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**Chapter 17. Pay and Step Changes**  
**(Natures of Action 810, 818, 819, 866, 888, 890, 891, 892, 893, 894, 896, 897, and 899)**

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## Chapter 17. Pay and Step Changes

### 1. Coverage.

This chapter provides instructions for processing pay-related actions that occur when there is no change in the employee's agency, appointment status, position, or grade:

- >810—Change in Differential;
- 818—Administratively Uncontrollable Overtime;
- 819—Availability Pay;
- 866—Termination of Grade Retention;
- 888—Denial of Within-grade Increase;
- 890—Miscellaneous Pay Adjustment;
- 891—Performance-based Pay Increase Provided on Regular Cycle;
- 892—Performance-based Pay Increase Provided on Irregular Basis;
- 893—Within-range Increase Provided on Regular Cycle;
- 894—General Market or Structural Pay Adjustment;
- 896—Group-based Pay Increase; and
- 897—Within-range Reduction
- 899—Step Adjustment;<

See Chapter 31 when processing actions when an employee changes agencies; see Chapters 9-13 when appointment status changes; see Chapter 14 for position or grade changes; and see Chapter 29 for changes in bonuses, awards, or other incentives.

### 2. Definitions.

**a. Adjusted basic pay** is the sum of an employee's rate of basic pay and any basic pay supplement, after applying any applicable pay cap. A basic pay supplement is defined as a regular, fixed supplemental payment (paid in conjunction with base pay) for non-overtime hours of work that is

creditable as basic pay for retirement purposes, excluding any type of premium payment or differential that is triggered for working certain hours of the day or week or for being subjected to certain working conditions. A basic pay supplement includes, for example, any applicable locality payment under 5 CFR part 531, subpart F, and any special rate supplement under 5 CFR part 530, subpart C.

**b. Administratively Uncontrollable Overtime (AUO)** pay is calculated as an increment of up to 25 percent of basic pay >(including any locality payment or special rate supplement)< paid on an annual basis for substantial amounts of overtime work that cannot be controlled administratively and that are required on an irregular basis.

**c. Availability pay** is a special form of premium pay fixed at 25 percent of basic pay (including >any locality payment or special rate supplement)< that applies to criminal investigators who are required to work, or be available to work, substantial amounts of unscheduled overtime duty based on the needs of the employing agency. Criminal investigators receiving availability pay are exempt from the minimum wage and overtime pay provisions of the Fair Labor Standards Act and may not receive administratively uncontrollable overtime pay.

**d. Denial of Within-grade Increase** means the decision to withhold (not grant) a within-grade increase to an employee because of a determination that the employee's performance is not an acceptable level of competence.

**e. GM Within-grade Increase** is an agency-awarded increase in rate of basic pay, with no change in grade, to an employee who is covered under the Performance Management and Recognition System termination provisions of Public Law 103-89.

**f. Grade Retention** entitles an employee to retain for 2 years, for pay and benefits purposes, the grade of the position from which he or she was reduced.

**g. Locality payment** means a locality-based comparability payment under 5 U.S.C 5304 or equivalent payment under another authority.

**h. Pay Adjustment** (as used in this **Guide**)—Any increase or decrease in an employee's rate of basic pay where there is no change in the duties or responsibilities of the employee's position. For example, a pay adjustment would include a change in the step at which the employee is paid. A change in the pay system under which the employee is paid is also considered a pay adjustment.

**i. Pay plan** means the pay system or pay schedule under which the employee's rate of basic pay is determined, for example, General Schedule (GS), Executive Pay (EX), or Leader under the Federal Wage System (WL).

**j. Pay retention entitlement** is an employee's right to retain, under certain circumstances, a rate of basic pay that is higher than the maximum rate of the grade for the position that he or she occupies.

**k. Performance Management and Recognition System (PMRS)** was the pay system established under 5 U.S.C.

chapter 54 for General Schedule employees in grades 13 through 15 in supervisory, managerial, or management official positions.

**l. Quality (Step) Increase (QSI or QI)** is an increase in an employee's rate of basic pay through an additional within-grade increase granted under 5 U.S.C. 5336 for sustained high quality performance.

**m. Rate of basic pay** means the rate of pay fixed by law or administrative action for the position held by the employee before any deductions (such as taxes) and exclusive of additional pay of any kind (such as overtime pay). For GS employees, a rate of basic pay is a GS base rate, a law enforcement officer special base rate (GL), or a retained rate – excluding any locality payment or special rate supplement. A rate of basic pay is expressed consistent with applicable pay basis (e.g., annual rate for GS employees or hourly rate for wage system employees).

**n. Special Rates** are higher than rates under the regular pay schedule. For example, OPM may establish higher pay rates under 5 U.S.C. 5305 for occupations in which private enterprise is paying substantially more than the regular Government schedule, and this salary gap significantly handicaps the Government's recruitment or retention of well-qualified persons. A special rate may consist of a base rate and a special rate supplement.

**o. Step** means the step of the pay plan under which an employee is paid, for example, step 2 of GS 7 or step 1 of WG 5.

