



UNITED STATES MARINE CORPS
MARINE CORPS RECRUIT DEPOT/WESTERN RECRUITING REGION
SAN DIEGO, CALIFORNIA 92140

DepO 12531.6B
1B:cg
28 Jul 1988

DEPOT ORDER 12531.6B

From: Commanding General
To: Distribution List

Subj: Determining Rate of Basic Compensation

Ref: (a) FPM Supp 990-2 (NOTAL)
(b) FPM Supp 532-1 (NOTAL)
(c) DepO 12532.5A

Encl: (1) Justification Memorandum for Use of Highest Previous Rate

1. Purpose. To publish policy and supplemental guidelines for determining rate of basic compensation for civil service employees of Marine Corps Recruit Depot.

2. Cancellation. Depot Order 12531.6A.

3. Policy. References (a) and (b) establish policies precluding the use of any step above the minimum step required by law or regulation unless it is in the interest of the Federal Government. These policies require that a determination be made in each personnel action. In no case will there be an automatic placement in the highest rate permissible.

4. General Rule. Due to limitation of funds, and in order to provide equitable treatment for all personnel while considering the best interests of the Government, starting salaries for employees will be established as follows:

a. New Appointment. Office of Personnel Management regulations provide that a new appointment is made at the minimum rate of the grade to which the employee has been appointed; or where a higher minimum rate has been established, at the minimum rate for the class.

b. Temporary Appointment. Temporary appointments will normally be made at the first step of the pay grade. Exceptions to this requirement must be based on the requirements contained in paragraph 4g and be approved by the cognizant Managing to Payroll Official prior to the effective date of the appointment action.

c. Promotion

(1) Promotion Between General Schedule Positions. When promoted, an employee's rate in the new grade shall be that one (but not above the maximum rate) which exceeds his/her rate in the employee's previous grade by an amount equal to two within-grade increases of the grade from which the employee was promoted or transferred. The same rate is used to determine the rate to be paid in a temporary promotion.

(2) Promotion Between Federal Wage System Positions. When promoted, an employee is entitled to be paid at the lowest scheduled rate of the grade which exceeds the employee's existing scheduled rate of pay by at least four percent of the representative rate of the grade from which he/she is promoted. If there is no rate in the higher grade which meets this requirement, he/she shall receive (a) the maximum scheduled rate of the higher grade or (b) his/her existing scheduled rate of pay if the existing scheduled rate of pay is the higher. For further information regarding pay for wage grade employees refer to reference (c).

(3) Promotion from General Schedule to Federal Wage System Positions. When an employee moves from a General Schedule position and the action is a promotion, based on a higher representative rate under a wage schedule (fourth step of General Schedule positions to second step of Federal Wage System positions), the employee is entitled to be paid at the lowest scheduled rate of the grade to which promoted which exceeds his/her existing scheduled rate of pay by at least four percent of the representative rate of the grade from which promoted. If upon promotion, there is no rate of pay in the grade to which promoted which meets the above requirement, the employee shall be paid the maximum scheduled rate of the grade to which promoted

or his/her existing scheduled rate of pay, if the rate is the higher. An employee may be granted the benefit of the highest previous rate provision if this would result in a higher rate of pay.

(4) Promotion from Federal Wage System to General Schedule Positions. When an employee moves from a Federal Wage System position to a General Schedule position and the action is a promotion (based on actual earned rate), the employee may be paid at any rate which does not exceed the highest previous rate; if the highest previous rate falls between two steps of the new grade, the higher step may be offered. The rate offered may not exceed the maximum rate of the new grade.

d. Reassignment. An employee entering on duty without a break in service from another Marine Corps or Navy activity will have their salary fixed to save pay, insofar as possible, within the limits of the rate of the employee's grade. If the previous rate falls between the rates of the grade, the lower rate normally will be paid. The higher rate will be paid if it is in the best interests of the Command and the requirements of paragraph 4g are met and the action is approved by the cognizant Managing to Payroll Official prior to the effective date of the action. Information regarding reassignment of wage grade employees between different wage areas is contained in reference (c).

e. Transfer. When an employee enters on duty without a break in service from any other Federal activity, salary will be fixed to save pay, insofar as possible, within the limits of the rate of the employee's grade. If the previous rate falls between the rates of the grade, the lower rate normally will be paid. The higher rate will be paid if it is in the best interests of the Command, the requirements of paragraph 4g are met, and the action is approved by the cognizant Managing to Payroll Official prior to the effective date of the action. Transfers to a position in a higher grade will be processed in accordance with paragraph 4c above.

f. Reduction-in-Force or Transfer of Function Placement. An employee of the Department of Defense who is separated or scheduled for separation by reduction-in-force or failure to accompany a function, and who is placed through the Priority Placement Program or the Reemployment Priority List, will have pay fixed in the new grade at a step rate which preserves, insofar as possible, the last earned rate. For this purpose, "last earned rate" does not include the rate earned in a position or rating to which temporarily promoted nor does it include a night shift differential.

g. Reemployment. When an employee is employed by reinstatement, pay may be fixed based on highest previous rate provided the step rate used was held by the employee at least 90 days. There is no automatic entitlement to highest previous rate. The following guidelines will apply in requesting and approving reemployment above the minimum rate of pay:

(1) Is the position designated as a shortage category position by the Office of Personnel Management?

