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# ADS Chapter 471

## Pay Under the General Schedule

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***This chapter has been revised in its entirety.***

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## **ADS 471 – Pay Under the General Schedule**

### **471.1 OVERVIEW**

Effective Date: 03/19/2018

This chapter provides the policies and required procedures for setting the pay of Civil Service employees under the General Schedule.

### **471.2 PRIMARY RESPONSIBILITIES**

Effective Date: 03/19/2018

#### **a. The Office of Human Capital and Talent Management, Human Capital Services Center, Civil Service Staffing Division (HCTM/HCSC/CSS):**

- 1) Makes salary determinations for appointments of new USAID Civil Service employees, promotions, changes to lower grade, reassignments, and position changes of current employees;
- 2) Determines a Civil Service employee's entitlement to, including the effective date of, within-grade increases;
- 3) Consults with Bureaus/Independent Offices (B/IOs) on salary determination issues in 1) and 2) above, as well as on quality step increases; and
- 4) Administers the grade and pay retention provisions provided under [5 USC Chapter 53, Subchapter VI, Grade and Pay Retention](#) and [5 CFR 536](#).

#### **b. Supervisors:**

- 1) Obtain guidance from the Office of Human Capital and Talent Management, Center for Performance Excellence (HCTM/CPE) when an employee has a conduct or performance problem; and
- 2) Inform employees, in writing, when their work is not at an acceptable level of competence for a within-grade increase.

### **471.3 POLICY DIRECTIVES AND REQUIRED PROCEDURES**

Effective Date: 03/19/2018

The Agency must adhere to the requirements in [5 CFR 530](#), [5 CFR 531](#), and [5 USC Chapter 53, Subchapter III](#) to determine pay under the General Schedule (GS).

#### **471.3.1 Maximum Payable Rate Rule**

Effective Date: 03/19/2018

USAID applies the maximum payable rate rule in [5 CFR 531.221](#) to set salaries for GS employees (see [5 CFR 531.221 through 531.223](#)). This rule allows the Agency to use previous federal salaries as the basis for setting pay.

The following situations are USAID exceptions to applying the maximum payable rate rule:

- Downgrade for conduct or performance reasons, where pay is set at two steps lower than the maximum payable rate;
- Downgrade after a temporary promotion of one year or less, where pay is set as though there had been no temporary promotion; and
- When the employee takes a voluntary change to a lower grade. To prevent rapid pay advancement through voluntary changes to a lower grade and subsequent promotions, pay is set at the rate in the lower grade where, on later promotion, it will not be more than it would have been without the change to lower grade. However, the maximum payable rate rule applies when the change to a lower grade is to a position identified as a mission critical occupation.

#### **471.3.2 Geographic Conversion Rule**

Effective Date: 03/19/2018

When an employee's official worksite is changed to an area where different pay schedules apply, the geographic conversion rule in [5 CFR 531.205](#) must be applied. The geographic conversion rule requires that before any other pay-setting action is taken, the employee's rate of basic pay must first be converted to a corresponding rate on the pay schedule that would apply to the employee's existing position of record if they were already stationed at the new official worksite. The only exception is for a general pay adjustment, which is processed prior to a geographic conversion.

#### **471.3.3 Superior Qualifications and Special Needs Pay-Setting Authority**

Effective Date: 03/19/2018

USAID applies the superior qualifications and special needs pay-setting authority in [5 USC 5333](#) and [5 CFR 531.212](#) to set the payable rate of basic pay for an employee above the minimum rate (step 1) of the grade for the employee's position of record (see [ADS 467mac, Superior Qualifications and Special Needs Pay-Setting Authority](#) for policy governing this authority).

#### **471.3.4 Within-Grade Increases**

Effective Date: 03/19/2018

Within-grade increases apply to employees who occupy permanent positions subject to the General Schedule. They do not apply to an employee on a temporary appointment or an appointment with a definite time limitation of one year or less. The Agency follows

the provisions in [5 CFR 531, Subpart D](#) for within-grade increases. For more information, see the [Office of Personnel Management's Fact Sheet: Within-Grade Increases](#).

An employee's most recent performance rating of record must be at least "Fully Successful" (Level 3) to have an acceptable level of competence for a within-grade increase (see [ADS 462, Employee Evaluation Program, Civil Service](#) for more information on summary performance ratings).

The following are procedures for granting or denying a within-grade increase:

- a. The Office of Human Capital and Talent Management, Human Capital Services Center, Human Capital Services Division (HCTM/HCSC/HCS) sends the Bureau/Independent Office (B/IO) AMS Officer a list of employees who are due for a within-grade increase.
- b. AMS Officers must notify HCTM/CPE of employees who do not have an acceptable level of competence for a within-grade increase.
- c. To ensure that employees are aware of the level of their performance, supervisors must conduct progress reviews and document deficiencies in writing when an employee's performance is at the "minimally successful" level (see [ADS 462, Employee Evaluation Program, Civil Service](#) for more information on progress reviews).
- d. When the supervisor determines that an employee's work is not at an acceptable level of competence, the supervisor must inform the employee of the negative determination in writing, after consultation with HCTM/CPE. Supervisors must notify employees as soon as possible after the end of the waiting period for the within-grade increase. This notification must contain:
  - The reasons for the negative determination and how the employee must improve their performance to be granted a within-grade increase; and
  - Information on the employee's right to secure reconsideration of the negative determination, as well as the time limits within which the employee may request reconsideration (for more information see [5 CFR 531.410](#)).