**p. Step Adjustment** means a change in the step of the grade at which the employee is serving, without a change in the

employee's rate of basic pay. For example, a special rate employee may become entitled to a retained rate (step 00) equal to the employee's former step rate.

**q. Supervisory Differential** the annual total dollar amount paid, over and above basic pay, to a General Schedule supervisor who otherwise would be paid less than one or more of the civilian employees supervised.

**r. Within-range Increase (WRI)** is an increase in an employee's rate of basic pay >within the pay range for his grade, band, or level (excluding an increase granted automatically to keep pace with an adjustment in pay structure). For pay systems with scheduled steps within a pay range, a within-range increase is an advancement from one step to a higher step (e.g., after meeting requirements for length-of-service and performance).< A GS within-grade increase (WGI) is one type of within-range increase.

### 3. Use of Standard Form 52.

The Standard Form 52, Request for Personnel Action, is used to request and document approval of pay or step changes for employees who are absent because of compensable injury, military duty, or service with an international organization. For other pay and step change actions, the agency may use either a Standard Form 52 or an agency form to request actions and document approvals. For changes required by statute or regulation, and for which no approval signature is needed, no request document is needed.

### 4. Documenting the Personnel Action.

Usually, personnel actions for pay and

step changes will use a Standard Form 50, Notification of Personnel Action. However, when an action involves large numbers of employees and requires a change in only one data item (salary), as in the case of statutory pay increase for General Schedule employees, the change may be made in agency data systems automatically. Each adjustment must be reported to the Central Personnel Data File. In addition, each salary adjustment or change must be documented in the Official Personnel Folder and the employee must be notified of the adjustment. Employees may be notified of the adjustment by a copy of the Official Personnel Folder document or an agency issuance described in Chapter 4, section 7. Either Standard Form 50 or one of these alternate forms of notice may be used for Official Personnel Folder documentation.

**a. A copy of the new pay schedule** containing the new rates, the authority for the change, the date of the authority and the effective date of the new rates may be used. Circle the employee's new salary and file the copy in the Official Personnel Folder on the right side.

**b. A computer-printed notice**, showing:  
Name of employee;  
Pay System, Grade, Step, and new salary;  
Effective date of new rate;  
Authority for change and date of authority; and  
Social Security Number.

### 5. Actions for Absent Employees.

**a. Employees who are in nonpay status.**

(1) Process the following actions when they are due, regardless of whether the employee is in pay or nonpay status on the effective date of the action:

- pay adjustment to effect an annual General Schedule pay adjustment, or to establish, change or terminate a locality payment;
- pay adjustment to implement, change, or discontinue a special rate;
- termination of grade retention at the expiration of the employee's 2-year period of grade retention;
- pay adjustment resulting from the termination of grade retention;
- within-range increase for which employee became eligible before a period of nonpay status began; and
- within-range increase for which employee becomes eligible during a period of nonpay status that is creditable for within-range increase purposes.

(2) Wait to record other pay actions until the employee returns to duty. Show the new pay or step on the return to duty personnel action and enter in the remarks on that action P09—“Pay or step adjusted (date) by (authority).”

**b. Employees who have separated to enter on active military duty**—prepare the pay adjustment or step change Standard Form 52, showing the date on which the action is due, and file it on the right side of the employee's Official Personnel Folder. Wait to prepare and distribute the Standard Form 50 until the employee exercises restoration rights, moving the Standard Form 52 to the left side of the Official Personnel Folder at that time. If the employee does not exercise restoration rights, remove and destroy the Standard Form 52.

**c. Employees who have transferred to international organizations**—if the

employee is serving with an international organization, prepare and obtain necessary approvals on two copies of a Standard Form 52 to record the action. File one copy on the right side of the employee's Official Personnel Folder and send the second copy to the payroll office; payroll needs the salary information on the form to make the correct retirement and Federal Employees Group Life Insurance deductions for the employee while he or she serves with the international organization. Note the pay or step change on the Standard Form 52 that is used to process the reemployment action with remark P06—“Pay rate includes WGI's or other rate changes to which employee would have been entitled had he or she remained continuously in Federal service.”

