

# 4 Pay Administration

## 410 Pay Administration Policy for Nonbargaining Unit Employees

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### 411 General

#### 411.1 Scope

This subchapter establishes the conditions and procedures for setting salaries of Postal Service nonbargaining unit career and noncareer employees in supervisory, professional, technical, clerical, administrative, and managerial positions in the Executive and Administrative Schedule (EAS) and applies to all employees *except* the following:

- a. Employees covered by collective bargaining agreements (except when assigned to nonbargaining positions).
- b. Employees assigned to the Postal Career Executive Service (PCES).
- c. Employees in the Office of the Inspector General.
- d. Employees in the Inspection Service designated as *law enforcement*.
- e. Employees in attorney positions in the office of the General Counsel.

#### 411.2 Objectives

The principal objectives of Postal Service compensation policies are:

- a. To provide compensation for Postal Service work comparable to compensation paid for comparable levels of work in the private sector of the U.S. economy.
- b. To provide compensation that will attract, motivate, and retain qualified and capable personnel.
- c. To provide adequate and reasonable differentials in rates of pay between employees in the clerk and carrier grades in the line work force and supervisory and other managerial personnel.
- d. To provide for effective administration of salary expenditures.
- e. To provide for recognition of and reward for differences in individual ability and performance.

- f. To provide uniform methods for establishing and applying salary rates to employment, placement, promotion, and other changes in the status of employees.

411.3 **Responsibility**

411.31 **Assignment of Positions**

The vice president of Employee Resource Management has the responsibility for determining the appropriate dollar range and salary grade for each position covered by 410.

411.32 **Policy and Procedural Changes**

Recommendations concerning compensation policy and procedural matters are evaluated and developed under the direction of the vice president of Employee Resource Management. Exceptions to the policies contained in this subchapter require approval by the vice president of Employee Resource Management or designee.

411.33 **Determination of Salaries**

411.331 **Responsibility of Appointing Officer**

The appointing officer has the primary responsibility for setting salaries of employees in nonbargaining unit positions according to the policies contained in this subchapter.

411.332 **Approval Required**

In all cases, the appointing officer's superior must approve the salaries set by the appointing officer.

411.333 **EAS A–E Postmaster Rates**

A–E postmasters are paid at hourly rates for less than a 40-hour week (see Rate Schedule F). For changes between A–E postmaster and full-time positions, these hourly rates are first converted to full-time annual salaries using the following equation:

$$\text{Full-Time Annual Salary} = \text{Hourly Rate} \times 2080.$$

411.4 **Payment Procedures for Post Office Space**

411.41 **Lease Agreement**

411.411 **Basis for Payment**

A postmaster who has a lease agreement is reimbursed on the basis of actual lease rates for the location and not on the basis of the postmaster's salary grade.

411.412 **Newly Appointed Postmaster**

Postmasters who are newly appointed as EAS A–E or EAS-11 are (a) paid under standard lease agreements for the space they provide and (b) receive equipment from the Postal Service supply system.

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411.413 **Conversion to Rental Allowance**

Conversion from the lease agreement system to the rental allowance system is not permitted.

411.42 **Rental Allowance**411.421 **Allowance Amounts**

The rental allowance for EAS A–E postmasters who furnish quarters and equipment covers rent, fuel, lights, and equipment. The rental allowance maximums for these Post Offices are fixed as follows:

Post Office Service Hour Category	Annual Rental Allowance
A	\$ 342.75
B	\$ 514.05
C	\$ 685.50
D	\$ 856.80
E	\$ 1,028.10

411.422 **Change in Allowance**

If the salary grade of a postmaster (who receives an allowance) is increased, the rental allowance is not increased. If, however, the grade of the postmaster is decreased, the allowance is reduced to the amount shown in 411.421 for the new (lower) grade.

411.423 **Manner of Payment**

Normally, payment of rental allowance is made at the same time and in the same manner as payment for basic compensation. (See also 411.424 and 411.425.)

411.424 **Absent Postmaster**

When a postmaster is absent on approved leave without pay, the allowance continues to be paid to the postmaster — not to the person performing the duties of the postmaster.

