HROI - Setting Pay for Moves from FV To FG

The information in this HROI should be used in conjunction with the appropriate policy chapters found within the Human Resource Policy Manual.

Current as of: January 11, 2004

Background

This policy is used when employees are moving from FV positions to FG positions in FAA. The FAA does not set pay for employees moving to other agencies. The information contained in this chapter may be provided to requesting agencies for their information; however, it is the responsibility of the gaining agency to set pay.

Process

Step 1: Determine Employee's Converted Grade

Before pay for the move can be set, the HR office must determine if the move is a Promotion, Change to Lower Grade, or Reassignment. Pay rules will be dependent on the Nature of Action Code.

Use the Conversion Chart (MS Excel) to identify the FG grade(s) converted into the employee's current career level.

- When the career level includes more than one FG grade, find the highest grade that has step 4 (representative rate) equal to or lower than the employee's current base salary. This will be considered the "converted grade."
- Exception:

  1. an employee's converted grade may not be lower than the grade held by the employee immediately preceding conversion or reassignment to FV, unless since that time the employee has undergone a reduction in band.

     Example: On the date of conversion, employee was an FG-201-9/1 converted to Pay Band F. Using the procedure described above, employee's converted grade would be FG-7. However, because the employee was an FG-9 immediately preceding conversion, the converted grade in this case would be FG-9.

  2. if the employee's pay rate exceeds the maximum rate of the grade identified, but fits in the rate range for the next higher applicable grade in the band (i.e., between step 1 and step 4), then the employee's converted grade will be that next higher applicable grade.

Step 2: Calculate Employee's "converted step"

Find the step in the converted grade that is closest, but higher, to the employee's current base pay. This is the employee's "converted step."

Step 3: Determine Nature of Action

- If the converted grade is lower than the grade of the new position, the action will be a **Promotion**.
- If the converted grade is the same as the grade of the new position, the action will be a **Reassignment**.
- If the converted grade is higher than the grade of the new position, the action will be a **Change to Lower Grade**.

Step 4: Apply FG pay policies

- For Promotion:
  - Add 2 steps to the employee's "converted step." Set pay at the closest but higher step in the new grade.

- For Reassignment:
  - Place employee on converted step.

- For Change to Lower Grade:
  - Set pay using applicable rules depending on circumstances (use of Highest Previous Rate, etc.)

Remember to calculate the pay anniversary date and reset if necessary.

Example

Administrative Support Level 2 with a base salary of $28,000 is selected for a Secretary, FG-318-7.

- Using the Conversion Chart (MS Excel):
  - FG-7 and FG-8 were both converted to Administrative Support Level 2.
  - The highest grade where step 4 is lower than or equal to the employee's current base salary:
    - FG-7/4 = $29,903
    - FG-8/4 = $33,119

- Because both representative rates are higher than the employee's current base pay, the lower grade (FG-7) becomes the "converted grade."

- Find the step in the converted grade that is closes to, but higher than, the employee's current base salary:
  - salary = $28,000 FG-7/2 = $28,091

- Determine Nature of Action:
  - Employee's converted grade is FG-7 and employee was selected for FG-7. This action is a reassignment

- Apply pay setting rule:
  - Employee's pay is set at converted step, FG-7/2.