**Job Aid**

**Instructions for Processing Personnel Actions on Pay and Step Changes**

STEP	ACTION				
1	Use the table for the applicable pay plan to select the nature of action and authority:				
	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 70%;">Pay Plan</th> <th style="width: 30%;">Table</th> </tr> </thead> <tbody> <tr> <td data-bbox="305 606 1214 1018">                     General Schedule (GS), including employees covered by the Performance Management and Recognition System termination provisions of P.L. 103-89 (GM pay plan code) and law enforcement officers at grades 3-10 (GL pay plan code), but excluding doctors and dentists receiving title 38 market pay (GP or GR pay plan code).                       Senior Executive Service Pay System                       Prevailing Rate Systems                       Other Pay Systems (including General Schedule doctors and dentists with GP or GR pay plan code)                 </td> <td data-bbox="1214 606 1422 1018">                     Table 17-A                       Table 17-B                       Table 17-C                       Table 17-D                 </td> </tr> </tbody> </table>	Pay Plan	Table	General Schedule (GS), including employees covered by the Performance Management and Recognition System termination provisions of P.L. 103-89 (GM pay plan code) and law enforcement officers at grades 3-10 (GL pay plan code), but excluding doctors and dentists receiving title 38 market pay (GP or GR pay plan code).  Senior Executive Service Pay System  Prevailing Rate Systems  Other Pay Systems (including General Schedule doctors and dentists with GP or GR pay plan code)	Table 17-A  Table 17-B  Table 17-C  Table 17-D
	Pay Plan	Table			
	General Schedule (GS), including employees covered by the Performance Management and Recognition System termination provisions of P.L. 103-89 (GM pay plan code) and law enforcement officers at grades 3-10 (GL pay plan code), but excluding doctors and dentists receiving title 38 market pay (GP or GR pay plan code).  Senior Executive Service Pay System  Prevailing Rate Systems  Other Pay Systems (including General Schedule doctors and dentists with GP or GR pay plan code)	Table 17-A  Table 17-B  Table 17-C  Table 17-D			
	Enter nature of action and authority in blocks 5A-F of the Standard Form 52 or in the appropriate place on the agency form used to request and approve the action.  If the action is being taken under an authority that is unique to your department or agency, cite that authority (along with the authority code approved by the Office of Personnel Management) instead of the authority and code shown in this chapter.				
Use Table 17-F to select remarks/remarks codes required by the Office of Personnel Management for the action and enter them in Part F of the Standard Form 52 or in the appropriate place on the agency form used to request and approve the action.  Also enter any additional remarks/remarks codes that are required by your agency's instructions or that are necessary to explain the action.					
Complete the Standard Form 52 as required by instructions in Chapter 4 of this <b>Guide</b> ; follow your agency's procedures to complete an agency request document.					
4	Follow your agency's procedures to get the approval signature on the Standard Form 52 or the form your agency uses to request action. No approval is needed for a pay adjustment or a change in differential that results from a statutory or regulatory change in rates or an Executive Order.				
5	Follow instructions in Chapter 4 of this <b>Guide</b> to complete the Standard Form 50. The Standard Form 50 must be signed or authenticated for all pay and step changes except for those actions that are required by statute or regulation (and for which a Standard Form 50 or an alternate form of notice may be used). On actions for which a signature or authentication is required, follow your agency's instructions to obtain it.				

**Job Aid****Instructions for Processing Personnel Actions on Pay and Step Changes,  
continued**

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STEP	ACTION
6	Enter or update suspense or remainder dates in your service record system and in any other tickler system your agency uses.  These dates include: <ul style="list-style-type: none"><li>— date eligible for next within-range increase,</li><li>— grade retention expiration date, and</li><li>— date on which next performance determination must be made (when within-range increase has been denied).</li></ul>
7	Check <a href="#">The Guide to Personnel Recordkeeping</a> to decide how to file the documents related to the action.
8	Reserved
9	Follow your agency's instructions to distribute documentation of the personnel action.

**Table 17-A. Pay and Step Changes under the General Schedule (See Note 3 of this table)**

<i>R U L E</i>	<i>If Basis for Action is</i>	<i>And</i>	<i>Then NOAC is</i>	<i>NOA is</i>	<i>Auth Code is</i>	<i>Authority is</i>
1	Within-grade increase based on employee's meeting length of service and performance requirements (see Note 1 of this table)	Employee is not covered by the PMRS Termination Provisions of P.L. 103-89	893	Reg WRI	Q7M	Reg. 531.404 (see Note 6 of this table)
2		Employee is covered by the PMRS Termination Provisions of P.L. 103-89			Z2P	P.L. 103-89
3	Decision to withhold within-grade increase	Employee is not covered by the PMRS Termination Provisions of P.L. 103-89	888	Denial of WGI (see Note 2 of this table)	Q5M	Reg. 531.409 (see Note 6 of this table)
4		Employee is covered by the PMRS Termination Provisions of P.L. 103-89			Z2P	P.L. 103-89
5	Quality increase based on employee's high quality performance		892	Irreg Perf Pay	RBM	Reg. 531.501 (see Note 6 of this table)
6	Pay adjustment effective under 5 U.S.C. 5303		894	Gen Adj	QWM and ZLM	Reg. 531.207 and (Cite E.O. that established new rates)



