

DEFENSE INTELLIGENCE AGENCY  
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# Civilian Pay Administration

- REFERENCES: (a) DIAM 22-23, Civilian Personnel Administration, Chapter 6, Subchapter 1, Pay Administration, Subchapter 2, DIA Special Pay Rates, and Subchapter 3, Within Grade Increases 10 January 2003.
- (b) DIAR 22-1, Civilian Personnel Management of Federal Wage Jobs 24 September 1997
- (c) Title 5 U.S.C., Chapter 12, Merit Systems Protection Board, Office of Special Counsel, and Employee Right of Action.
- (d) Title 5 U.S.C., Chapter 53, Pay Rates and Systems.
- (e) Title 5 U.S.C., Chapter 57, Travel, Transportation, and Subsistence.
- (f) Title 10 U.S.C., Chapter 83, Civilian Defense Intelligence Employees.

## 1. PURPOSE

- 1.1. Replaces references (a) and (b).
- 1.2. Implements references (c) through (i).
- 1.3. This instruction is applicable to all DIA civilian employees except for foreign national employees, nonappropriated fund employees, experts, consultants, and contractors. Defense Intelligence Senior Executive Service (DISES) and Defense Intelligence Senior Level (DISL) members are not covered by the provisions of this instruction.

## 2. DEFINITIONS (See enclosure)

## 3. RESPONSIBILITIES

- 3.1. Director, DIA, determines the series and grades, or work location or job title, for which DIA special pay rates will be granted.

- 3.2.  will establish policy for the administration and management of the DIA civilian personnel pay.



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3.3. [REDACTED] administers payment of special pay rates and provides advice and assistance to managers and supervisors on all aspects of DIA special pay rates.

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3.4. [REDACTED] provides advice and assistance to DH managers and supervisors on all aspects of DIA special pay rates.

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3.5. [REDACTED] will evaluate situations against the guidelines established by the Office of Personnel Management (OPM) for the payment of environmental differential pay and hazard pay.

#### 4. PROCEDURES follow

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[REDACTED]  
Deputy Director for Administration

Enclosures – 3

E1. Additional References

E2. Procedures

E3. DIA Pay Setting Negotiations Guide

E1. Enclosure 1

Additional References:

- (g) Title 5 CFR, Part 532, Prevailing Rate Systems.
- (h) Title 5 CFR, Part 550, Pay Administration (General).
- (i) DoD Directive, Number 1400.25, November 25, 1996,  
Subject: DoD Civilian Personnel Management System.



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## C1. CHAPTER 1

## BASIC PAY

## C1.1. DEFINITIONS

- Aggregate limitation—no executive branch employee, including DIA employees, may receive any allowance, differential, bonus, award, or other similar cash payment in any calendar year to the extent that such payment, in combination with the employee's basic pay, would cause the employee's aggregate compensation to exceed the rate payable for level I of the Executive Schedule on the last day of the calendar year.
- Base pay—rates of base pay and pay adjustments are set in relation to the General Schedule (GS) rate, locality pay, when applicable, is applied after setting base pay.
- Break in service for within grade increases—period of non-pay status or separation from the federal rolls (alone or in combination) in excess of 52 calendar weeks.
- Equivalent increase for within grade increases—increase in base pay equal to at least one step increase. The following do not count as equivalent increases
  - Statutory pay increases.
  - Periodic adjustments of a wage schedule.
  - Overtime, holiday and Sunday pay.
  - Night differential.
  - Temporary or term promotions except when the temporary or TERM appointment becomes permanent, then the last equivalent increase date is based on either the temporary or TERM promotion effective date.
  - Quality Step Increases (QSIs).
- Federal wage system (FWS)—consists of wage supervisors, wage leaders, wage employees and equivalent blue collar positions.
- General Grade (GG)—designator used to identify employees whose administrative duties are equivalent to employees covered under the General Schedule (GS).
- General Schedule (GS)—basic classification and compensation system for white collar occupations in the Federal government.



- Waiting period—minimum amount of time an employee must wait to be eligible for a within grade increase.
- Within grade increase (WGI)—increase in an employee's rate of base pay from one step to the next higher step.

C1.2. MAXIMUM PAY LIMITATIONS

TYPE OF PAYMENT	MAXIMUM PAY LIMITATIONS
General Grade (GG) (base pay, excludes locality pay)	Level V of the Executive Schedule
GG (base pay including locality pay)	Level IV of the Executive Schedule
Special Salary Rates for GG employees (base pay, excludes locality pay)	Level V of the Executive Schedule

C1.3. SETTING BASIC PAY UPON INITIAL EMPLOYMENT

Employees base pay will be set upon initial employment at the minimum rate of the applicable grade, for example, GG-07, step 1, or WG-10, step 1. Base pay may be set above the minimum rate when one of the conditions in paragraph C1.4. is met. Additional pay setting requirements and responsibilities are described in enclosure 3, “DIA Pay Setting Negotiations Guide,”

C1.4. ADVANCED HIRING RATE PROGRAM

C1.4.1. The advanced hiring rate program provides DIA the flexibility to set base pay or wages at a rate above the minimum rate (for example, GG-07, step 4, or WG-10, step 3) for

- Hard-to-recruit individuals selected for occupational shortage positions.
  - Listing of occupational shortage positions will be established by [redacted] and provided to [redacted] for DH employees. (b)(3):10 USC 424 (b)(3):10 USC 424
- Individuals possessing superior qualifications for non-shortage positions when substantial attempts to obtain the best qualified candidate at the minimum rate are unsuccessful.



C1.4.2. Current Federal Employees. Current Federal employees may be given a 1-2 step incentive increase to accept a transfer/reassignment at the same grade into DIA. The incentive increase given may not cause the employee's base pay to be set above the top step of their grade, for example, GG-07, step 10, or a WG-10, step 5. The Chief,  for DH employees, may authorize an incentive increase greater than 2 steps when the employee is deemed to have superior qualifications or the agency has a special need for the individual's skills or services.

C1.4.3. For individuals employed outside of the Federal government. Normally base pay will be set at step one of the employee's grade.  for DH employees, may set the employee's base pay above step one when the candidate possesses superior qualifications or the agency has a special need for the individual's skills or services. The employee's base pay may never exceed step 10 for GG employees, step 5 for WG, and step 3 for employees covered under the lithographic (XP) pay plan.

C1.4.4. The Directorate/Special Offices will collaborate with  on issues pertaining to salary and bonus negotiations (Enclosure 3.)

## C1.5. HIGHEST PREVIOUS RATE RULE

C1.5.1.  for DH employees, may set an employee's base pay by taking into consideration the highest annual rate of base pay the employee has ever earned as a civilian Federal employee. Pay may be set by:

- comparing the employee's highest annual rate of base pay paid in the past for the same grade in which pay is currently being set. For example, if the employee's highest annual rate of base pay was equivalent to a GS-09, step 7, and pay is currently being set as a GG-09, the employee's pay may be set at step 7.
- identifying the lowest step of the grade in which pay is currently being set that is equal to or higher than the employee's highest base pay at the time it was earned. For example, if the employee's highest base pay earned was \$44,188 and the employee is being placed in a GG-09 position, the employee's pay may be set at GG-09, step 7, \$43,774 on the 2004 pay schedule.
  - The employee may never be paid more than the top step of the grade being placed in.



C1.5.2. Highest previous rate *may not* be based on the following:

- Rate received as a consultant or expert.
- Rate received in a position in which the individual was temporarily promoted for one year or less except upon placement in a permanent position at the same or higher grade.
- Rate received in a position from which the employee was reassigned or reduced in grade for failure to complete satisfactorily a trial period as a supervisor.
- Rate received under an appointment that is canceled (commonly referred to as a void appointment) or a rate not authorized by law or regulation.
- Rate received during interim relief. Interim relief allows an employee to receive pay until such times a final decision is given in an administrative or appellate proceeding.
- Rate received by an employee of the District of Columbia who was first employed by that government on or after 1 October 1987.
- Special rate established by DIA unless in a reassignment to another position within DIA (see 5 CFR 531.203 for further information on special salary rates.)