(2) Difficulty in filling position or similar positions.

(3) The experience level, and recency of experience related to the requirements of the position. Was the highest previous rate attained in the same line of work as the position in which the employee is currently being placed? Was the experience sufficiently recent to allow the employee to fully assume the duties within a reasonable period of time. As a rule of thumb, the experience should have been within the last three years.

(4) Attributes of the employee as verified by vouchers, ratings, recommendations, awards, etc.

(5) Equity among employees.

(6) Availability of funds.

h. Change to Lower Grade. The following guidelines apply to employees who are changed to a lower grade:

(1) When an employee voluntarily requests a change to lower grade (including transfer from another activity), and the new rate falls between two steps of the new position, the lower step will be used, except when it is determined by the cognizant Managing to Payroll Official that it would be in the interest of this Command to place the employee in the higher step. In making this determination, the same criteria cited in paragraph 4g above will be used, including the requirement that the step rate used was held for at least 90 days.

(2) When an employee is demoted in order to participate in a formalized training program, salary will be set based on the highest previous rate.

(3) When an employee is changed to lower grade at the employee's own request with the prospect of repromotion back to the former grade as soon as possible under merit promotion rules, a rate will be selected in the lower grade which upon promotion back will place the employee in the rate of the higher grade which would have been attained had the employee remained in that grade.

(4) When a demotion action is taken for disciplinary reasons, pay may be set at any step of the grade to which demoted which does not exceed the employee's highest previous rate. Determination of the pay rate will be made by the deciding official, taking into consideration the recommendations of the proposing official, seriousness of the offense, and salary equity among other employees.

(5) When management initiates a demotion for performance reasons, the employee's salary will be adjusted to the first step of the lower grade.

(6) Pay of an employee who is returned from a supervisory or managerial position during the probationary period to his/her former grade level will be set to match as closely as possible what the employee would have been paid had he/she not been promoted. The maximum rate which may be assigned to a returned probationer will be one additional step at the grade level from which promoted (using highest previous rate rules).

5. Highest Previous Rate Computation. The basic policy governing computation of the employee's highest previous rate is that the rate used for pay determination purposes must be based on a regular tour of duty by the employee at that rate, either under an appointment not limited to 90 days or less, or for a continuous period of 90 days or more under one or more appointments without a break in service.

6. Action

a. The Civilian Personnel Officer will apply the applicable rate in personnel actions where the rate of pay is established by law or regulation.

b. The Civilian Personnel Officer will advise the cognizant Managing to Payroll Official when an employee is eligible for a pay rate based on highest previous rate. The enclosure will be used for this purpose. If the Managing to Payroll Official does not have direct cognizance over the applicant, he/she will coordinate with the cognizant staff officer in determining rate of pay. The Managing to Payroll Official will advise the Civilian Personnel Officer, by endorsement of the enclosure, of the recommended salary and the justification for the recommendation, keeping in mind the principles and policies of this Order. If sufficient justification has not been provided, the recommendation will be returned to the cognizant Managing to Payroll Official and the personnel action will not be effected until all required documentation has been received. The salary determination and justification will be filed in the employee's Official Personnel Folder.

c. The pay rate cannot be changed once a decision has been made and implemented by a Notification of Personnel Action (SF-50).


J. V. SULLIVAN
Chief of Staff

DISTRIBUTION: VII

JUSTIFICATION MEMORANDUM FOR USE OF HIGHEST PREVIOUS RATE
(FORMAT)

MEMORANDUM

From: Civilian Personnel Officer
To:

Subj: SALARY DETERMINATION

Ref: (a) DepO 12531.6B

1. It is the policy of the Department of the Navy not to use a step above the minimum step required by law or regulation unless it is in the interest of the Government. Whenever a higher rate is permissible, management will review the rate to be set in light of the needs of the activity, assessment of the quality of the employee, recency of experience, equity among employees, and availability of funds. In no case will there be an automatic placement in the highest rate permissible.

2. The applicant listed above is eligible for:

a. ____ a step above the minimum step as follows:

Position, grade, step, and salary _____
based on highest previous rate as a (position, grade, step, and salary
_____ from _____ to
_____.

b. ____ salary falls between two steps, applicant may be given either
step/salary _____ or step/salary _____ based on the highest previous rate as
a (position, grade, step, and salary) _____ from
_____ to _____.

3. It is requested that the enclosure be reviewed and a decision concerning the setting of salary be made and this form returned to the Civilian Personnel Office. This decision must be received prior to entrance on duty of the employee. ONCE THE EMPLOYEE IS APPOINTED, THE SALARY IS NOT SUBJECT TO ADJUSTMENT.

Civilian Personnel Office
Representative

From:
To: Civilian Personnel Officer

1. I have reviewed the above information and based on the guidance contained in the reference, I have determined it is in the best interests of the Government to set the salary as indicated below.

a. ____ Minimum rate.

b. ____ Highest previous rate, Step _____. Complete paragraph 2.

c. ____ Other - salary falls between two steps. Step ____ is authorized. Complete paragraph 2 if higher step is authorized.

2. Justification for the above determination is:

APPROVING OFFICIAL
(Signature)

ENCLOSURE (1)