**Table 17-A. Pay and Step Changes under the General Schedule (Continued)**

<i>R U L E</i>	<i>If Basis for Action is</i>	<i>And</i>	<i>Then NOAC is</i>	<i>NOA is</i>	<i>Auth Code is</i>	<i>Authority is</i>
7	Initial establishment of or increase in special rates schedule	Pay is adjusted on the basis of employee's existing pay retention entitlement	894	Gen Adj	QJP >(see Note 8)< and ZLM	Reg. 530.322(c) and (Cite OPM issuance that published new rates)
8		Employee is not entitled to pay retention			QHP >(see Note 8)< and ZLM	Reg. 530.322(a) and (Cite OPM issuance that published new rates)
9		Initial establishment of, or change in, special base rate for a law enforcement officer (GL pay plan code)			ZTW	P.L. 101-509, Sec. 403
10	Decrease in or discontinuance of special rate schedule in case of employee (1) for whom the special rate is the highest pay entitlement <i>and</i> (2) who is eligible for pay retention.  (See rule 27 for an employee who meets the first condition, but not the second condition – e.g., employee ineligible for pay retention because of temporary or term appointment.)	Employee's existing special rate is equal to one of the rates in the new highest applicable rate range for the employee's grade or level	899	Step Adj	QKP >(see Note 8)< and ZLM	Reg. 530.323 and (Cite OPM issuance that published new rates)
11		Employee's existing special rate is greater than the maximum rate of the new highest applicable rate range for the employee's grade or level (i.e., converted to retained rate equal to special rate)			QMP >(see Note 8)< and ZLM	Reg. 530.323 and (Cite OPM issuance that published new rates)
12		Employee's existing special rate is between two rates in the new highest applicable rate range for the employee's grade or level.  (See rule 28 in the case of an employee whose special rate entitlement is terminated due to entitlement to a higher rate of pay – e.g., locality rate becomes higher than special rate.)			890	Misc Pay Adj

Table 17-A. Pay and Step Changes under the General Schedule (Continued)

<i>R U L E</i>	<i>If Basis for Action is</i>	<i>And</i>	<i>Then NOAC is</i>	<i>NOA is</i>	<i>Auth Code is</i>	<i>Authority is</i>
13	Employee loses GM status (pay plan code changed from GM to GS)		890	Misc Pay Adj	>QUA and QUM<	Reg. >531.241 and 531.242<
14	Employee's position is brought under the General Schedule (see Note 4 of this table)				ZLM	(Cite E.O., Law, or Reg that brought position under the General Schedule) and (see Notes 6 and 7 of this table)
15	Termination of grade retention benefits because 2-year period has expired	Employee is entitled to complete another period of grade retention	866	Termination of Grade Retention	VKJ	5 U.S.C. 5362
16		Employee is entitled to a retained rate under pay retention			VRJ	5 U.S.C. 5363
17		Employee is entitled to a rate of basic pay that is equal to or higher than his or her existing rate, which rate can be accommodated within the range of the employee's grade				
18	Termination of grade retention with no further grade or pay retention entitlement	Employee declined a reasonable offer			VNJ	5 U.S.C. 5362(d)(3)
19		Employee elected to terminate benefits			VPL	5 U.S.C. 5362(d)(4)
20		Employee failed to comply with agency's priority placement program's requirements			RLM	Reg. 536.207(b)(2)

Table 17-A. Pay and Step Changes under the General Schedule (Continued)

<i>R U L E</i>	<i>If Basis for Action is</i>	<i>And</i>	<i>Then NOAC is</i>	<i>NOA is</i>	<i>Auth Code is</i>	<i>Authority is</i>
21	Termination of pay retention because employee declined a reasonable offer		890	Misc Pay Adj	VTJ	5 USC 5363(e)(2)
22	Termination of pay retention because of pay schedule adjustment under which employee becomes entitled to a higher rate of pay than that to which entitled under >5 U.S.C. 5363 (See 5 U.S.C. 5363(e)(2))<		894	Gen Adj	ZLM	(Other citation (Law, E.O, Reg.))
23	Establishment, change in percentage, or termination of locality-based comparability payment		894	Gen Adj	VGR	5 U.S.C. 5304
24	Establishment, change in percentage, or termination of supervisory differential		810	Chg in Diff	VPH	5 U.S.C. 5755
25	Establishment, change in percentage, or termination of administratively uncontrollable overtime entitlement		818	AUO	RMM	Reg. 550.151
26	Establishment or termination of availability pay		819	Availability Pay	Z2S	5 U.S.C. 5545a

Table 17-A. Pay and Step Changes under the General Schedule (Continued)

<i>R U L E</i>	<i>If Basis for Action is</i>	<i>And</i>	<i>Then NOAC is</i>	<i>NOA is</i>	<i>Auth Code is</i>	<i>Authority is</i>
27	Decrease in or discontinuance of special rate schedule in case of employee (1) for whom the special rate is the highest pay entitlement <i>and</i> (2) who is not eligible for pay retention (e.g., employee with temporary or term appointment)	Employee is not entitled to pay retention under 5 CFR part 536	894	Gen Adj	QLM >(see Note 8)< and ZLM	Reg. 530.323(c) and (Cite OPM issuance that published new rates)
28	Employee's special rate is terminated because the employee is entitled to a higher rate of basic pay (e.g., locality rate surpasses special rate. >(e.g., see 5 U.S.C. 5305(h).<  (It is possible that the special rate range or schedule that formerly applied to employee may be discontinued at the same time; however, rules >10-12< and >27< do not apply, since the special rate is not the employee's highest pay entitlement.)	Special rate is terminated because the employee is entitled to a higher rate of basic pay			ZLM And QUB >(see Note 8)<	Other citation (Law, E.O, Reg.), and Reg. 530.303(d)
29	An adjustment in employee's basic rate of pay that is not described in Rules 1-28 (e.g., GS pay increases under maximum payable rate rule; adjustments resulting from a change in employee's pay system, etc.)		890	Misc Pay Adj	ZLM	(Cite authority for the adjustment) (see Notes 6 and 7 of this table)