C1.6. DIA SPECIAL PAY RATES

C1.6.1. DIA has statutory authority to establish special salary rates which exceed the established government wide GS pay schedule. Special pay rates are set when:

- rates of pay offered by non-Federal employers are significantly higher than those offered by DIA for employees having the same occupational group, in the same area or location.
- DIA has a problem recruiting or retaining employees due to:
  - remoteness of the area or location where the employee must work.
  - undesirable working conditions or the nature of the work involved.

C1.6.2. Special salary rates for GG employees may not exceed the maximum rate established by law for the grade and level by more than 30 percent, and no rate may be established in excess of the rate of base pay payable for level V of the Executive Schedule.

C1.6.3.  will conduct an annual review of positions requiring special salary rates to determine the requirement to continue, reduce, or discontinue payment of the special salary rates.



C1.7. PROMOTIONS

C1.7.1. GG employees: Normally, a GG employee promoted will have his or her base pay set at the lowest rate of the higher grade which exceeds his or her existing base pay by two steps of his or her current grade. The employee may not receive more than the maximum rate for the grade promoted to.

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- Chief,  may authorize a higher rate of base pay upon promotion when it is in the best interest of the agency and the agency has a special need for the individual's skills or services.

C1.7.2. FWS employees: Normally, an employee promoted will have his or her base pay set at the lowest rate of the higher grade which exceeds his or her existing base pay by four percent.

C1.8. WITHIN GRADE INCREASES (WGIs)

<b>Eligibility</b>	<ul style="list-style-type: none"><li>• WGIs will be granted to all DIA employees whose current performance is rated at "meets expectations" or "superior". All DIA employees are eligible for WGIs except:<ul style="list-style-type: none"><li>- GG employees serving on temporary appointments of less than 1 year.</li><li>- experts and consultants.</li><li>- GG employees at step 10 of their grade.</li><li>- FWS employees at step 5 of their grade.</li><li>- Special wage schedule for XP, XS, XD or XL at step 3 of their grade.</li><li>- Employees under a performance improvement plan (PIP).</li></ul></li><li>• Waiting periods for all employees begin with the first appointment as a federal employee.</li><li>• An employee will start a new waiting period for his or her next within grade increase, if eligible, when he or she receives an equivalent increase, has a break in service, or a period in a nonpay status in excess of 52 calendar weeks.</li></ul>
<b>Length of waiting periods</b>	<ul style="list-style-type: none"><li>• To be eligible for a WGI, an employee must complete a required waiting period.</li></ul>



	<p><i>GG employees.</i> The waiting periods for these employees are</p> <ul style="list-style-type: none"> <li>- 52 calendar weeks of creditable service in steps 1, 2, and 3.</li> <li>- 104 calendar weeks of creditable service in steps 4, 5, and 6.</li> <li>- 156 calendar weeks of creditable service in steps 7, 8, and 9.</li> </ul> <ul style="list-style-type: none"> <li>• <i>GG employees serving under a permanent or TERM appointment with a part-time or intermittent schedule</i> are also eligible for WGIs. Their waiting periods are           <ul style="list-style-type: none"> <li>- 260 days of creditable service over a period of at least 52 calendar weeks in steps 1, 2, and 3.</li> <li>- 520 days of creditable service over a period of at least 104 calendar weeks in steps 4, 5, and 6.</li> <li>- 780 days of creditable service over a period of at least 156 calendar weeks in steps 7, 8, and 9.</li> </ul> </li> </ul>
<b>Length of waiting periods</b> (continued)	<ul style="list-style-type: none"> <li>• <i>FWS employees.</i> Each grade of the regular wage schedule has 5 steps. The XP, XS, XD or XL schedule has 3 steps. The waiting periods for advancement are           <ul style="list-style-type: none"> <li>- 26 calendar weeks of creditable service in step 1, regular and XP, XS, XD or XL.</li> <li>- 78 calendar weeks of creditable service in step 2, regular and XP, XS, XD or XL.</li> <li>- 104 calendar weeks of creditable service in steps 3 and 4, regular only.</li> </ul> </li> </ul>
<b>Within Grade Increase Creditable Service</b>	<ul style="list-style-type: none"> <li>• All federal service in any branch of the Federal government is creditable toward the waiting period including:           <ul style="list-style-type: none"> <li>- all continuous service since the last equivalent increase (or original appointment) including all periods of leave with pay (e.g., sick, annual).</li> <li>- service performed before a break in service or period of non-pay status of not more than 52 calendar weeks.</li> <li>- all periods in a non-pay status while an employee is receiving compensation for injury under the Federal Employees' Compensation Act (workman's</li> </ul> </li> </ul>



	<p>compensation).</p> <ul style="list-style-type: none"><li>- active duty service in the Armed Forces or in essential non-government civilian employment which interrupts otherwise creditable service during a period of war or national emergency.</li><li>- periods of separation with reemployment rights granted by law, Executive Order or regulation.</li></ul> <ul style="list-style-type: none"><li>• Limited periods in a nonpay status are creditable toward the waiting period when the total number of nonpay hours is not more than:<ul style="list-style-type: none"><li>- <i>GG employees</i><ul style="list-style-type: none"><li>➤ 2 workweeks (80 hours) in Steps 1, 2, and 3.</li><li>➤ 4 workweeks (160 hours) in Steps 4, 5, and 6.</li><li>➤ 6 workweeks (240 hours) in Steps 7, 8, and 9.</li></ul></li><li>- <i>FWS employees:</i><ul style="list-style-type: none"><li>➤ 1 workweek (40 hours) in Step 1.</li><li>➤ 3 workweeks (120 hours) in Step 2.</li><li>➤ 4 workweeks (160 hours) in Steps 3 and 4.</li></ul></li></ul></li></ul> <p>Example: Employee has no available annual leave and elects to take one week of nonpay (leave without pay (LWOP)) to go on a vacation.</p>
<b>Within Grade Increase Creditable Service</b> (continued)	<ul style="list-style-type: none"><li>• The period between an employee's discharge from the Armed Forces and reemployment in the Federal service if the break is not more than 52 weeks.</li></ul>
<b>Effective Date of Within Grade Increase</b>	<ul style="list-style-type: none"><li>• The WGI will be effective at the beginning of the first pay period after completion of the required waiting period.</li><li>• A performance appraisal of unsatisfactory will serve as notice that the WGI will be withheld. Employees whose current performance is below meets expectations will not receive a WGI until the performance is rated by the supervisor as "meets expectations" or "superior". If the supervisor does not notify <span style="border: 1px solid black; display: inline-block; width: 150px; height: 1.2em; vertical-align: middle;"></span> employees, of any significant changes, the WGI will automatically be processed.</li><li>• It is the supervisor's responsibility to ensure that the performance appraisal of record accurately reflects the</li></ul>



	employee's performance.
<b>Denying within-grade increases</b>	<ul style="list-style-type: none"><li>Supervisors will report to [redacted] employees, any significant changes in performance that impact on the decision to grant or deny an employee's WGI.</li><li>When a determination is made to deny a WGI, the supervisor, in coordination with [redacted] for DH employees, will issue a written notice to the employee stating the reasons for the denial.</li><li>If the denial is based on an employee's performance, the supervisor must<ul style="list-style-type: none"><li>evaluate the employee's performance no later than 52 calendar weeks after the original effective date of the WGI to determine whether the employee's current performance is acceptable.</li><li>continue to evaluate the employee's performance in increments of no more than 52 calendar weeks for as long as the WGI continues to be denied.</li></ul></li><li>An employee will not be granted a WGI if:<ul style="list-style-type: none"><li>he/she has received notification of a proposed separation or change to lower grade for performance or misconduct.</li><li>there are any pending actions related to security or misconduct that the supervisor determines impacts on the employee's competence.</li></ul></li></ul>

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C1.9. PAY RETENTION

(b)(3):10 USC 424 C1.9.1. Pay retention will be granted by [redacted] for DH employees, when:

- an employee who does not meet the eligibility for grade retention is reduced in grade as a result of a reduction-in-force or reclassification process.
- GG or FWS pay scheduled or special salary rates are reduced or eliminated (except for statutory reductions in scheduled rates).
- an employee is placed into a non-special rate position or into a lower special rate position from a special rate position.
- an employee is placed in a position in a lower wage area or in a position under a different pay schedule.



