

Date

**Civilian Personnel
PAY SETTING**

Summary. This regulation outlines discretionary policies which will provide consistent and equitable pay administration for civilian employees.

Applicability. This regulation is applicable to Forts Eustis and Story and all tenant activities serviced by the Fort Eustis Civilian Personnel Advisory Center (CPAC). Tenant activities currently participating in Demonstration Projects will observe pay setting policies prescribed by applicable Demonstration Project regulations and policies.

Supplementation. This regulation cannot be supplemented without the written approval of the Civilian Personnel Advisory Center.

Suggested improvements. The proponent of this regulation is the Fort Eustis CPAC. Users may send comments and suggested improvements on DA Form 2028, through channels to the Director, CPAC, ATTN: ATZF-CP, 670 Lee Blvd, Fort Eustis, VA 23604.

1. Purpose. This regulation provides local pay setting policy affecting employees of or appointees to Civilian Appropriated Fund positions. It also supplements pay administration rules and regulations issued by the Office of Personnel Management (OPM), the Department of Defense (DOD), the Department of the Army (DA), and higher headquarters.

2. General. It is important to pay employees equitably and fairly and, at the same time, spend employment funds economically. Proper pay setting requires applying principles of good management and complying with laws and regulations. It involves consideration of --

- a. Local conditions that affect recruiting and retaining qualified employees.
- b. Equitable treatment of employees.
- c. How pay actions affect other employees.
- d. Employee's qualifications and service history for the position being filled.

These rules and regulations provide concise instructions and procedures on how to set pay, but allow implementation of discretionary policies at the local level. This regulation outlines local policy concerning use of the highest previous rate (HPR)

when setting pay. HPR is the highest rate of basic pay previously paid to an individual while employed in a position in a branch of the Federal Government (executive, legislative, or judicial), a mixed ownership corporation, or the government of the District of Columbia, irrespective of whether or not the position was subject to the General Schedule. HPR is based on a regular tour of duty at that rate under an appointment not limited to 90 days or less or for the continuous period of not less than 90 days under one or more appointments without a break in service. When using HPR to set pay, pay is set within the rate range of the applicable grade.

3. References. 5 U.S.C 5334 and 5 CFR Part 531, subpart B.

4. Terms. Terms used in this regulation are in accordance with definitions outlined in references.

5. Policy. For all actions listed below, with the exception of new appointments, the highest previous rate earned will be used to set pay, unless otherwise directed by the selecting organization, due to budget or resource constraints or other management considerations.

- a. All accessions. Accessions are defined as any personnel action that adds an employee to the rolls or staff of an agency; e.g., reinstatements, transfers from other agencies, reassignments from other Army

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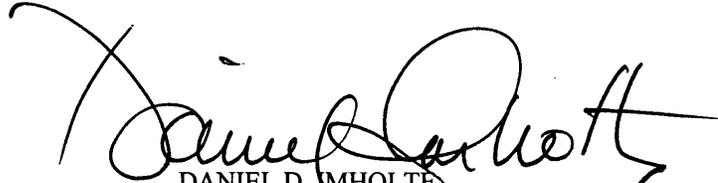
activities, etc. It does not include internal movement between activities serviced by the Fort Eustis CPAC.

b. All internal placement actions (excluding changes to lower grade following temporary promotions). For actions constituting a change to lower grade, pay will be set at the step which equals

or exceeds the highest previous rate unless: (1) the action is for performance or disciplinary reasons; (2) the employee requests otherwise; or (3) placement in the higher step would result in an inappropriate personnel action. In such situations, if pay falls between two steps in the lower grade, pay will be set at the lower step.

FOR THE COMMANDER:

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07 NOV 2001

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