## NOTES:

1. When a within-grade increase action is effective on the same date as a quality step increase or a promotion, the actions may be documented on the same SF 52/50 or on separate ones. When a single SF 52/50 is used, document the within-grade increase (NOA "893") in blocks 5A-F of the SF 52/50 and the other action in blocks 6A-F.
2. Show in "TO" block of SF 52/50 the step and salary currently held by the employee. *Do not* show the step and salary being denied or withheld. Show "00" in block 19 if employee is subject to the PMRS Termination Provisions of P.L. 103-89. Show as the effective date the date on which the increase would have been effective.
3. In addition to covering employees with a GS pay plan code, this table applies to General Schedule employees who are (1) covered by the Performance Management and Recognition System termination provisions of Public Law 103-89 (GM pay plan code) and (2) receiving LEO special base rates at grades 3-10 under section 403 of FEPCA (GL pay plan code). This table does not apply to General Schedule doctors and dentists who are receiving title 38 market pay (GP or GR pay plan code); instead, table 17-D applies to those doctors and dentists.
4. When an action involves a change in employee's position or grade, follow the instructions in Chapter 14; when it involves a change in employee's agency or appointment status, follow the instructions in Chapters 9-13.
5. Enter "00" in block 19.
6. If employee is entitled to grade retention, a second authority may be cited: VLJ - 5 U.S.C. 5362(c).
7. If employee is entitled to pay retention, a second authority may be cited: VSJ - 5 U.S.C. 5363(a).
- >8. Legal authority codes QJP, QHP, QKP, QMP, QLP, QLM and QUB are applicable only when an employee is receiving a special rate under 5 U.S.C. 5305.<

**Table 17-B. Pay Changes Under the Senior Executive Service Pay System (SES)**

<i>R U L E</i>	<i>If Basis for Action is</i>	<i>Then NOAC is</i>	<i>NOA is</i>	<i>Auth Code</i>	<i>Authority is</i>
1	Performance-based pay increase >provided on an annual cycle (i.e., under 5 CFR 534.404(d) or (e)(1))<	891	Reg Perf Pay	Q3A	(Cite appropriate law, E.O., or regulation that authorizes the action)
2	Performance-based pay increase provided on an irregular basis (i.e., under >5 CFR 534.404(c)(4)(i)<	892	Irreg Perf Pay	Q3B	(Cite appropriate law, E.O., or regulation that authorizes the action)
3	A pay increase for a member of the SES *** not to exceed the amount necessary to maintain the SES member's relative position in the SES rate range >(i.e., under 5 CFR 534.404(b)(4))<	890	Misc Pay Adj	Q3C	Reg. 534.404(b)(4)
4	Other pay increase >which <b>does not begin</b> a new 12-month period for the purpose of applying the 12-month rule (i.e., under 5 CFR 534.404(c)(3)(vii) or 534.406(c))<			Q3D	(Cite appropriate law, E.O., or regulation that authorizes the action)
5	Other pay increase >which <b>begins</b> a new 12-month period for the purpose of applying the 12-month rule (i.e., under 5 CFR 534.404(c)(4)(ii) or (iii) <			Q3E	>(Cite appropriate law, E.O., or regulation that authorizes the action)<
6	Rate reduction for performance or disciplinary reasons >(i.e., under 5 CFR 534.404(b)(6))<	897	Pay Reduct	Q3F	Reg. 534.404(b)(6)

## Notes:

>1.< If an SES member is granted a retroactive pay increase under 5 CFR 534.404(f)(1), the increase may be a combination of increases under rules 1 and 3. The increases must be separately documented, just as they would have been if the increases had been put into effect at earlier time.

>2. If an SES member is granted a pay increase under 5 CFR 534.404(e)(2) or 534.404(f)(2) and the previous determination is performance-based, then rule 2 applies. If the previous determination is **not** performance-based, then rule 4 applies.

3. If an SES member is granted a pay increase under 5 CFR 534.404(c)(4)(iv) and the increase is performance-based, then rule 2 applies. If the increase is **not** performance-based, then rule 5 applies.

4. If an SES member receives a pay adjustment under 5 CFR 534.404(h) upon transfer, document the action using Rule 15 or 16, as appropriate, in Chapter 13, Table 13-A.<