- an employee is placed in a formal employee development program generally utilized government-wide, e.g., upward mobility, career intern, etc.
- an employee accepts a lower-graded position designated in advance by DIA as hard-to-fill.
- an employee is reduced in grade upon return from an overseas assignment in accordance with the terms of a pre-established agreement.
- an employee accepts placement in a lower graded position upon return from an overseas assignment to include returning from overseas due to compelling personal reasons of a humanitarian or compassionate nature.
- an employee accepts a lower graded position offered by DIA for reasons of health under criteria similar to those used in meeting the responsibilities for selective placement instead of disability retirement.
- an employee applies for and is selected for a position at an overseas location.
- an employee is moved from a DoD nonappropriated fund position to a DIA appropriated fund position without a break in service of more than 3 days.

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C1.9.2. When it is determined by the Chief,   pay retention is in the best interest of the agency's mission, to the extent that the intent of the law and regulations governing pay retention is met.

C1.9.3. Pay retention ceases when an employee:

- has a break in service of one workday or more.
- is demoted for personal cause or at the employee's request. See paragraph C1.9.1. for exceptions to this rule.
- is entitled to a rate of base pay which is equal to or higher than the employee's retained rate.
- declines a reasonable offer of a position the rate of which is equal to or higher than the employee's retained rate.

C1.9.4. If an employee's entitlement to pay retention is terminated as a result of a demotion for personal cause or a demotion at the employee's request, or it is terminated as result of the employee's declination of a reasonable offer, the employee's rate of base pay may be set at any rate of his or her grade in accordance with the highest previous rate rule.

## C1.10. ANNUAL ADJUSTMENTS OF PAY RETENTION



C1.10.1. GG employees: A GG employee on pay retention is entitled to 50 percent of any increase given by the Federal Government to the basic pay rates. If the employee is receiving a special salary, the old and the new special salary rate schedules will be used to calculate his or her annual increase.

C1.10.2. FWS employees: When there is an increase in the wage schedule, an employee under pay retention is entitled to receive 50 percent of the amount of the increase. When there is a decrease in the wage schedule, an employee on pay retention will continue to receive the rate that was in effect prior to the decrease. The only exception to this rule is when a law reduces the scheduled rates.

#### C1.11. LOCALITY PAY ENTITLEMENT

A GG employee receiving locality pay, and on pay retention, will receive 100 percent of the locality pay adjustment.

#### C1.12. SEVERANCE PAY

Severance pay is paid to an employee who is involuntarily separated from federal civilian employment, for reasons other than cause, after serving at least 12 continuous months. The amount of severance pay is computed on the basis of years of civilian service and age at separation. It is paid out through a series of payments made at the same pay period intervals that were applicable to the employee before separation. See the chart below for specific guidance on eligibility for and payment of severance pay. An example of how to calculate severance pay may be found on pages 17 and 18.



<b>SEVERANCE PAY</b>	
<b>Eligibility</b>	<ul style="list-style-type: none"> <li>• Eligible employees are           <ul style="list-style-type: none"> <li>– full-time or part-time permanent employees, or full-time temporary employees whose temporary appointments are made within 3 days after a qualifying permanent appointment.</li> </ul> </li> <li>• Ineligible employees are           <ul style="list-style-type: none"> <li>– reemployed civilian retirees.</li> <li>– retired uniformed services members.</li> <li>– employees with intermittent work schedules. Intermittent employees are those employees who do not have a regular schedule and are subject to be available when required to work.</li> <li>– Worker's Compensation recipients.</li> <li>– employees separated for cause, and</li> <li>– employees who decline a reasonable offer.</li> </ul> </li> </ul>
<b>Reasonable offer</b>	<ul style="list-style-type: none"> <li>• A reasonable offer is           <ul style="list-style-type: none"> <li>– a position in DIA, and</li> <li>– not lower than two grades or pay levels below the employee's current grade or pay level.</li> </ul> </li> </ul>
<b>Service credit</b>	<ul style="list-style-type: none"> <li>• Creditable service for severance pay purposes is           <ul style="list-style-type: none"> <li>– civilian service performed by an employee.</li> <li>– active military service performed by an employee who returns to civilian service through exercising restoration rights, or</li> <li>– service by a non-appropriated fund employee who moves to an appropriated fund position without a break in service of more than 3 calendar days.</li> </ul> </li> </ul>
<b>Severance pay determinations</b>	<ul style="list-style-type: none"> <li>• Severance pay is determined on the basis of the rate of base pay at the time of separation and years of creditable service.</li> <li>• If the employee is over 40 years of age, an age adjustment allowance is also part of the formula. An age adjustment allowance is computed on the basis of 10 percent of the basic allowance for each year the employee's age exceeds 40 years of age. An employee is entitled to a basic severance pay allowance of one week's base salary for each year of</li> </ul>



	creditable service up to 10 years, and two weeks of salary for each year of service thereafter plus any applicable age adjustment allowance.
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SEVERANCE PAY	
Maximum severance pay	<ul style="list-style-type: none"><li>• The total severance pay an employee is eligible to receive is limited to one year's pay at the rate of pay the employee received at the time of separation.</li><li>• This is a lifetime limitation. Therefore, if an employee is in a position to receive severance pay a second time, severance pay may not continue after the sum of the two periods reaches 52 weeks.</li></ul>

**SEVERANCE PAY COMPUTATION  
ILLUSTRATIVE EXAMPLE**

**Scenario:**

Grade/Step: GG-12, step 4  
Salary: \$66,701.00 (Washington metropolitan locality pay used for example)  
DOB: 12-31-54  
SCD: 12-31-83  
Separation Date: 12-31-04  
Service for Severance Pay Calculation: 21 years  
Prior Severance Pay Disbursed: None

**Step 1.**

Annual Salary: \$66,701 divided by 2087 (hours in work year) equals \$31.96 (Rounded hourly rate of pay)

\$31.96 times 40 (hours in standard work week) equals \$1,278.40

*Entitlement:* One week of pay for each full year of credible service through first 10 years.

\$1,278.40 times 10 years equals \$12,784.00

**Step 2.**



*Entitlement:* Two weeks of pay for each full year of creditable service beyond 10 years.

\$1,278.40 times 22 (2 weeks times 11 years) equals \$28,124.60

Step 3.

*Entitlement:* 25% of the otherwise applicable amount for each full 3 months of creditable service beyond final year.

None

Step 4.

*Entitlement:* Basic severance pay entitlement for the last 26 pay periods.

*Assumption:* Employee is a full-time GG employee for the full 26 pay periods prior to separation with no annual premium pay.

*Entitlement of this employee:*

(32 weeks) \$1,278.40 times 32 weeks equals \$40,908.60.

2.5 percent of the basic severance pay allowance for each full 3 months of age over 40 years.

*Basic Severance Pay Allowance:* \$40,908.60

.025 times 40 (10 years times 4 quarters) equals 1.0 multiplication factor

\$40,908.60 times 1.0 equals \$40,908.60 (age adjustment allowance)

Step 5.

*Total severance pay may not exceed 1 year's pay at the rate received immediately before separation.*

Annual Salary: \$66,701.00

Severance Pay Entitlement: \$81,817.20 (\$40,908.60 severance pay weeks plus \$40,908.60 age adjustment)

*Employee receives the **lessor of** his/her annual salary or the severance pay entitlement derived from his/her years of service and age factor.*

Maximum Severance Pay Entitlement: \$66,701.00



## C2. CHAPTER 2

## PREMIUM PAY

## C2.1. DEFINITIONS

- Administrative workweek—administrative workweek for all U.S. civilian employees who work regular hours of duty in DIA begins at midnight Saturday and extends to midnight the following Saturday. This includes any regularly scheduled overtime.
- Compressed work schedule (CWS)—work schedule that has an 80-hour biweekly basic work requirement that is scheduled for less than 10 workdays.
- Exempt—not covered by the provisions of the Fair Labor Standards Act (FLSA).
- Flexible work schedule—work schedule that has an 80-hour biweekly and 40-hour weekly basic work requirement that allows an employee to vary the work schedule within limits set by the organization. There are two schedules
  - A basic work requirement of five 8 ½-hour workdays for each week of the biweekly pay period. Employees may be permitted to change daily starting and stopping times within the established flexible hours, and earn credit hours.
  - A basic work requirement of 40 hours each week of the biweekly pay period and primary business hours for each workday. With prior supervisory approval, employees may be permitted to vary the number of hours worked on a given workday during the week and earn credit hours.
- Irregular overtime—overtime that is only occasional, and not part of an employee's workweek.
- Nonexempt—covered by the provisions the Fair Labor Standards Act (FLSA).
- Premium pay—dollar value of earned hours of compensatory time off and additional pay for overtime, night, Sunday, or holiday work, administratively uncontrollable overtime, or for standby duty.
- Regular overtime—overtime so recurring and necessary that management includes it as part of an employee's workweek.