411.425 **Vacant Postmaster Position**

When a postmaster's position is vacant and the facilities are still used by the Postal Service, claims for payment must be filed with the Eagan Accounting Service Center (ASC). Note that:

- a. If the facilities are furnished by the former postmaster (or his or her estate), the allowance continues to be paid to the former postmaster (or his or her estate) until a new postmaster is appointed. A lease agreement is then negotiated.
- b. If the person performing the duties of postmaster provides the facilities, the allowance for the salary grade of the Post Office is paid to the person performing the postmaster duties.

411.426 **Conversion to Lease Agreement**

A postmaster receiving rental allowance is permitted to convert to the lease agreement system at any time. If the rental allowance is to be discontinued, the change is effective on the date of the lease agreement.

412 **New Appointment**412.1 **Career Appointment**

A new employee hired into the EAS schedule is paid the minimum salary for the grade of the position to which hired except in the following circumstances:

- a. *Exceptional Qualifications.* If the appointing official determines that the person has exceptional qualifications, the starting salary may be set up to the 25th percentile of the grade, provided the individual does not receive an increase in salary of more than 30 percent or \$5,000 per year, whichever is greater, over the salary of the previous position held outside the Postal Service.
- b. *Trial Period.* If the appointing officer determines that a newly hired person should first serve a trial period, the salary may be set not more than 10 percent below the minimum of the range for the grade except as provided in 412.1d To determine whether to retain or separate the employee, the employee's performance must be reviewed prior to the expiration date of his or her 6-month probationary period. Note that:
  - (1) If the employee is retained, the salary must be increased to the minimum of the grade within 12 months from date of hire. This salary increase is *not* a merit increase.
  - (2) Eligibility for a merit increase is determined in accordance with the merit pay administrative guidelines.
- c. *Reinstatement or Transfer.* The appointing officer may, when more favorable to the employee, set the salary of a former or current federal civilian or former Postal Service employee who is being given a Postal Service career appointment, at a point between the minimum and the highest basic compensation the employee previously received. However, the salary may not be in excess of the maximum rate of the grade for the assigned position.
- d. *Supervision of Bargaining Unit Employees.* When an appointment is to an exempt EAS-15 through EAS-18 grade position that involves directly supervising two or more full-time equivalent bargaining unit employees, the salary must be no less than the fixed supervisory differential salary rate for those employees appointed to positions listed in [Exhibit 412.1d](#).

**Exhibit 412.1d**  
**Positions Eligible for Supervisory Differential**

Position	EAS Grade	Occ Code	SDA Rate
Supervisor, Maintenance Operations	17	2355-0010	\$48,500
Superintendent, Maintenance	17	4704-6009	48,500
Manager, Maintenance	17	2355-0008	48,500
Manager, Maintenance	16	2355-0009	48,500

Position	EAS Grade	Occ Code	SDA Rate
Supervisor, Postal Police	17	2335-0022	47,500
Supervisor, Vehicle Maintenance	17	5823-0007	47,000
All other SDA-eligible supervisors	15–18	Varies	45,000

#### 412.2 **Noncareer Appointment**

A noncareer employee is hired in accordance with the provisions in 419.

### 413 **Promotion to Nonbargaining Unit Positions**

#### 413.1 **Definition**

A *promotion* is the permanent assignment, with or without relocation, of an employee to (a) an established position having a higher grade than the position to which the employee was previously assigned in the same schedule or (b) a position with a higher than equivalent grade (see 418.1) in another schedule. The following provisions apply:

- a. *Employee With Rate Retention.* When an employee who has rate retention (see 415.6) is assigned to a different position, the assignment is not a promotion unless it is to a position with a grade or grade equivalent higher than the grade on which the rate retention was established.
- b. *Employee Below Minimum Rate.* An employee hired below the minimum rate (see 412.1b) is not eligible for promotion until placed in at least the minimum rate of the grade for which hired.

#### 413.2 **Promotion Increase**

#### 413.21 **EAS Employees**

Nonbargaining unit employees receive promotion increases from 3 to 8 percent, subject to the conditions and exceptions described below. In determining the amount of an increase, consideration must be given to such factors as responsibility and complexity of the job, skill requirements, and the employee's experience, credentials, and salary history.