Note: An employee's second level supervisor is the Agency designated official who can reconsider the negative determination.

- e. Supervisors must obtain guidance from HCTM/CPE when there is a performance problem (see [ADS 462, Employee Evaluation Program, Civil Service](#)). Supervisors must give HCTM/CPE copies of all correspondence to and from the employee.

**471.3.5 Quality Step Increases**

Effective Date: 03/19/2018

It is USAID policy to provide appropriate incentives and recognition, such as quality step increases (QSIs), to employees who have consistently demonstrated high quality performance during the most recent rating period (see [ADS Chapter 491, USAID Incentive Awards Program](#) for other appropriate forms of recognition). Regulations governing the granting of a QSI are in [5 CFR 531, Subpart E](#). Further guidance is announced annually in the Agency Notices under the title “CS/FS/FSL Performance-Based Monetary Awards/QSIs/MSIs (Performance Bonuses)”.

Assistant Administrators and Heads of Independent Offices must approve QSIs. The Office of Human Capital and Talent Management, Center for Performance Excellence (HCTM/CPE) ensures that regulatory and policy requirements are met and QSI Notifications of Personnel Action are completed.

**471.4 MANDATORY REFERENCES****471.4.1 External Mandatory References**

Effective Date: 03/19/2018

- a. [5 CFR 530, Pay Rates and Systems \(General\)](#)
- b. [5 CFR 531, Pay Under the General Schedule](#)
- c. [5 CFR 536, Grade and Pay Retention](#)
- d. [5 USC Chapter 53, Subchapter III, General Schedule Pay Rates](#)
- e. [5 USC Chapter 53, Subchapter VI, Grade and Pay Retention](#)

**471.4.2 Internal Mandatory References**

Effective Date: 03/19/2018

- a. [ADS 462, Employee Evaluation Program, Civil Service](#)
- b. [ADS 467mac, Superior Qualifications and Special Needs Pay-Setting Authority](#)
- c. [ADS 491, USAID Incentive Awards Program](#)

**471.5 ADDITIONAL HELP**

Effective Date: 03/19/2018

There are no Additional Help documents for this chapter.

**471.6 DEFINITIONS**

Effective Date: 03/19/2018

See the [ADS Glossary](#) for all ADS terms and definitions.

**acceptable level of competence**

For Civil Service employees under the General Schedule, an acceptable level of competence means performance by an employee that warrants advancement of the employee's rate of basic pay to the next higher step of the grade of their position.

(Chapter 471)

**calendar week**

A period of any seven consecutive calendar days. (Chapter 471)

**change to lower grade**

(Also called "demotion") Personnel action that moves an employee, while serving continuously in the same agency, to a position at a lower grade when both the old and new positions are under the General Schedule. (Chapter 471)

**geographic conversion rule**

A rule under [5 CFR 531.205](#) that must be applied when an employee's official worksite is changed to an area covered by a different locality schedule. (Chapter 471)

**maximum payable rate rule**

A special rule that allows an agency to set pay for a General Schedule employee at a rate above the rate that would be established using normal rules, based on a higher rate of pay the employee previously received in another federal job. (Chapter 471)

**mission critical occupations**

Occupations agencies consider core to carrying out their missions. Such occupations usually reflect the primary mission of the organization without which mission-critical work cannot be completed. (Chapter 471)

**permanent position**

A position filled by an employee whose appointment is not designated as temporary by law and does not have a definite time limitation of one year or less. "Permanent position" includes a position to which an employee is promoted on a temporary or term basis for at least one year. (Chapter 471)

**promotion**

The change of an employee to a position at a higher grade level within the same job classification system and pay schedule, or to a position with a higher rate of basic pay in a different job classification system and pay schedule. (Chapter [418](#) and 471)

**quality step increase**

An increase in an employee's rate of basic pay from one step or rate of the grade of their position to the next higher step of that grade, which is tied to an outstanding performance rating. (**Chapter 471**)

**rate of basic pay**

For pay-setting purposes, the rate of basic pay means the rate of pay fixed by law or administrative action for the position held by an employee or, in the case of an employee who is entitled to grade or pay retention, the employee's retained rate of pay, before any deductions and exclusive of additional pay of any other kind, such as locality-based comparability payments under 5 USC 5304 or special pay adjustments for law enforcement officers under section 302 or 404 of the Federal Employees Pay Comparability Act of 1990. ([Chapter 423](#), [470](#), 471)

**reassignment**

The change of an employee within the Agency from one position to another without promotion or demotion. (**Chapter 471**)

**superior qualifications and special needs pay-setting authority**

The authority under [5 USC 5333](#) and [5 CFR 531.212](#) that allows an agency to make an appointment at a rate above the minimum rate of the appropriate GS grade because of the superior qualifications of the candidate or a special need of the agency for the candidate's services. (**Chapter 471**)

**waiting period (for within-grade increase)**

The minimum time requirement of creditable service to become eligible for consideration for a within-grade increase. (**Chapter 471**)

**within-grade increase**

A periodic increase in an employee's rate of basic pay from one step of the grade of their position to the next higher step of that grade. (**Chapter 471**)

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