C2.2. ELIGIBILITY FOR PREMIUM PAY

The payment of premium pay covers all full-time and part-time GG and FWS employees. Intermittent employees are not covered unless they are temporarily placed on a full-time or part-time schedule.

C2.3. LIMITATION ON PREMIUM PAY AND MAXIMUM PAY LIMITATIONS

LIMITATION ON PREMIUM PAY	MAXIMUM PAY LIMITATIONS
Biweekly limitation on premium pay (includes basic pay, locality pay, and pay for overtime, holiday, Sunday, night differential, and compensatory time)	Greater of biweekly rate for GG-15, step 10, (includes locality pay when applicable), <b>OR</b> level V of the Executive Schedule
Annual limitation on premium pay for emergency work or for work critical to the mission of DIA  <i>NOTE:</i> DR may make an exception to the bi-weekly maximum earnings limitation when a determination is made that employees are performing work that is critical to the mission of the agency. When directed by the DR, employees base pay and premium pay will be subject to an annual limitation rather than the biweekly limitation.	Greater of annual rate for GG-15, step 10, (includes locality pay when applicable), <b>OR</b> level V of the Executive Schedule
Aggregate limitation on pay	Level I of the Executive Schedule

C2.4. OVERTIME PAY

C2.4.1. Regular Overtime. Scheduled overtime that is ordered or approved prior to the start of the employee’s administrative workweek and, may also include work that is so recurring and necessary that management includes it as part of an employee’s regularly scheduled workweek.

Example



John Smith’s regular tour of duty is Monday through Friday, 07:30 a.m. – 4:00 p.m. However, every Tuesday and Friday John’s supervisor chairs an executive meeting for which John needs to provide substantive support. John’s workload is such that he must work an extra 90 minutes each Monday and Tuesday to produce this substantive input. John’s supervisor knows that this work is necessary, knows that John is the employee who will handle the work, and knows both of the preceding points before the beginning of the administrative workweek. John’s supervisor is therefore correct in including this regularly scheduled overtime as part of John’s work schedule. Having this work as part of the work schedule eliminates the requirement of ordering and approving overtime each week.

C2.4.2. Irregular Overtime. Overtime is only occasional, and not part of an employee’s workweek. Irregular overtime is overtime that is ordered or approved after the start of the administrative workweek.

Example

Ruth Roberts, GG-12, is an employee fortunate enough to work in an agency element that has very limited overtime requirements. However, because of a special project that came in after the start of the administrative workweek, Ruth finds it necessary to work late Thursday and Friday evenings and several hours on Saturday. She requests overtime and her supervisor approves it as irregular overtime.

C2.4.2.1. Use of irregular overtime is restricted to those activities where tangible operating requirements fully justify the need and, except in emergency situations, will be scheduled as far in advance as possible.

C2.4.3. Paying Overtime

<b>PAYING OVERTIME</b>	<b>IF WORK IS EQUAL TO OR LESS THAN</b>	<b>IF WORK IS EQUAL TO OR GREATER THAN</b>
¼ hour will be the smallest unit of measure used for crediting regular, irregular or occasional overtime work for pay purposes.	7 minutes and 30 seconds, round down to the nearest quarter hour.	7 minutes and 31 seconds, round up to the nearest quarter hour.



## C2.5. OVERTIME AS HOURS OF WORK

WORK SCHEDULE	OVERTIME ENTITLEMENT
<p>Basic work schedule</p> <ul style="list-style-type: none"> <li>For full-time employees is comprised of 5 consecutive workdays of 8 ½ consecutive hours, accomplished Sunday through Saturday, and includes a daily 30-minute non-compensable meal period, for a total of 40 hours.</li> </ul>	<ul style="list-style-type: none"> <li>Work in excess of 8 hours in a day, or 40 hours in a week.</li> </ul>

WORK SCHEDULE	OVERTIME ENTITLEMENT
<p>Uncommon tour of duty</p> <ul style="list-style-type: none"> <li>Work schedule based on first 40 hours worked in an administrative workweek.</li> </ul>	<ul style="list-style-type: none"> <li>Any additional hours of officially ordered or approved duty above first 40 hours will be treated as regular or irregular overtime as applicable.</li> </ul>
<p>Compressed work schedules</p> <ul style="list-style-type: none"> <li>Work schedule that has an 80-hour biweekly basic work requirement that is scheduled for less than 10 workdays.</li> </ul>	<ul style="list-style-type: none"> <li>All hours the employee is ordered to work in excess of the compressed work schedule.</li> </ul>
<p>Flexible Work Schedules</p> <ul style="list-style-type: none"> <li>Work schedule that has an 80-hour biweekly and 40-hour weekly basic work requirement that allows an employee to vary the work schedule within limits set by the organization. There are two schedules <ul style="list-style-type: none"> <li>a basic work requirement of five 8 ½-hour workdays for</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>Work in excess of 8 hours in a day, or 40 hours in a week based on the flexible work schedule employee works.</li> </ul>



each week of the biweekly pay period. – a basic work requirement of 40 hours each week of the biweekly pay period.	
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### C2.5.1 Exempt Employees.

C2.5.1.1. Time spent in principal activities as overtime. Principal activities are the activities that an employee is:

- employed to perform.
- performs during his or her regularly scheduled administrative workweek including regular overtime work.
- performed by an employee during periods of irregular or occasional overtime.

C2.5.1.2. Time spent in pre-shift or post-shift activities as overtime.

- A pre-shift activity is a preparatory activity that an employee performs prior to the commencement of his or her principal activities.
- A post-shift activity is a concluding activity that an employee performs after the completion of his or her principal activities.
- If a supervisor authorized to approve overtime reasonably determines that the pre-shift or post-shift activity is overtime, the supervisor will schedule and credit all the time spent in that activity. The activities must be:
  - closely related to an employee's principal activities.
  - indispensable to the performance of the principal activities, and
  - the total time spent in that activity is more than 10 minutes per daily tour of duty.

Examples:

- participating in shift turnover briefings.
- locking and unlocking security containers.
- performing security double checks.



- In no case will the time credited for the performance of an activity exceed the time scheduled. Pre- or post-shift activity that is not closely related to the performance of principal activities will not be credited. Examples include traveling to and from your work site, changing clothes, and opening doors/turning on lights.

#### C2.5.1.3. Time spent traveling as overtime.

- Employee travels during normal duty hours (including regularly scheduled overtime).
- Employee works while traveling.
- The travel cannot be administratively controlled (i.e., travel is not controlled by any entity of the Executive Branch of the Government).
- The travel time to and from a temporary duty location exceeds the travel time to and from the employee's permanent duty station.
- The travel is under arduous conditions.

C2.5.1.4. Time spent on standby duty or in an on-call status as overtime. An employee is on duty and time spent on standby duty is hours of work if, for work-related reasons, the employee is restricted by official order to a designated post of duty and is assigned to a state of readiness to perform work with limitations on the employee's activities that are so substantial that the employee cannot use the time effectively for his or her own purposes.

C2.5.1.4.1. An employee will be considered off duty and time spent in an on-call status will not be considered hours of work if:

- the employee is allowed to leave a telephone number or to carry an electronic device for the purpose of being contacted, even though the employee is required to remain within a reasonable call-back status, or
- the employee is allowed to make arrangements such that any work which may arise during the on-call period will be performed by another employee.



