



**GENERAL INFORMATION GUIDE**

# **Additional Income Allowance Program**

**March 2005 (Rev. 3/08)**



Government of the District of Columbia

# **ADDITIONAL INCOME ALLOWANCE PROGRAM**

## **TABLE OF CONTENTS**

<b>ADDITIONAL INCOME ALLOWANCE DEFINITION .....</b>	<b>1</b>
<b>COVERED POSITIONS .....</b>	<b>1</b>
<b>EXCLUSIONS .....</b>	<b>1</b>
<b>SIGNIFICANT RECRUITMENT AND RETENTION PROBLEM DEFINED .....</b>	<b>1</b>
<b>ADDITIONAL BASIS FOR REQUESTING AN ALLOWANCE .....</b>	<b>2</b>
<b>RECRUITMENT AND RETENTION DETERMINATIONS .....</b>	<b>2</b>
<b>AMOUNT OF THE ALLOWANCE .....</b>	<b>2</b>
<b>SERVICE AGREEMENT .....</b>	<b>3</b>
<b>REQUEST FOR AUTHORIZATION OF THE ALLOWANCE AND APPROVAL OF SERVICE AGREEMENT .....</b>	<b>3</b>
<b>OFFER OF ADDITIONAL INCOME ALLOWANCE .....</b>	<b>3</b>
<b>PAYMENT OF THE ALLOWANCE.....</b>	<b>4</b>
<b>TAX WITHHOLDINGS AND OTHER WITHHOLDINGS .....</b>	<b>4</b>
<b>REPAYMENT OF AN ALLOWANCE .....</b>	<b>4</b>
<b>QUESTIONS .....</b>	<b>5</b>
<b>REFERENCES .....</b>	<b>5</b>
<b>ATTACHMENTS .....</b>	<b>6</b>

## **ADDITIONAL INCOME ALLOWANCE PROGRAM**

This General Information Guide contains basic information about the **Additional Income Allowance** provisions in section 1143 of Chapter 11 of the D.C. personnel regulations, Classification and Compensation.

### **ADDITIONAL INCOME ALLOWANCE DEFINITION**

- An additional income allowance bonus is an **authorized amount or rate of additional compensation** paid to an employee who occupies a position determined by the Director, D.C. Department of Human Resources (DCHR), to have a **significant recruitment and retention problem**.

### **COVERED POSITIONS**

- An additional income allowance may be paid to any individual employed in an agency under the personnel authority of the Mayor in a position in the Career, Legal, Excepted, or Management Supervisory Service for which there is a **significant recruitment problem**.

### **EXCLUSIONS**

- An additional income allowance will not be provided when:
  1. The employee is assigned a regularly scheduled tour of duty of **less than 40 hours** per biweekly pay period;
  2. The employee works on an **intermittent basis**; and
  3. The employee is serving under an appointment that **is not permanent, term or indefinite**.

### **SIGNIFICANT RECRUITMENT AND RETENTION PROBLEM DEFINED**

- A significant recruitment and retention problem for a position or categories of positions exists when:



1. An agency is **unable to recruit and retain** sufficient numbers of qualified employees for a position or categories of positions;
2. The qualification requirements being used for considering candidates for the vacant position(s) **do not exceed** the qualifications that are actually necessary for successful performance of the work of the position(s);
3. The agency has made **efforts to recruit or retain** qualified candidates and employees for the position(s), as documented by the number of vacancy announcements the agency tried to fill compared to the number of hires and offers made, etc.; and
4. A **sufficient number** of qualified candidates **is not** available to fill the existing vacancies for the positions at a rate of pay the agency is able to offer in the absence of an additional income allowance (or hiring bonus, or both).

### **ADDITIONAL BASIS FOR REQUESTING AN ALLOWANCE**

Notwithstanding the criteria listed above, an agency may request and the Director, DCHR, may authorize, an additional income allowance to **retain** an employee(s) whose services, based upon a written determination, are of a **special need essential to the agency's mission**.

### **RECRUITMENT AND RETENTION DETERMINATIONS**

- The Director, DCHR, may authorize the payment of an additional income allowance by an agency under the personnel authority of the Mayor, when the Director, DCHR, determines that the agency is experiencing **significant difficulty in recruiting qualified applicants for a specific position or category of positions**.

### **AMOUNT OF THE ALLOWANCE**

- The amount of an additional income allowance will be the minimum amount necessary to address the recruitment and retention problem identified.
- An allowance shall not exceed 15% of the maximum rate payable for the grade of the position in question.