- a. An increase cannot result in a salary that is below the minimum or exceeds the maximum of the new grade.
- b. An increase of more than 8 percent is given if necessary to bring the salary to the minimum of the new grade or the minimum salary for certain supervisory positions as set forth in 413.21d.
- c. The total of promotion and merit increases to salary in the preceding 52-week period cannot exceed 15 percent of the employee's salary at the beginning of the 52-week period unless a larger increase is necessary to bring the salary to the minimum set forth in 413.21d.
- d. For promotions to positions at grades 15 through 18 that require supervising two or more full-time equivalent bargaining unit employees, the amount of the increase must result in a salary that is no less than

the fixed supervisory differential salary rate for those employees promoted to positions listed in [Exhibit 412.1d](#).

#### 413.22 **Bargaining Unit Employees**

Bargaining unit employees permanently assigned to a higher equivalent grade in the nonbargaining unit schedule receive a salary adjustment of 5 percent of their basic salary subject to the following:

- a. An increase cannot result in a salary that exceeds the maximum of the new grade.
- b. An increase of more than 5 percent is given if necessary to bring the employee's salary to the minimum of the new grade or the minimum salary for certain supervisory positions as described in 413.21d.

#### 413.3 **Position Upgrade**

When an employee's position is upgraded through the Workload Service Credit System (WSCS), the Station Manager Evaluation Process, the job evaluation process (JEP), or job-ranking standards and guidelines, a 2 percent basic salary increase is provided. The increase is adjusted higher if necessary to bring the salary to the minimum of the new grade or the minimum salary for certain supervisory positions as described in 413.21d. The increase is adjusted lower if necessary to keep the salary from exceeding the maximum of the higher grade.

#### 413.4 **EAS A–E Postmasters**

When a postmaster in an EAS A–E Post Office is promoted to a position in a grade higher than the A–E postmaster grade, the postmaster's hourly rate is converted to the full-time annual salary equivalent to that hourly rate (hourly rate x 2080) and then further adjusted in accordance with the promotion procedures in 413.2. All A–E postmasters are in the same grade, EAS A–E; therefore, a change from one A–E service hour category to another does not result in a promotion (see 414.3).

### 414 **Reassignment to Nonbargaining Unit Positions**

#### 414.1 **Definition**

*A reassignment to a nonbargaining unit position is the permanent change, with or without relocation, of an employee to an established EAS position from a position with the same or equivalent grade. (For changes between pay schedules, see 418.1.)*

#### 414.2 **Rate Adjustment**

#### 414.21 **Nonbargaining Unit Employees**

An EAS employee's salary is not changed as a result of reassignment within the EAS schedule except when the employee is reassigned to an EAS-15 through EAS-18 position that involves directly supervising two or more full-time equivalent bargaining unit employees. In this case, the salary must

be no less than the fixed supervisory differential salary rate for those employees reassigned to positions listed in [Exhibit 412.1d](#).

#### 414.22 **Bargaining Unit Employees**

Bargaining unit employees reassigned to nonbargaining unit positions continue to receive their former basic salary provided that it is not below the minimum or above the maximum for the new position.

If the person is reassigned to an EAS-19 or below position and has served 52 weeks or more in the bargaining unit position since the last step, promotion, or other equivalent increase, the salary is advanced by 3 percent, provided all of the following conditions are met:

- a. An equivalent increase (one equal to the most prevalent step in the salary schedule for the former position) is not received at the time of the reassignment.
- b. The employee has satisfactory service.
- c. The new salary is below the new maximum.

#### 414.3 **EAS A–E Postmasters**

When an A–E postmaster is reassigned to another A–E Post Office with a different number of service hours, or when the service hour category of an A–E Post Office is changed pursuant to the Workload Service Credit System (WSCS), the postmaster's basic hourly rate remains the same as before, regardless of the number of service hours.

When an employee is reassigned to an A–E postmaster position from a position in a grade equivalent to the grade for A–E postmasters, the following applies:

- a. The employee is placed (1) at minimum of the hourly rate range for A–E postmasters or (2) at the discretion of the appointing official, up to the highest basic salary the employee has received that does not exceed the rate for the maximum of the hourly rate range for A–E postmasters.
- b. If previously full-time, the employee's former annual salary is divided by 2080 hours. The resultant hourly rate is used to place the employee in the hourly rate range for A–E postmasters as provided in 414.3a.

