

General Pay Retention rules when exercising return rights

REFERENCES:

- 1) 5 CFR 531.213 – Setting Pay Upon Change in Position Without a Change in Grade
- 2) 5 CFR 536.302 – Optional Pay Retention
- 3) DODI 1400.25, Civilian Personnel Management System, Volume 536
- 4) DON Civilian Human Resources Manual 550, Section 17

This quick reference is intended to provide general guidance for managers of employees accepting an overseas assignment or exercising return rights from an overseas assignment. NOTE: Specific questions should be referred to your local HRO.

In general, per 10 USC 1586, return rights up to 5 years are guaranteed for employees from CONUS commands who accept Foreign OCONUS positions within the DoD. Employees' return rights are to the position they left at the Home Command before accepting the overseas assignment. Return rights may be extended beyond 5 years if mutually agreed on by the Foreign OCONUS and Home commands.

“Pay retention will be extended to an employee who is reduced in grade on return from an overseas assignment under the terms of a pre-established agreement.” (Department of the Navy, Civilian Human Resources Manual, Sub-chapter 550, Section 17)

Local HRO will advise employees on pay setting rules. Within the Department of Navy, OCHR Operations Centers have delegated authority for final pay setting decisions. In support of the PCS Return, CONUS Manpower/HRO will notify home command management and the employee prior to departure from the Foreign OCONUS command.

NOTE: The following examples are for informational purposes and not intended to be the final authority:

Example for a Lateral Return:

Employee currently working for SRF-JRMC Yokosuka has completed their tour commitment and is preparing to return (PCS) back to their position of record at their Home Command in Bremerton, WA (PSNS&IMF). Employee is currently a GS-12 step 07, with a base salary of \$74,521.00 under the 2016 base pay scale. Employee is returning to a GS-12 position at Bremerton, WA. As the employee will be reassigned to the same grade the pay will be set as follows:

OCHR will reference the current year Salary Table, with locality pay, for Seattle-Tacoma WA pay area. According to the 2016 table a GS-12 step 07 is at \$91,109, which will be set as the employee's new pay.

Example for a Return to a Lower Grade:

Employee currently working for SRF-JRMC Yokosuka has completed their tour commitment and is preparing to return (PCS) back to their position of record (GS-12) at their Home Command in Bremerton, WA (PSNS&IMF). Employee is currently a GS-13 step 05, with a base salary of \$83,694.00 under the 2016 base pay scale. Employee is returning to a full-performance GS-12 position at Bremerton, WA. As the employee will be changed to a lower grade their pay will be set as follows:

OCHR will compare the local pay, including locality, of GS-13 step 05 (\$102,324) and GS-12 Step 10 (\$98,702). Since the GS-13 Step 05 is higher than GS-12 Step 10, the employee's pay will be set at \$102,324 and coded as a GS-12 Step 00.

NOTE: If the employee had been at the GS-13 Step 01 (\$90,284) and they returned to a full-performance GS-12 position, the comparison would be set as a GS-12 Step 07 (\$91,109).

While on pay retention, the employee is entitled to 50% of the increase in the maximum step of the grade for the position held at the time of the increase. When an employee's retained pay equals or is less than the maximum rate for the grade of the position held, pay retention terminates and the employee is placed in the top step of the grade.

Example for a Voluntary Return to a Lower Grade:

For an employee who applies and is selected for a CONUS position at a lower grade, their pay will be set at the grade of the new position. An employee currently holding a GS-12 position with return rights to a GS-12 position applies for and is selected for a GS-11 position. OCHR will set their pay within the GS-11 pay scale without pay retention or other consideration (Highest Previous Rate may apply if authorized).

Example for an Acquisition Demo employee:

An Acq Demo employee NH-04 with pay at a GS15 level, accepted a position overseas as a GS14. They were given pay retention. They received only 50% of the pay raises while away. After 3-5 years they return to their previous position.

The NH-4 payband includes GS-14 and GS-15. Unless the payband changes, when the individual in the example exercises their return rights it will be a reassignment. In returning to CONUS, pay may include Locality Pay. While AcqDemo may allow some

pay flexibilities to increase an individual's salary when there is a reassignment, there's no obligation.