## SERVICE AGREEMENT

- Before receiving an additional income allowance, the employee must enter into a **service agreement** with the employing agency (see Attachment).
- The period allowed for the agreement is 1 year, but not more than 2 years.

## REQUEST FOR AUTHORIZATION OF THE ALLOWANCE AND APPROVAL OF SERVICE AGREEMENT

- An agency may not enter into any service agreement for an additional income allowance until the **agency's request for authorization** to pay the allowance is submitted to and approved by the Director, DCHR (see Attachment).
- When an agency believes that an allowance is needed, it must request authorization from the Director, DCHR. The request must include all of the following:
  1. The **position or categories of positions** for which there is a significant recruitment and retention problem;
  2. A **justification** supporting the determination that a recruitment or retention problem exists for each position or categories of positions; and
  3. The **amount** of the allowance recommended for the position or categories of positions.
- An agency head may also request the Director, DCHR, to **discontinue or revise** an approved allowance.

## OFFER OF ADDITIONAL INCOME ALLOWANCE

- The offer of payment of an additional income allowance is at the discretion of the employing agency, subject to the approval of the Director, DCHR. Failure by an agency to offer an allowance to an employee is not grievable or appealable.
- Official offers for payment of an allowance are to be made only by the DCHR. An offer made by any other entity or person is invalid and not binding.



## **PAYMENT OF THE ALLOWANCE**

- An additional income allowance is paid in the same manner and at the same time intervals as basic pay is paid.
- The employing agency will submit the necessary documents to the Office of Pay and Retirement Services (OPRS) to effect payment of the allowance.
- An allowance will not be paid for any period in which the employee is in a non-pay status (i.e., leave without pay (LWOP), absence without leave (AWOL), suspension).
- An additional income allowance **is not** considered basic pay for any purpose and, for that reason, cannot be used to compute retirement or other benefits.
- An employee who has executed a service agreement will receive the allowance until:
  1. A determination is made that the need for paying the allowance no longer exists;
  2. The employee no longer occupies the position for which the allowance was authorized; or
  3. The service agreement expires.

## **TAX WITHHOLDINGS AND OTHER WITHHOLDINGS**

- An additional income allowance will be subject to federal and District of Columbia or state taxes. Therefore, employees participating in the program may be required to file a form W-4, tax withholding statement, and an appropriate state or District of Columbia tax withholding authorization where applicable.
- An additional income allowance will be subject to court ordered garnishments depending upon the specific provisions of the court order.

## **REPAYMENT OF AN ALLOWANCE**

- If an employee separates from District government service before the end of the service agreement period, he or she will be required to refund the amount of the allowance he or she has actually received under the agreement.

- Repayment will be required under the following conditions:
  1. Removal or reduction in grade for cause;
  2. Resignation (except for inability to return to duty due to injury or illness, or resignation following receipt of a notice of reduction in force);
  3. Retirement (other than for disability or retirement following receipt of a notice of reduction in force);
  4. Change to lower grade at the employee's request;
  5. Separation for failure to comply with residency requirements; or
  6. Separation during the probationary period.
- Refund of the allowance for any of the reasons listed immediately above will not exceed the amount paid to the employee for a period of 26 weeks, and may be waived in whole or in part under the provisions of Chapter 29 of the D.C. personnel regulations, Employee Debt Set-Offs.
- A refund may be waived in whole or in part under the provisions of Chapter 29 of the regulations.

### **QUESTIONS**

- Questions concerning this General Information Guide should be directed to the Compensation and Classification Administration, DCHR, (202) 442-9700.

### **REFERENCES**

- For specific, detailed information on this topic, please refer to the regulations contained in section 1143 (Recruitment and Retention Incentives – Additional Income Allowance and Hiring Bonus) of Chapter 11 of the D.C. Personnel Regulations, Classification and Compensation.

Attachments



**GOVERNMENT OF THE DISTRICT OF COLUMBIA**  
**D.C. Department of Human Resources**

**AGENCY REQUEST FOR AUTHORIZATION OF ADDITIONAL INCOME ALLOWANCE  
DUE TO SIGNIFICANT RECRUITMENT AND RETENTION  
PROBLEMS**

Under the provisions of section 1143 (Recruitment and Retention Incentives – Additional Income Allowance and Hiring Bonus) of Chapter 11 of the D.C. personnel regulations, Classification and Compensation, the amount of an additional income allowance (AIA) must be the **minimum amount necessary** to address the particular recruitment problem, **not to exceed 15%** of the maximum rate payable for the grade.

