COST ANALYSIS OF TELEWORKING OUTSIDE THE LOCALITY PAY AREA OF THE TRADITIONAL WORKSITE

If the employee will be working a majority of the time at an alternate worksite outside the traditional duty station's locality pay area a "change in duty station" will need to be processed for the employee. The National Level 1 approval on the Telework Agreement will be required to approve this action. This approval shall be based on a cost/benefit analysis considering the following questions:

QUESTIONS	COMMENTS AND COST ESTIMATE (Please use additional paper if needed)
1. Will there be adjustments in special salary rates and locality pay as a result of telecommuting from an alternative worksite? If so, please discuss the differences in pay.	
2. Will there be travel, transportation and per diem entitlements for the employee to return to the traditional worksite and return to the alternative worksite? If so, please discuss the projected annual cost to the U.S. Navy.	
3. Will overtime be paid as a result of travel to the traditional worksite from the alternative worksite? If so, please discuss the projected annual cost to the U.S. Navy.	
4. Will there be costs associated with installing telephone lines in private residence and to pay monthly phone charges for such lines; long distance telephone charges; and telephone usage charges (other than long distance)? If so, please detail the projected annual cost to the U.S. Navy.	
5. Will there be increased NMCI costs of a portable seat vs. a stationary desktop seat? Please discuss the projected annual cost to the U.S. Navy.	
6. Are there any other costs associated with the proposed telecommuting arrangement? Please discuss the projected annual cost to the U.S. Navy.	
7. Are there any savings/benefits to the U.S.Navy associated with the proposed telecommuting arrangements?	
8. For additional charges incurred by the U.S. Navy as a result of this telework agreement, who will be authorizing the costs (name/title/phone number/competency)?	

Level 1 Signature/Approval **Date**

If the first-line supervisor determines that the benefits exceed the costs arrangement, the above findings shall be routed along with the proposed telework agreement to the National Level 1 for approval/disapproval. **In addition, the National Level 1 of the office/activity/organization that will incur or absorb the increased costs of the telework arrangement must also approve of the cost analysis and Telework Agreement.**

If, however, the first-line supervisor determines that the costs exceed the benefits , the proposed Telework Agreement shall be disapproved, unless a determination is made by the National Level 1 that the position is unique and requires special skills that cannot be met by another employee in the immediate office. **In addition, the National Level 1 of the office/activity/organization that will incur or absorb the increased costs of the telework arrangement must also approve of the cost analysis and telework agreement.**

Please keep your site telework coordinator informed of any interests and/or efforts in having employees' telework outside the locality pay area of the traditional duty station.