February 16, 2005

MEMORANDUM TO: Jesse L. Funches
Chief Financial Officer

FROM: Annette L. Vietti-Cook, Secretary **/RA/**

SUBJECT: STAFF REQUIREMENTS - SECY-05-0019 - PROPOSED REVISION TO NRC'S RELOCATION POLICY

The Commission has approved the Chief Financial Officer's (CFO) recommendation to limit the Home Sale Program to current NRC employees, and grant waivers for Federal employees transferring to the NRC to participate in the program only in exceptional cases.

Management decisions on the application of relocation benefits need to be based on the best interest of the agency, but must also take into consideration the costs associated with these incentives. In that regard, the CFO has chosen not to recommend limiting employee eligibility for relocation allowances to no more than one agency-paid move within a specified length of time because this could hamper the agency's ability to fill critical positions and pursue developmental activities for succession planning. While maintaining this flexibility, our senior managers must be fully mindful of the costs and benefits of multiple relocations in the succession planning process.

The staff should keep track of costs, as well as cost savings, as a result of these initiatives and periodically provide this information to the Commission.

cc: Chairman Diaz
Commissioner McGaffigan
Commissioner Merrifield
Commissioner Jaczko
Commissioner Lyons
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