## C2.5.2. Nonexempt Employees.

C2.5.2.1. Time spent in principal activities as overtime. All time spent by an employee performing an activity for the benefit of the agency and under the control or direction of the agency, such as:

- time the employee is required to be on duty.
- waiting time or idle time which is under the control of the agency and which is for the benefit of the agency.
- irregular or occasional overtime work performed by an employee on a day work was not scheduled.
- hours of work in excess of 8 in a day (see compressed work schedules and flexible work schedules in this table for more guidance).
- hours of work in excess of 40 in a week.
- time spent in travel.

C2.5.2.2. Preparatory or concluding activities as overtime. If an official authorized to approve overtime reasonably determines that preparatory or concluding activities are closely related to an employee's principal activities and are indispensable to the performance of the principal activities, and that the total time spent in that activity is more than 10 minutes per daily tour of duty, the supervisor will schedule and credit all of the time spent in that activity, including the 10 minutes, as hours of work. Preparatory or concluding activities that are not closely related to the performance of principal activities will not be considered overtime.

C2.5.2.3. Time spent adjusting grievances as overtime. Employees authorized to act as a representative for adjusting grievances will have their time counted as hours of work during the employee's regular scheduled work hours to include regularly and irregular/occasional overtime.

C2.5.2.4. Time spent traveling as overtime.

- Employee travels during normal duty hours (including regularly scheduled overtime).
- Employee works while traveling, includes driving a vehicle.
- Employee is a passenger on a one-day assignment away from his/her duty station.



- Employee travels on an overnight assignment on non-workdays during corresponding duty hours.
- Employee chooses to use an alternative mode of travel or to travel at another time than offered or selected by the agency.
  - Hours of work will be the lessor of either (a) the actual hours of travel, or (b) the estimated hours of travel using the agency- authorized mode of travel.

C2.5.2.5. Time spent in charitable activities as overtime. Time spent working for public or charitable purposes at DIA's request, or under DIA's direction or control shall be considered hours of work.

#### Example

Employee is assigned by DR to represent DIA at a rally for the Combined Federal Campaign hosted by the National Red Cross. The employee works at the function for 9 hours. The employee would be entitled to ½ hour of overtime excluding ½ hour for a meal period.

C2.5.2.6. Time spent on standby duty or in an on-call status as overtime. An employee is on duty and time spent on standby duty is hours of work if, for work-related reasons, the employee is restricted by official order to a designated post of duty and is assigned to a state of readiness to perform work with limitations on the employee's activities that are so substantial that the employee cannot use the time effectively for his or her own purposes.

C2.5.2.6.1. An employee will be considered off duty and time spent in an on-call status will not be considered hours of work if:

- the employee is allowed to leave a telephone number or to carry an electronic device for the purpose of being contacted, even though the employee is required to remain within a reasonable call-back status, or
- the employee is allowed to make arrangements such that any work which may arise during the on-call period will be performed by another employee.



C2.6. CALLBACK OVERTIME

C2.6.1. Callback overtime is any unscheduled overtime work performed by an employee on a day when no work is scheduled for the employee, or when the employee is required to return to his/her place of employment. Management must notify the employee that he or she must perform work to be entitled to overtime. Overtime entitlements will be:

- considered to be at least 2 hours in duration if the employee is called back to work by management after the end of his or her duty day or on a non-duty day.
- considered to be at least 2 hours in duration if the callback occurs on a holiday during the employee’s regular schedule. The employee will be entitled to 2 hours of holiday pay unless otherwise entitled to overtime for that period.
- If the employee works more than 2 hours, the actual number of hours of work will be paid.

C2.7. OVERTIME RATES

BASE PAY RATE	OVERTIME RATE
does not exceed GG-10 step 1	is the employee's hourly base pay rate multiplied by 1.5. (*)  Example  If the employee is a GG-09, step 1, making \$20.04per hour on the Washington DC locality pay chart, the employee's overtime rate would be \$30.06 per hour.

(\*) This rule does not apply to employees assigned by DIA as nonexempt employees at GG-10 or above.

BASE PAY RATE	OVERTIME RATE
equal to or exceeds the GG-10 step 1	is the greater of his/her base hourly rate of pay or the hourly rate of base



	<p>pay for a GG-10 step 1, multiplied by 1.5.</p> <p>Example</p> <p>If the employee is a GG-12, step 1, making \$29.05 per hour on the Washington DC locality pay chart, the employee's basic pay would be higher than a GG-10, step 1 (\$22.06), therefore, the employee's overtime would be \$33.09 (1.5 times GG-10, step 1).</p>
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## C2.8. OVERTIME APPROVAL

Deputy directors for or chiefs of special offices are authorized to approve irregular overtime for which payment will be made or compensatory time granted. The overtime will be scheduled on an AF Form 428, Request for Overtime, Holiday Premium Pay, and Compensatory Time. This authority may be delegated in writing to the 3-letter office level. The authority may be delegated to a branch level where division and branch headquarters are at different geographic locations.

## C2.9. COMPENSATORY TIME

Compensatory time (comp time), in lieu of paid overtime, is an amount of time off equal to the time spent in irregular or occasional overtime.

### C2.9.1. Exempt employees may:

- not earn or request comp time for regularly scheduled overtime.
- be approved for irregular or occasional overtime work.
  - Employees whose rates of pay exceed GG-10 step 10 may be required to accrue comp time in lieu of paid overtime.
  - An employee required to accrue comp time will be notified of this requirement at the time the overtime duty is ordered.
  - GG-12s and above should normally receive comp time in lieu of pay for irregular overtime worked.
  - To authorize overtime instead of comp time, the approving official must be one organization level higher than the employee's supervisor but no higher than the deputy director for or chief of special office.
  - To request comp time the employee will initial his/her Time and Attendance sheet.
- Consultants and experts may not be granted comp time off in



lieu of paid overtime.

#### C2.9.2. Nonexempt Employees.

- May request comp time off in lieu of overtime but supervisors may not mandate comp time in lieu of the payment of overtime.
- To request comp time the employee will initial his/her Time and Attendance sheet.
- Consultants and experts may not be granted comp time off in lieu of paid overtime.

C2.9.3. Comp time *may not be earned* when payment of the extra hours at overtime rates would be improper, as in the case of an employee for any period is limited to the greater of a GG-15/10, with locality pay if applicable, or level V of the Executive Schedule.

C2.9.4. Comp time off normally will be taken in the same pay period as that in which the overtime was worked. Comp time off must be used by the end of the 26<sup>th</sup> pay period after it is earned. Comp time not used during the established time period will be paid at the overtime rate at which it was earned.

C2.9.5. Employees who separate or transfer to another DoD agency will have their remaining comp time paid at the overtime rate at which it was earned.

#### C2.10. NIGHT PAY DIFFERENTIAL AND NIGHT SHIFT DIFFERENTIAL

	<b>NIGHT PAY DIFFERENTIAL</b>	<b>NIGHT SHIFT DIFFERENTIAL</b>
Coverage	<ul style="list-style-type: none"> <li>• All GG employees.</li> </ul>	<ul style="list-style-type: none"> <li>• All FWS employees.</li> </ul>
Definition	Night pay differential is paid to GG employees for regularly scheduled work performed between the hours of 6 p.m. and 6 a.m.	Night shift differential is paid to an employee when the majority of regularly scheduled non-overtime hours fall between 3 p.m. and 8 a.m.



