior Travel Official by delegation (see Exhibits A and B, Column 2).
  - D. The authorized management official, in accordance with OPDIV/STAFFDIV Head delegation, determines whether or not relocation expense allowances will be authorized. This decision must be documented as part of the recruitment case or personnel file. A decision made in connection with one specific vacancy does not require a like decision in connection with future vacancies. Factors such as availability of funds or a determination of whether a position is considered hard-to-fill or critical to mission accomplishment will be considered in this decision.
  - E. The decision to pay relocation expense allowances must be stated on the vacancy announcement. If relocation allowances are authorized, the vacancy announcement posting must contain specific language to authorize them; for example: "Relocation expense allowances are authorized. If relocation expense allowances are paid, employees

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- will be required to sign a one year service agreement. Failure to fulfill the one year service agreement may require repayment of relocation expense allowances.”
- F. Similarly, a decision not to pay relocation expense allowances must be stated on the vacancy announcement. If relocation allowances are not authorized, the vacancy announcement posting must contain specific language to that effect; for example: “Relocation allowances are not authorized and will not be paid.”
  - G. If the decision to pay relocation expense allowances is made and the vacancy announcement advertises this benefit, an organization may not withdraw the entitlement to this allowance based on lack of funds.
  - H. Travel advances will normally be paid for relocation expense allowances if the employee states in writing that, absent payment of the advance, the employee would be unable to accept the position and relocate at his/her own expense. The payment of travel advances is otherwise considered discretionary.
  - I. An employee will be informed in writing that all aspects of travel must be completed and a TA submitted no later than 1 year after the effective date of the appointment or transfer. The OPDIV/STAFFDIV Head may extend this deadline if circumstances beyond the employee’s control prohibit completion of his/her relocation.

**572-1-60 EMPLOYMENT SERVICE AGREEMENT REQUIREMENTS**

- A. Employees receiving payment of relocation expense allowance for travel, transportation, and related costs incident to appointment, reassignment, or transfer to a new duty station are required to sign an appropriate employment service agreement that they will remain in Federal Government employment for 12 months from the effective date of their appointment.
- B. If an employee refuses to sign an employment service agreement, the organization will not pay relocation expense allowances.

**572-1-70 SEPARATION BEFORE COMPLETING 12 MONTHS OF SERVICE**

- A. When an employee for whom travel and transportation expenses have been paid under this Instruction leaves Federal Government service within 12 months, the OPDIV/STAFFDIV Head must determine whether repayment of these amounts to the Government must be required or may be waived. The determination shall be entered on the Notification of Personnel Action.
- B. Repayment may be waived when the reasons are acceptable to the OPDIV/STAFFDIV Head exercising the authority. The reasons for waiver requests must be beyond the

control of the employee and must be acceptable to the organization, such as those which may involve the physical or mental health of the employee or a member of the employee's immediate family.

- C. If the employee leaves this Department to work for another Federal agency, his/her obligation to serve 12 months is transferred to the gaining agency.
- D. If the employee violates a service agreement (other than for reasons beyond their control and accepted by the OPDIV/STAFFDIV), the employee will have incurred a debt due to the Government and must reimburse all costs that the organization has paid towards relocation expense allowances including withholding tax allowance (WTA) and relocation income tax (RIT) allowance.

**572-1-80 REPORTING AND ACCOUNTABILITY**

- A. Operating Human Resource Organizations will maintain documentation regarding the use of relocation expense allowances and will provide accurate reports upon request of the OHR for internal accountability reporting or reporting to the OPM or other third parties.
- B. Each OPDIV/STAFFDIV must monitor the use of these allowances to ensure their use is consistent with prudent exercise of fiscal expenditures and the requirements of the regulations and this policy.

**Exhibit A: Relocation Expense Allowances Paid to First Official Station in the Continental United States (CONUS)**

<b>Column 1 (Mandatory) Relocation allowances that agency must pay or reimburse</b>	<b>Column 2 (Discretionary) Relocation allowances that OPDIV/STAFFDIV Head has discretionary authority to pay or reimburse</b>
Transportation of employee & immediate family member(s)	Shipment of privately owned vehicle (POV)
Per diem for employee only	
Transportation & temporary storage of household goods	
Extended storage of household goods	
Transportation of a mobile home or boat used as a primary residence in lieu of the transportation of household goods	

**Exhibit B: Relocation Expense Allowances Paid to Transfer Between Official Stations in the CONUS**

<b>Column 1 (Mandatory) Relocation allowances that agency must pay or reimburse</b>	<b>Column 2 (Discretionary) Relocation allowances that OPDIV/STAFFDIV Head has discretionary authority to pay or reimburse</b>
Transportation & per diem for employee & immediate family member(s)	House hunting per diem & transportation, employee & spouse only
Miscellaneous moving expense	Temporary quarters subsistence expense (TQSE)
Sell or buy residence transactions or lease termination expenses	Shipment of privately owned vehicle (POV)
Transportation & temporary storage of household goods	Use of a relocation services company.
Extended storage of household goods	Property management services
Transportation of a mobile home or boat used as a primary residence in lieu of the transportation of household goods	Home marketing incentives
Relocation income tax allowance (RITA)	