### 415 **Rate Retention and Change to Lower EAS Grade**

#### 415.1 **Rate Retention Types**

##### 415.11 **Saved Grade**

Nonbargaining unit employees may be granted saved grade only in accordance with terms and conditions issued for special situations by the vice president of Employee Resource Management, except as noted in 415.12.

**415.12 Veterans' Preference Saved Grade Under RIF**

Veterans' preference eligible employees who are changed to a lower grade position under reduction in force (RIF) procedures and who held the higher grade position for at least 52 weeks at any time in their history retain the current grade and pay for a period not to exceed 2 years from the effective date of the change to the lower grade position. These employees are treated as being in the higher grade for pay increase and benefit purposes during the saved grade period. Upon expiration of the saved grade period, they are automatically reduced to the grade of the position to which assigned. These employees are then entitled to veterans' preference retained salary.

**415.13 Saved Salary**

Saved salary provides that an employee assigned to a lower grade position whose salary does not fall within the salary range of the lower grade has this salary continued. As long as the salary is higher than the maximum salary of the lower grade position, the employee may receive merit lump sums and variable pay amounts based on this salary and the policies applicable to employees at or above their salary range maximum. The saved salary is continued until it is terminated as specified in 415.7.

**415.14 Veterans' Preference Retained Salary Under RIF**

Provisions for veterans' preference retained salary under RIF are the same as those for saved salary, except that the pay cannot exceed 150 percent of the maximum salary of the lower grade position.

**415.15 Protected Salary**

An employee assigned to a lower grade position whose salary does not fall within the salary range of the lower grade position has this salary retained for a period not to exceed 2 years (104 weeks) as a protected salary. During this 2-year period, the employee may receive merit lump sums and variable pay amounts based on his or her protected salary and the policies applicable to employees at or above the maximum. If the protected salary exceeds the maximum salary for the lower grade at the end of the 2-year period, the protected salary is terminated, and the salary is automatically reduced to the maximum salary of the lower grade position.

An employee assigned to a lower grade position whose current salary falls within the salary range of the lower grade position has this salary continued, and no salary retention is applicable. Future salary increases, merit lump sums, and variable pay amounts are determined in accordance with the policies applicable to the lower grade position.

**415.2 Changes to Lower Grade Using RIF Avoidance Procedures**

Employees who are voluntarily placed in a lower grade position under the provisions of the RIF avoidance policies are reduced to the grade of the position immediately. However, they are eligible for protected salary.

**415.3 Changes to Lower Grade Using RIF Procedures****415.31 Non-Veterans' Preference Eligibles**

Non-veterans' preference eligible employees are immediately reduced to the grade of the position and are eligible for protected salary.

**415.32 Veterans' Preference Eligibles**

Veterans' preference eligible employees who are changed to a lower grade in a RIF are governed by Title 5 Code of Federal Regulations (CFR) 351 and 536. Veterans' preference eligible employees who held the higher grade position for less than 52 weeks are reduced to the grade of the position and are eligible for protected salary. Veterans' preference eligible employees who held the higher grade position for at least 52 weeks at any time in their history retain the current grade and pay for a period not to exceed 2 years (104 weeks) from the effective date of the change to the lower grade position. During the 2 years, these employees are eligible for veterans' preference saved grade. They are treated as being in the higher grade for pay and benefit purposes during this saved grade period. Upon expiration of the 2-year period, they are automatically reduced to the grade of the position to which assigned. They are then entitled to veterans' preference retained salary.

**415.4 Post-RIF Placement to Lower Grade**

Employees remaining unplaced at the conclusion of the RIF and subsequently assigned to a lower grade position are placed in the grade of the position and are eligible for protected salary.