**Pages 17-16 thru 17-20 are blank.**

**Table 17-C. Pay and Step Changes Under Prevailing Rate Systems**

<i>R U L E</i>	<i>If Employee</i>	<i>And</i>	<i>Then NOAC is</i>	<i>NOA is</i>	<i>Auth code is (see Notes 2 and 3 of this table)</i>	<i>Auth is</i>
1	Receives a within-grade increase		893	Reg WRI	VUL	5 U.S.C. 5343(e)(2)
2	Occupies a position that changed from the General Schedule to a Prevailing Rate System		890	Misc Pay Adj	FEM	Reg. 532.405
3	Occupies a position in a wage area that is consolidated with another wage area		894	Gen Adj	FTM	Reg. 532.415(a)
4	Has basic rate of pay adjusted by application of special rates or schedules authorized by OPM for recruitment and retention				FGM	Reg. 532.251
5	Has basic rate of pay adjusted because special rates range is established for leader, supervisor or production facilitating positions				F8M	Reg. 532.253
6	Is subject to a reduction in a prevailing rate schedule resulting from the findings of a wage survey	Employee's existing rate is higher than the new maximum rate allowed for employee's grade level and employee is entitled to pay retention	899	Step Adj (see Note 1 of this table)	FNM	Reg. 532.415(c)
7		Employee's existing rate falls between two rates in the new schedule and employee's pay will be set at the higher rate	890	Misc Pay Adj	RJR	Reg. 536.304(b)(1)

**Table 17-C. Pay and Step Changes Under Prevailing Rate Systems (Continued)**

<i>R U L E</i>	<i>If Employee</i>	<i>And</i>	<i>Then NOAC is</i>	<i>NOA is</i>	<i>Auth code is (see Notes 2 and 3 of this table)</i>	<i>Auth is</i>
8	Has basic rate of pay adjusted by application of a new or revised wage schedule not covered in Rules 3-7 (e.g., to implement results of an annual wage survey)		894	Gen Adj	FNM	Reg. 532.415(c)
9	Is subject to termination of grade retention benefits because 2-year period has expired	Employee is entitled to complete another period of grade retention	866	Termination of Grade Retention	VKJ	5 U.S.C. 5362
10		Employee is entitled to a retained rate under pay retention			VRJ	5 U.S.C. 5363
11		Employee is entitled to a rate of basic pay that is equal to or higher than his or her existing rate, which rate can be accommodated within the range of the employee's grade				
12	Is subject to termination of grade retention because employee declined a reasonable offer				VNJ	5 U.S.C. 5362(d)(3)



Table 17-C. Pay and Step Changes Under Prevailing Rate Systems (Continued)

<i>R U L E</i>	<i>If Employee</i>	<i>And</i>	<i>Then NOAC is</i>	<i>NOA is</i>	<i>Auth code is (see Notes 2 and 3 of this table)</i>	<i>Auth is</i>
13	Is subject to termination of grade retention because employee elected to terminate benefits		866	Termination of Grade Retention	VPL	5 U.S.C. 5362(d)(4)
14	Is subject to termination of grade retention benefits because employee failed to enroll in or comply with agency's priority placement program requirements				RLM	Reg. 536.207(b)(2)
15	Is subject to termination of pay retention because employee declined a reasonable offer		890	Misc Pay Adj	VTJ	5 U.S.C. 5363(e)(2)
16	Is subject to termination of pay retention because of pay schedule adjustment under which employee becomes entitled to a higher rate of pay than that to which employee is entitled under >5 U.S.C. 5363 (e.g., see 5 U.S.C. 5363(e)(2))<		894	Gen Adj	ZLM	Other citation (Law, E.O, Reg.)

**Table 17-C. Pay and Step Changes Under Prevailing Rate Systems (Continued)**

<i>R U L E</i>	<i>If Employee</i>	<i>And</i>	<i>Then NOAC is</i>	<i>NOA is</i>	<i>Auth code is (see Notes 2 and 3 of this table)</i>	<i>Auth is</i>
17	Has rate of basic pay adjusted as a result of the termination of grade retention		890	Misc Pay Adj	(Enter same code as was used for the 866/ Termination of Grade Retention action)	(Enter same authority as was used for the 866/ Termination of Grade Retention action)
18	Is subject to an adjustment in basic rate of pay that is not described in Rules 1-17				ZLM	(Enter E.O., Law or Reg. that adjusted pay)

NOTES:

1. Be sure to change the step to “00” and to change the Pay Rate Determinant (PRD).
2. If employee is entitled to grade retention, VLJ - 5 U.S.C. 5362(c) may be cited as the second authority.
3. If employee is entitled to pay retention, VSJ - 5 U.S.C. 5363(a) may be cited as the second authority.

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**Table 17-D. Pay and Step Changes Under Pay Systems Not Captured in Tables 17-A thru 17-C  
(including General Schedule doctors and dentists with pay plan codes GP or GR who are receiving title 38 market pay)**

<i>R U L E</i>	<i>If Basis for Action is</i>	<i>And</i>	<i>Then NOAC is</i>	<i>NOA is</i>	<i>Auth Code is</i>	<i>Authority is (See Note 1 of this table)</i>
1	General market or structural pay adjustment (including employee pay adjustment linked to rate range adjustment; labor market adjustment; and establishment of or adjustment to basic pay supplement based on location, occupation or other factors)	(See Note 2 of this table)	894	Gen Adj	ZLM	Other Citation (Law, E.O., Reg).
2	Within-range increase provided on a regular cycle	The system (with or without steps) provides within-range increases on a regular cycle where all employees rated fully successful or higher get the same within-range increases on same regular cycle (See Note 3 of this table)	893	Reg WRI	ZLM	Other Citation (Law, E.O., Reg).
3	Performance-based pay increase provided on a regular cycle (e.g., annual)	There are at least two levels of performance-based pay increases for employees rated fully successfully or higher (See Note 4 of this table)	891	Reg Perf Pay	Q3A	(Cite appropriate law, E.O., or regulation that authorizes the action)