In determining the amount of the AIA, **position criteria** such as the *responsibilities, workload, working conditions and conditions of employment for the position to be encumbered*, may be utilized, as well as **employee criteria** such as the *level of licensure (if applicable to the position(s) in question), quality of experience, and knowledge base of the individual*.

An agency requesting authorization of AIA must submit a **written justification** for the AIA, including the criteria utilized in assessing the need for the AIA (i.e., position criteria, employee criteria, or both).

Listed below are the percentage and amount authorized for payment of AIA to (Name of Appointee, Selectee, or Employee), under a proposed Service Agreement for (specify 1 year or 2 years):

**PERCENTAGE OF AIA:** \_\_\_\_\_ %

**AMOUNT OF AIA:** \$ \_\_\_\_\_

**AGENCY CERTIFICATION OF PAYMENT OF AIA**

**Name of Agency:** \_\_\_\_\_

**Funding Certified By:**

\_\_\_\_\_  
Agency Chief Financial Officer

\_\_\_\_\_  
Date

**Authorized/Approved By:**

\_\_\_\_\_  
Agency Head (or Designee)

\_\_\_\_\_  
Date

**DCHR AUTHORIZATION OF AIA**

- ☐ As part of this request for authorization of AIA, the (Name of Employing Agency) submitted a written justification that meets all of the requirements in section 1143 of the regulations.
- ☐ The justification submitted by the (Name of Employing Agency) does not meet the requirements in section 1143 of the regulations.

The Request for Authorization of AIA is: ☐ Approved ☐ Disapproved

\_\_\_\_\_  
Director of Personnel (or Designee)

\_\_\_\_\_  
Date



**GOVERNMENT OF THE DISTRICT OF COLUMBIA  
D.C. Department of Human Resources**

**AGENCY REQUEST FOR AUTHORIZATION OF ADDITIONAL INCOME ALLOWANCE  
TO RETAIN AN EMPLOYEE WHOSE SERVICES ARE OF A SPECIAL NEED  
ESSENTIAL TO THE AGENCY'S MISSION**

Under the provisions of section 1143 (Recruitment and Retention Incentives – Additional Income Allowance and Hiring Bonus) of Chapter 11 of the D.C. personnel regulations, Classification and Compensation, the amount of an additional income allowance must be the **minimum amount necessary** to address the particular recruitment problem, not to exceed 15% of the maximum rate payable for the grade.

Section 1143.11 of the regulations provides that an additional income allowance (AIA) may be authorized to **retain** an employee whose services, based upon written determination, are of a **special need essential to an agency's mission**.

An agency requesting authorization of AIA on the basis specified above, must submit a **written justification** for the AIA, including the criteria utilized in assessing the need for the AIA.

Listed below are the percentage and amount authorized for payment of AIA to (Name of Employee), under a proposed Service Agreement for (specify 1 year or 2 years):

**PERCENTAGE OF AIA:** \_\_\_\_\_ %

**AMOUNT OF AIA:** \$ \_\_\_\_\_

**AGENCY CERTIFICATION OF PAYMENT OF AIA**

**Name of Agency:** \_\_\_\_\_

**Funding Certified By:**

\_\_\_\_\_  
Agency Chief Financial Officer

\_\_\_\_\_  
Date

**Authorized/Approved By:**

\_\_\_\_\_  
Agency Head (or Designee)

\_\_\_\_\_  
Date

**DCHR AUTHORIZATION OF AIA**

- ☐ As part of this request for authorization of AIA, the (Name of Employing Agency) submitted a written justification that meets all of the requirements in section 1143.11 of the regulations.
- ☐ The justification submitted by the (Name of Employing Agency) does not meet the requirements in section 1143.11 of the regulations.