**415.5 Non-RIF-Related Changes to Lower Grade****415.51 Voluntary Change to Lower Grade, Demotion for Cause, or Refusal of a Reasonable Assignment to a Higher Grade Position During a Rate Retention Period**

An employee who voluntarily changes to lower grade, is demoted for cause, or refuses a reasonable assignment to a higher grade position is immediately reduced to the lower grade, and the salary is set at the same relative percentile point in the lower position's salary range (see 415.73). In no case may the salary be set above the maximum for the new grade or above the employee's salary immediately before the change. If the employee has a form of rate retention, it is terminated (see 415.7).

**415.52 Position Reclassified to a Lower Grade**

When a position is reclassified to a lower grade, the employee is immediately reduced to this grade, but saved salary is granted if the employee's salary exceeds the maximum salary of the lower grade. If the employee's salary is within the salary range for the lower grade, the salary is continued and there is no saved salary. Any management initiated involuntary change to a lower grade must be effected according to the grievance and appeals procedures in 650.

Reclassifications occur primarily under the WSCS and the Station Manager Evaluation Process. In cases where full-time postmaster positions are reclassified to part-time positions for 104 weeks, the postmaster receives an hourly rate that produces the annual salary in effect prior to the change (full-time annual salary divided by the annual service hours for the part-time position). At the end of 104 weeks, the affected postmaster's hourly salary is reduced to the *hourly equivalent* of the amount received in the full-time position (full-time annual salary divided by 2080 hours). This hourly amount becomes the saved rate.

**Note:** All A–E postmasters are in the same grade, A–E; therefore, a change from one A–E service-hour category to another does not result in a change in grade (see 414.3).

415.53 **Management-Initiated Action Where Employee Voluntarily Accepts a Lower Grade EAS Position**

In cases of management-initiated action or in cases in which management determines that it is in the mutual interest of both the employee and the Postal Service and an employee voluntarily accepts a lower grade EAS position, the employee must be placed in a position that he or she is qualified to perform, and as near to the grade of his or her original position as possible. Saved salary (see 415.13) is applicable in such actions.

415.6 **Rate Retention Effect on Promotion**

If an employee under rate retention is assigned to a different position, the assignment is not a promotion for purposes of a pay adjustment unless the assignment is to a position with a grade that is higher than the grade upon which the retained rate was established. On a reassignment to a position with a grade equal to or lower than the grade upon which the retained rate was established, the employee is placed at a salary in the new grade equal to the existing salary, and the retained rate continues until terminated in accordance with 415.7.

415.7 **Termination of Salary Retention**

415.71 **Reason for Terminating**

A saved grade and/or retained rate ceases at the beginning of the pay period following a determination that the employee is no longer entitled to saved grade and/or rate retention for any one of the following reasons:

- a. A break in service of 1 workday or more.
- b. A demotion or employee-initiated change to a lower grade position.
- c. A promotion or assignment change to a rate in a grade or range equal to or above the saved grade and/or retained rate.
- d. A change in compensation of the employee, for any reason, to a rate equal to or higher than the retained rate.
- e. The employee refuses a reasonable assignment to a higher grade position.

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- f. A change from nonbargaining unit to a bargaining unit schedule.

**Note:** This terminates nonbargaining unit saved grade and/or saved salary; however, an eligible employee may continue to receive rate retention subject to bargaining unit rules.

**415.72 Salary Adjustment**

When a retained rate is terminated for the reason described in 415.71b or 415.71e, the employee's salary is reduced to that which would be in effect if it had been reduced by the initial action to the same relative percentile point in the new grade as the former salary was in the previous grade.

**415.73 Same Relative Percentile Point**

An employee's salary that is reduced to the same relative percentile point by a change to a lower grade is calculated in the following manner:

- a. Subtract the minimum of the higher grade from the employee's salary.
- b. Subtract the higher grade minimum from the higher grade maximum.
- c. Divide *a* by *b* to determine the percentile point of the employee's salary in the higher grade.
- d. Subtract the lower grade minimum from the lower grade maximum and multiply the difference by the percentile point determined in *c*.
- e. Add the result determined in *d* to the lower grade minimum. This sum is the salary in the lower grade that is at the same relative percentile point as the salary in the higher grade.

**416 Merit Pay Program****416.1 Policy**

EAS employees are eligible for an annual merit salary increase and/or lump sum payment based on a fiscal year performance evaluation. These evaluations are conducted in accordance with established performance appraisal instructions. Merit adjustments are made in accordance with a merit matrix and guidelines that are issued annually.