**Table 17-D. Pay and Step Changes Under Pay Systems Not Captured in Tables 17-A thru 17-C  
(including General Schedule doctors and dentists with pay plan codes GP or GR who are receiving title 38 market pay) (continued)**

<i>R U L E</i>	<i>If Basis for Action is</i>	<i>And</i>	<i>Then NOAC is</i>	<i>NOA is</i>	<i>Auth Code is</i>	<i>Authority is</i>
4	Performance-based pay increase provided on an irregular basis		892	Irreg Perf Pay	Q3B	(Cite appropriate law, E.O., or regulation that authorizes the action)
5	Base pay increase for a group of employees in recognition of group performance/contributions		896	Group Inc	ZLM	Other Citation (Law, E.O., Reg).
6	Reduction in an employee's base rate of pay within a salary range based on unacceptable performance and/or conduct		897	Pay Reduct	ZLM	Other Citation (Law, E.O., Reg).

**Table 17-D. Pay and Step Changes Under Pay Systems Not Captured in Tables 17-A thru 17-C  
(including General Schedule doctors and dentists with pay plan codes GP or GR who are receiving title 38 market pay) (continued)**

<i>R U L E</i>	<i>If Basis for Action is</i>	<i>And</i>	<i>Then NOAC is</i>	<i>NOA is</i>	<i>Auth Code is</i>	<i>Authority is (See Note 1 of this table)</i>
7	Step adjustment that does not result in a pay adjustment (in a step-based pay system)		899	Step Adj	ZLM	Other citation (Law, E.O., Reg.)
8	Other miscellaneous pay adjustment not covered by rules 1-7 above (See Note 1 of this table)		890	Misc Pay Adj	ZLM	Other citation (Law, E.O., Reg.)
9	Establishment or termination of availability pay		819	Availability Pay	Z2S	5 U.S.C. 5545a
10	Establishment, change in, or termination of administratively uncontrollable overtime entitlement		818	AUO	RMM	Reg. 550.151

## NOTES:

1. For agency-determined changes, the authority for employees in senior-level (pay plan SL) and scientific and professional (pay plan ST) positions is 5 U.S.C. 5376; for employees in Agency Board of Contract Appeals positions (pay plan CA), the authority is 5 U.S.C. 5372a; for administrative appeals judges (pay plan AA), the authority is 5 U.S.C. 5372b; and for administrative law judges (pay plan AL), the authority is 5 U.S.C. 5372. For employees in positions under other pay plans, cite the authority that established the pay plan.
2. Increases under rule 1 are generally the same for all employees within a category without regard to the level of performance, except that the increase may be denied to employees rated unacceptable or below fully successful. No action is processed if an employee does not receive a general pay adjustment. >However, if a zero pay adjustment at the time of an increase in the pay range minimum causes an employee's rate of basic pay to fall below that range minimum, an 800 action must be processed to document the change to pay rate determinant code "T", consistent with rule 7 of Table 28-A in Chapter 28.<
3. While the applicability of rule 2 is based on the treatment of employees rated fully successful or higher, the rule is not limited to those employees. A given pay system may provide within-range increases on a regular time cycle to employees rated below fully successful, and those increases may be equal to or less than the increases given to those rated fully successful or higher. As long as such a pay system provides equal increases to employees rated fully successful or higher, rule 2 also applies to any regular within-range increases received by employees in that system who are rated below fully successful. (Also, see Note 4 below).
4. While the applicability of rule 3 is based on the treatment of employees rated fully successful or higher, the rule is not limited to those employees. A performance-based pay system may provide within-range increases on a regular time cycle to employees rated below fully successful. As long as such a pay system provides at least two levels of regular pay increases for employees rated fully successful or higher, rule 3 also applies to any regular pay increases received by employees in that system who are rated below fully successful.

**Table 17-E. Codes and Remarks for Pay and Step Changes (\*Use as many remark codes as apply)**

<i>R U L E</i>	<i>If</i>	<i>And</i>	<i>Then Remark Code Is*</i>	<i>And Remark Is:</i>
1	Action is a within-grade increase (WGI)		P14	Work performance is at an acceptable level of competence.
2		The amount of time the employee was in nonpay status requires that the due date for the WGI be set back	P13	Effective date adjusted due to excess time in nonpay status of (number) hours.
3		Granted to an employee who is entitled to grade retention	X46	Action gives employee within-grade increase/quality increase to step [number] of [pay plan and grade], retained grade.
4	Action is a quality step increase	Granted to a GS employee who is entitled to grade retention	X46	Action gives employee within-grade increase/quality increase to step [number] of [pay plan and grade], retained grade.
5	Decision is made to withhold WGI to GS employee	Employee is not entitled to grade retention	P15	Within-grade increase to step [number] denied because your work is not at an acceptable level of competence. You remain at GS [number], step [number].
6		Employee is entitled to grade retention	X47	Action denies within-grade increase to step [number] of employee's retained grade.
7	Decision is made to withhold WGI to GM employee		P91	Within-grade increase denied because your work is not at an acceptable level of competence. Your salary does not change.