The Request for Authorization of AIA is: ☐ Approved ☐ Disapproved

\_\_\_\_\_  
Director of Personnel (or Designee)

\_\_\_\_\_  
Date

## ADDITIONAL INCOME ALLOWANCE PROGRAM SERVICE AGREEMENT

Name \_\_\_\_\_  
(Last) (First) (Middle Initial)

Organizational Code

Organizational Title

Position Title, Series, Grade, Step and Salary

Type of Appointment: Permanent Term Indefinite

Type of Service: Career \_\_\_\_\_ Legal \_\_\_\_\_ Excepted \_\_\_\_\_ Management Supervisory \_\_\_\_\_

Entrance on Duty Date or Date of Current Appointment:

Biweekly Tour of Duty: \_\_\_\_\_ Hours Category of Position: \_\_\_\_\_

AIA Percentage Authorized: %

AIA Amount Authorized: \$ \_\_\_\_\_ per pay period, which equals \$ \_\_\_\_\_ per annum

Length of Service Agreement: \_\_\_\_\_ Year(s)

Effective Date of Agreement: \_\_\_\_\_ Pay Period Beginning: \_\_\_\_\_

End Date of Agreement (Pay Period Ending): \_\_\_\_\_

I, (Name), understand that:

- A. As a condition of accepting payment, I will serve with the (Employing Agency) in the position and organization specified above from the effective date until the ending date specified in this agreement, unless the agreement is terminated sooner as indicated below.
- B. The allowance will be paid in the same manner and at the same time as my basic pay, but will not be considered basic pay for computing retirement entitlement, insurance entitlement, or other benefits or compensation related to basic pay.

D.C. Standard Form 11B-07 (Rev. 3/08)



CONT.

- C. I will not be paid the allowance during a pay period that I am in a non-paid status (leave without pay, absence without leave, suspension, etc.) for 41 hours or more.
- D. If my employment in the position shown above is terminated during the period of the agreement at the convenience of the (Employing Agency), but not at my request or as a result of my misconduct, I will be entitled to retain the portion of the allowance earned at the date of termination.
- E. Assignment at my request to an intermittent or less than half-time work schedule shall be equivalent to termination of this agreement at my request.
- F. I will be required to refund up to a maximum of 26 weeks of the total amount of the allowance received under the agreement if: I am removed or reduced in grade for cause; I resign, except if I resign for inability to return to duty due to injury or illness, or I resign following receipt of a notice of reduction in force; I retire other than for disability, or following receipt of a notice of reduction in force; I am changed to a lower grade at my request; I am separated for failure to comply with the residency requirements; or I separate during the probationary period if applicable.
- G. Any unpaid portion of the agreement is not payable to my estate if I should die during the term of this agreement.
- H. This agreement does not in any way commit the (Employing Agency) to continue my employment beyond my scheduled separation.
- I. If I accept employment with another District government agency, the separation shall be considered a resignation, and I will be required to refund the appropriate amount of the allowance.
- J. Except as provided in Paragraph K below, if I am promoted to a position within the (Employing Agency), the service agreement will terminate, and I will be allowed to retain the portion of the allowance I received up to the effective date of the promotion and the unpaid portion is not payable. If an allowance is authorized for the new position, the (Employing Agency) will notify me of my eligibility to enter into a new service agreement.
- K. If I am reassigned or promoted within the (Employing Agency) to a position for which an equal amount of the allowance is authorized, this service agreement will remain in effect.
- L. If I am reassigned to a position within the (Employing Agency) for which no allowance or a lesser amount of the allowance is authorized, this service agreement will terminate, and the unpaid portion is not payable. I will be allowed to retain the portion of the allowance that I received up to the effective date of the reassignment if I remain in the service of the (Employing Agency) through the end of the original service period. I will not be eligible to receive an allowance for a minimum period of one (1) year following the reassignment. I will be required to refund the allowance I received if I separate from the service of the (Employing Agency) prior to the end of the original service agreement period.
- M. The amount of the allowance specified in this agreement will not be adjusted by future pay increases, adjustments to a special rate schedule or step increases I may receive during the period of this agreement.

**CONT.**

- N. The (Employing Agency) may terminate this agreement at its convenience and such a termination is not grievable or appealable. I further understand that termination under this condition does not require the (Employing Agency) to pay the unpaid portion of this agreement.

**III. TO BE COMPLETED BY EMPLOYEE**

I have read this service agreement and agree to the terms and conditions specified herein.

**Employee Signature:**

\_\_\_\_\_  
(Typed or Printed Name)

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Title)

\_\_\_\_\_  
(Date)

**IV. TO BE COMPLETED BY AGENCY REPRESENTATIVE**

I certify that the employee named in this service agreement meets the criteria for an additional income allowance payment as established in section 1143 of Chapter 11 of the D.C. personnel regulations, Classification and Compensation.

**Agency Representative:**

\_\_\_\_\_  
(Typed or Printed Name)

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Title)

\_\_\_\_\_  
(Date)