**416.2 Eligibility Requirements****416.21 General**

To be eligible for a merit pay adjustment, an employee must have an appointment that is not time-limited and receive a merit performance rating warranting a merit adjustment as provided in the applicable merit matrix and guidelines.

**416.22 Association Officials**

Employees who are placed on leave without pay (LWOP) to devote full-time service as elected national officers of a recognized organization of supervision or other managerial personnel are eligible to have their salary of record adjusted to reflect annual merit basic salary increases as if they continued in a pay status. The effective date is the same as if the employee

was in a pay status. The amount of such adjustments is determined as follows:

- a. The percentage increase is equal to the average basic salary percentage increase for the employee's grade. This is determined by Headquarters Human Resources and transmitted to the appropriate area office.
- b. The adjusted salary may not exceed the maximum of the range for the employee's grade.
- c. Employees are not eligible for merit lump sums.

#### 416.23 **Leave Without Pay**

Employees who return to postal duty following an absence for military duty are eligible for the merit pay program for time spent in a military LWOP status.

Employees who are on LWOP for other purposes during the year are eligible for a merit adjustment, subject to a prorated reduction for the LWOP hours according to the merit guidelines issued annually.

#### 416.3 **Simultaneous Personnel Actions**

When a merit increase and another personnel action are effective on the same date, the merit increase is granted first and then the other personnel action is effected in accordance with the applicable pay rules.

### 417 **Temporary Assignment to Nonbargaining Unit Positions (Career Employees)**

#### 417.1 **Definitions**

##### 417.11 **Temporary Assignment**

A *temporary assignment* is the placement of a career employee in another established position which is vacant or from which the incumbent is absent from duty, to perform duties and responsibilities other than those specifically set forth in the employee's position description, when the employee is not awarded the position on a regular basis.

##### 417.12 **Pay Schedule and Premiums**

The salary of a career employee who is temporarily assigned to an EAS position is based on the career EAS schedule. However, employees continue to receive pay premiums applicable to their permanently assigned positions while temporarily assigned to EAS positions. Except that an FLSA-exempt employee who is assigned to perform FLSA-nonexempt work for more than 50 percent of the work hours for the week is eligible for FLSA overtime for hours actually worked over 40 in that week.

**417.2 Rates of Pay****417.21 Lower Grade**

Employees who are temporarily assigned to perform duties of a lower grade continue to receive their existing basic salaries.

**417.22 Same or Equivalent Grade**

Employees who are temporarily assigned to perform duties of the same grade or of an equivalent grade (see 418.1) continue to receive their existing salaries.

**417.23 Higher Grade****417.231 General Requirement**

A career employee who is temporarily assigned to a higher grade position must be assigned the primary or *core* duties and be directed to assume the major responsibilities of the higher grade position to be eligible for higher level pay under the conditions of this section.

**417.232 Employee With Rate Retention**

When an employee who has rate retention is assigned to a different position, it is not considered a higher level assignment unless that position is at a grade higher than the grade on which the rate retention was established.

**417.233 Higher Level Pay Eligibility**

An employee whose temporary assignment meets the conditions described in 417.234 is eligible for higher level pay when temporarily assigned to an authorized established EAS position in a higher grade than that of the position to which permanently assigned, *except* as follows:

- a. Employees temporarily assigned to PCES positions.
- b. Employees in developmental programs for which management instructions provide that participants do not receive higher level pay.

**417.234 Higher Level Pay Conditions**

Conditions for higher level pay are as follows:

- a. *EAS Employees:*
  - (1) *Field Installations.* Higher level pay is authorized to eligible EAS employees during each temporary assignment to higher level EAS positions in field installations for all such service beginning after 10 consecutive work days, excluding breaks for normal days off, and continuing for the duration of the assignment.
  - (2) *Headquarters Installations.* Normally, when EAS employees are temporarily assigned to higher level positions at Headquarters or related units, they are entitled to higher level pay beginning on the 31st calendar day; i.e., higher level pay normally is not authorized during the first 30 calendar days of such an assignment. Higher level pay is authorized to an EAS employee temporarily assigned as a first-line supervisor of *bargaining unit* employees at Headquarters or related units after the supervisory position has been vacant, or the incumbent has been absent, for 3 or more continuous weeks, beginning with the first full working