	<b>NIGHT PAY DIFFERENTIAL</b>	<b>NIGHT SHIFT DIFFERENTIAL</b>
Rates of differential	<ul style="list-style-type: none"> <li>An employee who performs night work is entitled to pay for that work at the base hourly rate plus 10 percent.</li> </ul>	<ul style="list-style-type: none"> <li>Employees are entitled to his or her scheduled hourly rate plus               <ul style="list-style-type: none"> <li>-7 ½ percent of the rate for regularly scheduled non-overtime work when the majority of the hours occur between 3 p.m. and midnight, or</li> <li>-10 percent of that rate for regularly scheduled non-overtime work when the majority of the hours occur between 11 p.m. and 8 a.m.</li> </ul> </li> <li>Employees are not eligible not entitled to night pay if they voluntarily elect to work               <ul style="list-style-type: none"> <li>flexible hours under a flexible work schedule between 6 p.m. and 6 a.m.</li> <li>overtime hours between 6 p.m. and 6 a.m.</li> </ul> </li> </ul>
Determining Hours	<ul style="list-style-type: none"> <li>Employees receive night pay differential for regularly scheduled hours actually worked at night between 6 p.m. and 6 a.m.</li> </ul>	<ul style="list-style-type: none"> <li>No comparable provision.</li> </ul>



	<ul style="list-style-type: none"><li>• Employees are not eligible not entitled to night pay if they voluntarily elect to work<ul style="list-style-type: none"><li>- flexible hours under a flexible work schedule between 6 p.m. and 6 a.m.</li><li>- overtime hours between 6 p.m. and 6 a.m.</li></ul></li></ul>	
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	<b>NIGHT SHIFT DIFFERENTIAL</b> (b)(3):10 USC 424	<b>NIGHT PAY DIFFERENTIAL</b>
Flexibilities in determining hours	<ul style="list-style-type: none"><li>• [redacted] may designate another time, between 6 p.m. and 6 a.m., as the beginning and end of night work outside the United States where the customary hours of business in the locality extend into the hours of night work.  -Deputy directors for or chiefs of special offices must forward a written request for such designation to [redacted] for approval.</li></ul> (b)(3):10 USC 424	<ul style="list-style-type: none"><li>• No comparable provision.</li></ul>
Base pay	<ul style="list-style-type: none"><li>• Night pay differential is not included in the rate of base pay used</li></ul>	<ul style="list-style-type: none"><li>• Night shift differential is part of base pay which is used to</li></ul>



	to calculate overtime, Sunday, or holiday pay. It does not count toward deductions for retirement or group life insurance.	calculate overtime, Sunday and holiday pay, and amounts of deductions for retirement and group life insurance.
Treatment of holiday	<ul style="list-style-type: none"> <li>Employees are entitled to a night pay differential when excused from night work on a holiday or other non-workday.</li> </ul>	<ul style="list-style-type: none"> <li>Employees are entitled to a night pay differential when excused from night work on a holiday or other non-workday.</li> </ul>
While in a travel status	<ul style="list-style-type: none"> <li>Employees are entitled to a night pay differential for night hours of their tour of duty while they are in an official travel status, whether performing actual duty or not.</li> </ul>	<ul style="list-style-type: none"> <li>Employees are entitled to a night pay differential for night hours of their tour of duty while they are in an official travel status, whether performing actual duty or not.</li> </ul>

	<b>NIGHT SHIFT DIFFERENTIAL</b>	<b>NIGHT PAY DIFFERENTIAL</b>
While temporarily assigned	<ul style="list-style-type: none"> <li>Employees are entitled to a night pay differential when they are temporarily assigned during the administrative workweek to a daily tour of duty that includes night work.</li> </ul>	<ul style="list-style-type: none"> <li>Employees regularly assigned to a night shift who are temporarily assigned to a day shift or a night shift with a lower night shift differential continue to receive their regular night shift differential. A temporary detail for</li> </ul>



		<p>training purposes is included.</p> <ul style="list-style-type: none"> <li>• Employees regularly assigned to a night shift who are temporarily assigned to another shift with higher differential is paid the higher differential if the majority of the employee's regularly scheduled non-overtime work fall within hours having the higher differential.</li> <li>• Employees regularly assigned to a day shift temporarily assigned to a night shift are paid night shift differential.</li> </ul>
While on leave	<ul style="list-style-type: none"> <li>• Employees are entitled to a night pay differential for a period of leave <i>only when</i> the total amount of that leave in a pay period, including both night and day hours, is less than 8 hours.</li> </ul>	<ul style="list-style-type: none"> <li>• Employees regularly assigned to a night shift is paid a night shift differential during periods of paid leave.</li> <li>• Employees assigned to a day shift who are temporarily assigned to a night shift receives a night shift differential for any paid leave taken when scheduled to work night shifts.</li> <li>• Employees assigned to regularly rotating schedules involving work on both day and night shifts are paid a night shift differential for any paid leave taken when scheduled to work night shifts.</li> </ul>



	<b>NIGHT SHIFT DIFFERENTIAL</b>	<b>NIGHT PAY DIFFERENTIAL</b>
While on leave (continued)		<ul style="list-style-type: none"> <li>Employees not regularly scheduled to a day shift or a night shift but whose shift is changed at irregular intervals is paid a night shift differential during paid leave if the employee received a night shift differential for the last shift worked before leave began.</li> </ul>

## C2.11. HOLIDAY PAY

Holiday pay is 100 percent of an employee's base pay, in addition to base pay and other entitlements to premium pay, and will be paid in accordance with the below table. Holiday pay will be paid:

- not in excess of 8 hours for employees assigned to a basic and a flexible work schedule.
- for the number of hours normally scheduled for that day for employees working a compressed work schedule.
- a minimum of 2 hours of holiday work for employees assigned to duty on a holiday.

C2.11.1. Overtime and holiday pay. Overtime will be paid at the same rate on a holiday for overtime work on other days.

C2.11.2. Night pay, shift differential and holiday pay. Night pay and shift differentials will be paid in addition to holiday pay, if applicable, for holidays employees are required to work.

## C2.12. SUNDAY PAY

- Sunday pay is 25 percent of an employee's hourly base pay, which is in addition to their hourly base wage. To be receive Sunday pay, the employee's regularly scheduled basic workweek must include work that begins or ends on Sunday.
- The employee is paid for Sunday work when their work is:
  - not in excess of 8 hours, excluding the following exceptions:



- maximum number of hours of that can be paid is 16. This would be for two 8-hour tours: one starting on Saturday night and ending on Sunday morning; and the next tour starting on Sunday night and ending on Monday morning.
  - employees on compressed work schedules are entitled to Sunday premium pay for the number of hours they are scheduled to work on Sundays, excluding overtime hours.
- not overtime.
- Sunday premium pay may only be paid for hours actually worked. Employees absent on leave, excused absences or holidays may not receive Sunday premium pay for corresponding hours.

## C2.13. HAZARD PAY AND ENVIRONMENTAL DIFFERENTIALS

### C2.13.1. Definitions

- Duty involving physical hardship—duty that may not in itself be hazardous, but causes extreme physical discomfort or distress and is not adequately alleviated by protective or mechanical devices, such as duty involving exposure to extreme temperatures for a long period of time, arduous physical exertion, or exposure to fumes, dust, or noise that causes nausea, skin, eye, ear, or nose irritation.
- Environmental differential—additional paid for a duty involving unusually severe hazards or working conditions.
- Hazard pay differential—additional pay for the performance of hazardous duty or duty involving physical hardship.
- Hazardous duty—duty performed under circumstances in which an accident could result in serious injury or death, such as duty performed on a high structure where protective facilities are not used or on an open structure where adverse conditions such as darkness, lighting, steady rain, or high wind velocity exists.

### C2.13.2. Hazard Pay Differential (GG employees)

Eligibility	<ul style="list-style-type: none"> <li>• All GG employees who perform duty for which a hazard pay differential is authorized in Title 5 CFR, Subpart E, Appendix A, Subpart I, Pay For Duty Involving</li> </ul>
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	<p>Physical Hardship or Hazard.</p> <ul style="list-style-type: none"> <li>Hazard pay differential may not be authorized to employees when the hazardous duty or physical hardship has been taken into account in the classification of his or her position by [REDACTED] or [REDACTED] DH employees. (b)(3):10 USC 424</li> </ul>	(b)(3):10 USC 424
Payment	<ul style="list-style-type: none"> <li>Supervisors will consult with [REDACTED] for DH employees, prior to the authorizing the payment of hazardous pay differentials.</li> <li>Supervisors will code "ZB" on the employee's time and attendance sheet for all of the hours of the employee's shift on the day of the exposure.</li> <li>Supervisors will code the percentage of hazard pay differential applicable for the exposure on the employee's time and attendance sheet.</li> <li>Hours in a pay status for work performed over 2 days must be considered to have been performed on the day on which the work began.</li> </ul>	(b)(3):10 USC 424
Base Pay	<ul style="list-style-type: none"> <li>Hazard pay differential is not considered part of base pay in computing additional pay, allowances or benefits.</li> </ul>	
Terminating Hazardous Pay Differentials	<ul style="list-style-type: none"> <li>Hazard pay differentials will be terminated when             <ul style="list-style-type: none"> <li>one or more of the conditions requisite for payment cease to exist.</li> <li>safety precautions have reduced the element of hazard to a less than significant level of risk., or</li> <li>protective or mechanical devices have adequately</li> </ul> </li> </ul>	



	eliminated physical discomfort or distress as determined by <div></div>
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(b)(3):10 USC  
424

