



United States Department of the Interior

FISH AND WILDLIFE SERVICE
Washington, D. C. 20240



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Memorandum

To: Service Directorate

From: Acting Assistant Director and Chief Financial Officer – Business Management and Operations

Subject: Permanent Change of Station Lump Sum Pilot Program

On October 1, 2016, the U.S. Fish and Wildlife Service (Service) will begin offering a lump sum payment option to employees eligible for permanent change of station (PCS) entitlements. The PCS Lump Sum Pilot Program is the culmination of many years of analysis and planning by employees across the Service to develop an alternative to the current PCS payment process. The lump sum payment option will streamline the PCS process while fairly compensating employees for relocating on behalf of the Service.

A Service-wide team of PCS subject matter experts from the Regions, the Division of Financial Management (DFM), and other support organizations developed the lump sum payment methodology and reference material. The U.S. Department of the Interior (DOI), General Services Administration (GSA), and the U.S. Congress approved the Service's pilot. The Service intends to run the lump sum pilot program for four fiscal years (2017-2020). During this time, DFM will collect data on participation and satisfaction with the pilot program. The team will use this data to support the decision on whether to offer the payment method on a permanent basis at the end of the pilot period.

During the pilot period, each eligible transferring employee will be given the option of participating in the PCS Lump Sum Pilot Program or opting for the PCS entitlements under the traditional Federal Travel Regulation (FTR) method. There will be no changes to the traditional FTR-based PCS program or policy as a result of the pilot.

Regions and Programs should make note of the following eligibility criteria:

- The lump sum payment option is only available to eligible transferring employees. This includes employees transferring within the Service and those joining the Service from another Federal agency.

- New appointees are not eligible for the lump sum payment option.
- Senior Executive Service (SES) career appointees making a last move home are not eligible to participate in the pilot.
- The transferring employee's human resources appointment letter must be dated October 1, 2016, or later; no one may be "grandfathered" into the pilot.

It is the responsibility of the relocation counselor to provide counseling on the payment options and answer questions during the employee's decision-making process. During the counseling session, the relocation counselor will facilitate a discussion with the employee about his/her move, and document the estimated compensation that the employee would receive under the FTR program for each PCS entitlement.

After documenting the FTR cost estimate, the relocation counselor will provide a side-by-side comparison of how this compensation compares to a lump sum payment. This will allow the employee to select his/her preferred method of PCS compensation.

There is often a learning curve when piloting a new program, and procedural/technical adjustments may be needed along the way. The pilot administration team and DFM leadership will closely monitor the pilot during the first few months. The team will also conduct a six-month review, in addition to preparing the required annual reporting to GSA. Your feedback is critical to this process and the success of the pilot. Please feel free to reach out to the pilot administration team at PCSLumpSum@fws.gov, or contact Michael Sciortino, Chief, Division of Financial Management, at michael_sciortino@fws.gov or (703) 358-2054.

Attachment

Attachment A: Additional Guidance on the PCS Lump Sum Pilot

Comparing the PCS Payment Methods

The Service designed the lump sum payment option so that the lump sum payment amount is comparable to what the employee would receive under the FTR method. However, there are multiple factors that can impact how the two options “stack up,” including the entitlements the employee qualifies for under the FTR method and the anticipated timing of relocation activities.

The table below highlights some points of comparison between the two payment methods.

| Consideration | FTR Method | Lump Sum Payment |
|---|---|--|
| <i>Payment Amount</i> | <ul style="list-style-type: none"> The employee is reimbursed for the actual cost of out-of-pocket relocation expenses. | <ul style="list-style-type: none"> The employee receives a lump sum payment based on what the Service estimates the move will cost. The employee does not need to justify how the payment was spent. The employee is not eligible for additional funding to cover any unanticipated costs and cannot receive a relocation services vendor contract. |
| <i>Timing of Payments</i> | <ul style="list-style-type: none"> The employee receives incremental reimbursement upon completing move-related activities and filing travel vouchers. | <ul style="list-style-type: none"> The employee receives either one or two payments (based on whether he/she is selling real estate or not). The Service processes the first payment as an advance within five business days of finalizing the PCS Lump Sum Payment Packet. |
| <i>Level of Administrative Support</i> | <ul style="list-style-type: none"> The Relocation Counselor assists the employee with coordinating move-related travel and services. | <ul style="list-style-type: none"> The employee is responsible for all coordination of relocation activities (the only exception being that government shipment of household goods (HHG) is still available). |
| <i>Vouchering</i> | <ul style="list-style-type: none"> The employee must submit vouchers for distinct relocation expenses, including documentation supporting “actuals”. | <ul style="list-style-type: none"> Outside of home sale documentation, the employee is not required to justify or document how he/she spent the lump sum payment. |

Regional Discretion and Supervisor Input

While the PCS Cost Estimator standardizes the approach to developing cost estimates for FTR entitlements to the extent practical, there are several situations in which the relocation counselor will rely on Regional policy and supervisor input to estimate costs:

- If the employee is authorized a house-hunting trip, the employee's supervisor should provide guidance on the appropriate trip duration, up to ten days.
- If the employee is authorized temporary quarters, the employee's supervisor should provide guidance on the anticipated duration of temporary quarters required for the relocation. Regions may set policy on "standard" times in temporary quarters up to 60 days based on whether the employee is buying and/or selling real estate as a result of the relocation or for specific locations (e.g., difficult housing markets).

Additional guidance on documenting these entitlements in the PCS Cost Estimator is provided in the Relocation Counseling Talking Points.

Pilot Guidance and Resources

The PCS Lump Sum Pilot Working Group, comprised of five FWS Regional PCS Coordinators and a contractor team providing project management support, has been working since January 2016, to develop the tools and guidance that our transferring employees and relocation counselors need to successfully navigate the decision-making process. Available resources include the following:

- The **FWS PCS Payment Options Guidebook**; the primary source of guidance for transferring employees considering their payment options.
- The **PCS Lump Sum Pilot Frequently Asked Questions**; a list of questions and answers posted to the PCS Lump Sum Pilot Google Site that will be updated on a monthly basis to reflect new inquiries from transferring employees.
- The **PCS Cost Estimator** and **Relocation Counseling Talking Points**; tools for relocation counselors to help ensure we are developing consistent cost estimates and providing adequate counseling to transferring employees during the decision-making process.
- **PCSLumpSum@fws.gov**; a shared inbox monitored by the pilot administration team on a daily basis where transferring employees, relocation counselors, and other interested parties can submit questions about or feedback on the pilot.