**Table 17-E. Codes and Remarks for Pay and Step Changes (\*Use as many remark codes as apply) (Continued)**

<i>R U L E</i>	<i>If</i>	<i>And</i>	<i>Then Remark Code Is*</i>	<i>And Remark Is</i>
8	Action is a 890/Misc Pay Adj or 894/Gen Adj	Employee is entitled to pay retention	X40	Employee is entitled to pay retention.
9		Employee is entitled to grade retention	X44	Employee is entitled to grade retention
10	Employee is entitled to grade retention		X37	Employee is entitled to retain grade of [pay plan and grade] through [date].
			X45	Retained grade will be used to determine employee's pay, retirement and insurance benefits, and promotion and training eligibility.
			X61	Retained grade will not be used for reduction-in-force purposes.
11	Employee is entitled to pay retention		X67	Employee receiving retained rate in excess of maximum adjusted rate of basic pay for employee's grade; not entitled to locality payment or special rate supplement.
12	Action terminates employee's entitlement to grade retention	Eligibility has expired for current period, and employee not entitled to new period of grade retention	X43	Expiration of grade retention period as [pay plan and grade].
13		Employee elected to terminate grade retention entitlement	X39	Employee elected to terminate grade retention entitlement.

**Table 17-E. Codes and Remarks for Pay and Step Changes (\*Use as many remark codes as apply) (Continued)**

<i>R U L E</i>	<i>If</i>	<i>And</i>	<i>Then Remark Code Is*</i>	<i>An Remark Is</i>	
14	Action terminates employee's entitlement to grade retention	Employee declined position offered	X48	Declined offer of [position title; pay plan; series; and grade, level, or band].	
15		Employee didn't comply with priority placement program requirements	X50	Failed to comply with priority placement program requirements.	
16		No further entitlement to grade or pay retention	X36	Grade retention entitlement terminated. No further entitlement to grade or pay retention.	
17		Employee is entitled to begin pay retention	X40	Employee is entitled to pay retention.	
18		Employee entitled to begin another period of grade retention		X37	Employee is entitled to retain grade of [pay plan and grade] through [date].
				X45	Retained grade will be used to determine employee's pay, retirement and insurance benefits, and promotion and training eligibility.
	X61			Retained grade will not be used for reduction-in-force purposes.	
19	Employee becomes entitled to pay retention	Initial retained rate is equal to applicable cap - 150% of maximum rate for grade to which assigned or level IV of Executive Schedule	X41	Employee is now entitled to retained rate. Salary is equal to applicable cap on retained rates - 150% of maximum rate of grade to which assigned or level IV of the Executive Schedule.	
20	Action is terminating pay retention	Adjustment in pay schedule results in employee being entitled to a rate of pay equal to or higher than that to which entitled under pay retention (5 U.S.C. 5363(e)(2))	X42	Pay retention entitlement terminated.	

**Table 17-E. Codes and Remarks for Pay and Step Changes (\*Use as many remark codes as apply) (Continued)**

<i>R U L E</i>	<i>If</i>	<i>And</i>	<i>Then Remark Code Is*</i>	<i>And Remark Is</i>
21	Action is terminating pay retention	Employee declined position offered	X48	Declined offer of [position title; pay plan; series; and grade, level, or band].
22	Employee is being paid a special rate established under 5 U.S.C. 5305		P05	Special rate under 5 U.S.C. 5305.
23			P07	Special rate table _____.
24	Employee's total salary includes payment for AUO	Action is an 818/AUO that establishes/changes percent paid for AUO	P73	Block 20 shows the percent of your rate of adjusted basic pay which is paid to you for the substantial, irregular overtime work you perform which cannot be controlled administratively.
25		Action is other than an 818/AUO	P81	Salary in block 20 includes AUO of \$__.
26	Total salary includes availability pay		P99	Salary in block 20 includes availability pay of \$__.
27	Total salary includes supervisory differential		P72	Salary in block 20 includes supervisory differential of \$__.
28	Action is an 894/Gen Adj	Special rate exceeds the locality rate of pay	P93	Special rate exceeds the locality rate of pay; employee receives higher special rate supplement (in block 20B) instead of locality payment.
29		Rule 28 does not apply	P92	Salary includes a locality-based payment of ____% (in block 20B).

**Table 17-E. Codes and Remarks for Pay and Step Changes (\*Use as many remarks as applicable) (Continued)**

<i>R U L E</i>	<i>If</i>	<i>And</i>	<i>Then Remark Code Is*</i>	<i>And Remark Is</i>
30	Action is for an SES member	Employee is subject to the post-employment restrictions under 18 U.S.C. 207(c).	M97	SES member subject to post-employment restrictions under 18 U.S.C. 207(c).
31	Employee is a GS law enforcement officer entitled to special base rate at grades 3 through 10 (GL pay plan code)		P11	Basic pay in block 20A is law enforcement officer special base rate, which is higher than normal GS rate.