C2.13.3. Environmental Differential (FWS employees)

Eligibility	<ul style="list-style-type: none"><li>• All FWS employees, to include lithographic employees (XP), exposed to a working condition or hazard that falls within one of the categories approved by the Office of Personnel Management (OPM).</li><li>• <div></div> will evaluate working conditions or hazards to determine if the situation is covered by one or more of the defined OPM categories found in 5 CFR 532.511.</li></ul>
Payment	<ul style="list-style-type: none"><li>• Employees will be paid an amount equal to the percentage rate authorized for the category in which the working conditions or hazard falls, multiplied by the rate for the second step of a WG-10 or equivalent.</li><li>• Employees entitled to be paid an environmental differential on the basis of hours in a pay status shall be paid for all hours in a pay status on the day on which he or she is exposed to the situation.</li><li>• Employees entitled to an environmental differential on an actual exposure basis shall be paid a minimum of one hour's differential pay for the exposure. Beyond one hour, employees will be paid in ¼ hour increments from the beginning to the end of the exposure.</li><li>• Employee is entitled to only one environmental differential for a particular period of work.</li><li>• Payment is based on the highest environmental rate authorized for the exposure category.</li></ul>

(b)(3):10 USC  
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	<ul style="list-style-type: none"><li>• Payment may never exceed the number of hours scheduled to work on the day of exposure.</li><li>• Supervisors will consult with <span style="border: 1px solid black; display: inline-block; width: 150px; height: 1.2em; vertical-align: middle;"></span> for DH employees, prior to the authorizing the payment of an environmental differential.</li><li>• Supervisors will code "ZA" on the employee's time and attendance sheet for authorized hours of environmental differential pay for the employee's shift on the day of the exposure.</li><li>• Supervisors will code the percentage of environmental differential pay applicable for the exposure on the employee's time and attendance sheet.</li></ul>
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(b)(3):10 USC  
424

Base pay	<ul style="list-style-type: none"><li>• Environmental differential pay is part of base pay and will be used to compute premium pay for overtime, holiday or Sunday work, for retirement deductions, and the amount on which group life insurance is based.</li></ul>
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## C3. CHAPTER 3

## ALLOWANCES, DIFFERENTIALS, AND BONUSES

## C3.1. POST DIFFERENTIAL

- Post differential is additional compensation of 10, 15, 20, or 25% over base compensation granted to employees at overseas locations (posts) when conditions at that post involve extraordinarily difficult living conditions, excessive hardship, or notably unhealthy conditions. Living costs are not considered in differential determination.
- Post differential starts after the deployed employee has served for a consecutive 42-day period at one or more posts where a post differential (either foreign or non-foreign) has been authorized. It is effective the date on which the post is classified for a differential as determined by the Department of State.
  - Rate changes could occur on a biweekly basis as determined by Department of State.
- Post differential ends when it is terminated by the Department of State or the date the employee begins to travel to depart his or her assignment.
- Payment of post differential is made upon return to CONUS by submitting a copy of the employee's travel orders and travel voucher to  for DH employees.

## C3.2. DANGER PAY

- Danger pay is an allowance of 15, 20, or 25% of base pay established by the department of State when, and only when, civil insurrection, civil war, terrorism or wartime conditions threaten physical harm or imminent danger to the health or well being of a majority of employees officially stationed or deployed at a post in a foreign area.
- Danger pay starts on the date designated by the Department of State or the date of arrival of an employee entering a post where danger pay is in effect.
  - Rate changes could occur on a biweekly basis as determined by Department of State.
- Danger pay ends on the day the designation is removed by the Department of State or the date of departure from a post for any reason.
- Payment of danger pay is made upon return to CONUS by submitting a copy of the employee's travel orders and travel voucher to  or  for DH employees.

(b)(3):10 USC  
424(b)(3):10 USC  
424(b)(3):10  
USC 424



### C3.3. IMMINENT DANGER PAY

Imminent danger pay is a payment of \$150.00 per month (\$255 per month for the period October 2002 – 31 December 2004) to civilian employees at locations identified by the Secretary of Defense and approved for imminent danger pay for military. Employees receiving danger pay or post differential are not entitled to imminent danger pay.

### C3.4. RELATIONSHIP BETWEEN POST DIFFERENTIAL AND DANGER PAY

- Post differential may include hardship attributable to political violence. Therefore, when conditions worsen to the point that the Department of State authorizes a danger pay allowance, the post differential is normally reduced to avoid dual credit of the political violence. Employees may receive both post differential and danger pay if both are authorized by the department of State.
- Post differential payments (combined with basic compensation) are subject to a maximum of level II of the Executive Schedule. Effective 23 October 2003, the pay cap has been lifted for post differential until further notice. Contact   for DH employees, to determine if the lifting of the pay cap is still in effect.
- Danger pay is not subject to any ceiling, however, both post differential and danger pay are subject to the aggregate limitation of level I of the Executive Schedule. If level I is exceeded during any calendar year, a portion of the payment may be held for the following calendar year.

### C3.5. HOSTILE FIRE PAY

- Hostile fire pay is a payment of \$150.00 per month to civilians who are
  - subject to hostile fire or explosion of hostile mines.
  - on duty in an area in which the employee was in imminent danger of being exposed to hostile fire or explosion of hostile mines and in which, during the period of duty in that area, other employees were subject to hostile fire or explosion of hostile mines, or
  - killed, injured, or wounded by hostile fire, explosion of hostile mines, or any other hostile action.
- An employee receiving post differential or danger pay is not eligible for hostile fire pay.
- Hostile fire pay is not prorated. Any employee certified by the appropriate management official will receive the full monthly payment. Additionally, an employee who was injured or wounded by hostile fire, and who was hospitalized for the treatment of the injury or wound may



be paid hostile fire pay for not more than three additional months during a related hospital stay.

## C3.6. RELOCATION BONUSES

### C3.6.1. General Information

- A relocation bonus is a percentage of an employee's annual base pay given to an employee who must relocate to accept a position in a different commuting area, provided there is a determination that, in the absence of such a bonus, difficulty would be encountered in filling the position. Relocation bonuses apply to individual employees or categories of employees.

### C3.6.2. Criteria

- for DH employees, considers the following criteria when determining relocation bonuses:
  - success of recent efforts to recruit candidates for similar positions, including indicators such as offer acceptance rates, the proportion of positions filled, and the length of time required to fill similar positions.
  - recent turnover in similar positions.
  - labor market conditions that may affect the ability of DIA to recruit candidates for similar positions now or in the future, and
  - special qualifications needed for the position.

### C3.6.3. Approval Authority. Delegated to

(b)(3):10 USC  
424

### C3.6.4. Process

- Deputy directors for or chiefs of special offices may forward requests for relocation bonuses, for review and recommendation by the Chief,  for DH employees.
- for DH employees, recommends approval to
- Relocation bonuses may be paid provided there is a written determination by the approving official that, in the absence of such a bonus, difficulty would be encountered in filling the position

### C3.6.5. Service Agreement



- Before a relocation bonus may be paid, the employee offered such a bonus must sign a written service agreement to complete 12 months of employment with DIA.
  - Failure by the individual to complete the service agreement will obligate the employee to a pro rata repayment of the recruitment bonus.

C3.6.6. Payment. A relocation bonus shall be calculated as a percentage (not to exceed 25 percent) of the employee's annual rate of basic pay and paid as a lump sum.

C3.6.7. Repayment. Payments made for periods that are not completed in accordance with individual service agreements are overpayments and are subject to the debt collection process as outlined in DoD 7000.14-R, Volume 8. Recovery of an employee's debt may be waived in whole or in part when recommended by   if he or she determines that recovery would be against equity and good conscience or against the public interest.

(b)(3):10  
USC 424



## C4. CHAPTER 4

## FOREIGN LANGUAGE PROFICIENCY PAY (FLPP)

## C4.1. FOREIGN LANGUAGE PROFICIENCY PAY (FLPP)

FLPP is a discretionary payment to qualified employees. Within DIA, FLPP may be paid to any U.S. citizen. Eligibility and criteria for FLPP is established in DIA Regulation 24-8, Defense Intelligence Agency Foreign Language Program.

## C4.2. RESPONSIBILITIES

- SUPERVISORS

- FLPP requests may be initiated for qualified employees by submitting an SF 52, a copy of the DLPT results, and a Form 300, with the statement, “This position supports the payment of FLPP for (name of language).” The PAR action will be routed through the [REDACTED] to [REDACTED] for DH employees, as appropriate
- Request termination of FLPP by submitting an SF 52 when conditions supporting its payment are no longer applicable

- FOREIGN LANGUAGE PROGRAM MANAGER

- Determines employee’s eligibility for FLPP and certifies to [REDACTED] for DH employees, the proficiency payment due to the employee based on the criteria in DIAR 24-8

- [REDACTED] for DH employees

- Process SF 52 requests for FLPP, recording required FLPP data in eZHR and initiating a FLPP termination SF 52 if the supervisor fails to terminate FLPP in a timely manner

- SERVICING PAYROLL OFFICE

- Pay employee's FLPP, recover overpayment, and provide FE and [REDACTED] an annual report of FLPP expenditures

- DIRECTORATE OR CHIEF OF SPECIAL OFFICE  
ADMINISTRATION OFFICES

- Upon receiving the employee recertification report from [REDACTED] or [REDACTED] for DH employees, notify both the employee and employee’s supervisor in writing or by electronic mail, as



appropriate, of the requirement to recertify in order to continue FLPP

#### C4.3. PAYMENT OF FLPP

- Payments become effective on the pay period after [redacted] for DH employees, has determined that all documentation and approvals have been received. Retroactive approval and payment of FLPP is not authorized by law and *will not* be approved. (b)(3):10 USC 424
- FLPP is paid in conjunction with established pay periods. FLPP is not considered part of an employee's rate of base pay for any purpose (e.g., retirement, insurance, etc.) and is taxable income.
- FLPP may be terminated or reduced at any time by the DR. FLPP is terminated the pay period following the one in which the language that supports FLPP pay is removed from the DIA Critical Language List, or at the end of 26 pay periods if the recipient has not successfully retested.

#### C4.4. REQUESTING AN EXTENSION TO RETESTING

- Employees who are unable to retest due to circumstances beyond their control, i.e., deployed to a geographic area that does not have a testing facility, may request in writing for an extension to the payment of FLPP.
  - The request must be in writing, state the attempts made to test in a timely manner, state the reasons why testing could not be accomplished, and bear the signature of the employee. Electronic messages (e-mail) may be used when circumstances hinder the employee from reducing the request in writing. The email must be routed thru 3 letter office chief or higher for endorsement.
  - The request must be forward through the employee's supervisor, endorsed by the 3 letter office level chief or higher, forwarded through Foreign Language Program Manager to [redacted] or [redacted] for DH employees. (b)(3):10 USC 424
- The request must arrive in [redacted] for DH employees, prior to the end of the 26<sup>th</sup> pay period. FLPP will be terminated at the end of the 26<sup>th</sup> pay period if retesting has not been successfully completed or an extension granted. (b)(3):10 USC 424
- Employees granted an extension for the payment of FLPP must retest successfully and be certified by the Foreign Language Program Manager (or designee) for payment within 45 calendar days following return to their permanent duty station. [redacted] for DH employees, is responsible for submitting a PAR to update eZHR (b)(3):10 USC 424



(b)(3):10 USC 424

concerning the extension and [REDACTED] will process the PAR in order for the employee to continue receiving FLPP without interruption during the extension period. Failure to comply with this procedure will result in termination of FLPP.



## E3. Enclosure 3

**DIA PAY SETTING NEGOTIATIONS GUIDE**

February 2005

Applicable in conjunction with  
DIAI 1400.001, "Career Advancement 21", and DIAI 1400.002, "Civilian Pay  
Administration"

1. Purpose.

(b)(3):10 USC 424 This guide provides the operating procedures for pay setting and the collaboration process between servicing human resources managers in the Office for Human Resources [redacted] and selecting officials in special cases and when properly justified (hard to recruit or unique skills) for individuals identified to join DIA's workforce. This guide will be revised as necessary.

2. Responsibilities.

(b)(3):10 USC 424

2.1. The Chief, [redacted] and the Chief of Staff are the only two entities in DIA empowered by the Director to approve hiring bonuses and higher starting salaries.

(b)(3):10 USC 424 2.2. [redacted] Human Resources Manager (HRM):

- 2.2.1. Has authority to set and match pay with evidence of current salary when current employment is related to the advertised position or when the selectee has recent creditable experience, even if not being used in current job for private sector recruits.
- 2.2.2. Is authorized to consider military compensation in making a salary offer to separating or retired military personnel. This does not imply any requirement to match active duty compensation packages.
- 2.2.3. Has the authority to approve a one to two-step increase for federal government employees moving to DIA on a lateral basis. This includes those who are moving from a regular rate scale to a special rate scale.
- 2.2.4. Uses the normal two-step pay-setting rule to calculate the increase at the higher grade for federal government employees moving to DIA and selected for promotion.
- 2.2.5. May use recruitment bonuses for hard-to-recruit positions or in those instances where a bonus is needed to close a deal with an applicant who has a competing job offer from private industry.



2.3. Process for designating hard-to-recruit occupations. The agency may target series, positions, or locations that have been difficult to fill in the past and that are likely to continue to be difficult to fill in the future for automatic consideration of pay setting at the advanced hiring rate or a hiring bonus. The list of hard to recruit jobs, which changes from time to time, has typically included:

- |                                |                        |
|--------------------------------|------------------------|
| -- Financial Resources Manager | -- Physical Scientist  |
| -- Biological Scientist        | -- Computer Specialist |
| -- Engineers                   | -- Computer Scientist  |

2.4. Directorates/special offices will be consulted for concurrence for higher starting salaries and recruiting bonuses. The HRM is the principal who conducts the actual negotiations with the selectee, but the directorates/special offices are an essential part of the DIA team.

### 3. Procedures.

3.1. After contacting the candidate to extend the job offer, the HRM will discuss the salary. If the normal salary offer does not meet an applicant's requirement, the [REDACTED] HRM will determine the selectee's salary requirements.

(b)(3):10 USC 424

3.2. [REDACTED] notifies the selecting official of the selectee's salary requirements. Using the justification factors in 3.2.1., and considering pay equity with other employees with equivalent qualifications performing similar duties, the directorate/special office chief or deputy provides concurrence or non-concurrence with the hiring bonus or higher starting salary.

3.2.1. Directorate/special offices will consider the following factors before concurring with an advanced hire rate or hiring bonus request:

- Criticality of the skills/knowledge to the agency's mission.
- Possession of superior qualifications by a non-Federal government selectee, or a special DIA need for the selectee's skills.
- Superior qualifications for non-shortage positions after substantial efforts to obtain the best qualified candidate at the minimum rate have failed.
- Candidates with critical foreign language skills.
- Availability of a second selectee documented on the certificate.
- Possession of superior qualifications/critical skills by current Federal employees requesting increases of one or two steps for reassignments to DIA. (2.2.3 only addresses increases of 1-2 steps on lateral assignments.)
- Success of recent efforts to recruit candidates for similar positions including indicators such as offer/acceptance rates, the proportion



of positions filled, and the length of time required to fill similar positions.

- Recent turnover rate in similar positions.
- Labor-market factors that may affect the ability to recruit candidates for similar positions now or in the future.

3.2.2. Selecting officials are prohibited from:

- Making salary or bonus promises to any applicant or selectee.
- Coaching or advising applicants or selectees to seek advanced salary requests or hiring bonuses, either directly or indirectly.
- Engaging in salary negotiations with selectees (this responsibility has been specifically delegated to [REDACTED] HRMs and their supervisors).

(b)(3):10 USC 424

3.3. After the directorate/special office chief or deputy informs [REDACTED] of their decision, the servicing HRM presents the candidate DIA's final employment offer.

(b)(3):10  
USC 424

4. Oversight: The Chief of Staff will exercise oversight to ensure compliance.