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- tour or more and continuing for the duration of the assignment. Immediate higher level pay is authorized for an eligible employee who is temporarily assigned as an ad hoc EEO counselor/investigator, provided the employee has completed the training certificate requirements, the assignment is scheduled in advance and approved by the employee's immediate supervisor, and the higher level service is performed in increments of 1 hour or more. The applicable waiting period for higher level pay applies to full-time, temporary assignments to an EEO counselor/investigator position.
- (3) Different employees are not to be assigned consecutively to the same vacancy solely to avoid the higher level pay requirements.
- b. *Bargaining Unit Employees.* Bargaining unit employees are authorized higher level pay for all time worked on higher level assignments. They receive certain bargaining unit pay premiums according to their bargaining unit agreement when temporarily assigned to a nonbargaining positions. However, they are not also eligible for supervisory differential adjustment (SDA) or the EVA Variable Pay Program.

417.235 **Payment Amount**

Higher level pay is calculated as follows:

- a. *To or Within the EAS Schedule, Except Rural Carriers.* The employee receives a salary increase equal to 5 percent of the employee's actual salary or the minimum salary for the higher grade, whichever is greater. Total higher level compensation may not exceed the maximum salary rate of the higher level position in which such service is performed, or the employee's existing salary if above the maximum of the range for the higher grade.
- b. *From Rural Carrier to Nonbargaining Unit Schedule.* A rural carrier is paid based on the assigned route's evaluation for the first 30 days of a temporary higher level assignment. At the beginning of the pay period following this 30-day period, the carrier's salary is converted to that of a 40-hour route, attained step. The salary is then adjusted in accordance with 417.235a.

417.236 **Payment Factors**

Payment factors for nonbargaining employees include:

- a. *Holiday Pay.* An employee receives holiday leave pay for the holiday at the rate of the higher level position, provided the employee received the higher level pay for both the full workday preceding the holiday and the full workday following the holiday. If the employee works in the higher level position on a holiday, he or she is paid at the rate of the higher level position for work in the higher level position on a holiday.
- b. *Annual, Sick, Holiday, or Other Paid Leave During Higher Level Service.*
- (1) Except as provided in (2) below, when full-time employees are absent on approved annual, sick, or other paid leave falling within a period of temporary assignment to a higher level position, they receive leave pay at the rate for the higher level position provided they receive higher level pay for both the full workday

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immediately preceding and the full workday immediately following the period of absence.

- (2) If a second person is assigned to replace the absent employee, the original temporary higher level assignment is canceled and the absent employee has no entitlement to higher level pay for the parts of the leave period during which he or she is replaced.
- c. *Determination of FLSA Status.* An employee's FLSA status during a temporary assignment is based on the FLSA status of the position of record. (See 417.12 and 444.313 to determine an FLSA-exempt employee's eligibility for FLSA overtime when, due to temporary assignments, FLSA-nonexempt work is performed over 50 percent of the actual work hours worked in a single workweek.)

**417.3 Postmaster Positions****417.31 Officer in Charge****417.311 Definition**

The assignment to be an *officer in charge* (OIC) is the temporary assignment of an employee to act as postmaster during which the accountability of postmaster is transferred to the employee.

**417.312 Basis for Rate of Pay**

The salary of a career employee temporarily assigned to a Post Office as OIC is based on the grade of the Post Office to which he or she is assigned and is determined in accordance with the provisions of 417.2. The salary of a noncareer employee assigned to a Post Office as OIC is set in accordance with 419.2.

**417.32 Postal Operations Administrator****417.321 Definition**

The assignment to be a *postal operations administrator* (POA) is the temporary assignment of a career employee to act as postmaster during which time the accountability of postmaster *is not* transferred to the employee.

**417.322 Basis for Rate of Pay**

The salary of a career employee temporarily assigned to a Post Office as POA is based on the grade two grades below the grade for that office and is determined as provided in 417.2.

**418 Assignment to a Different Salary Schedule****418.1 Equivalent Grades**

When an employee is reassigned, promoted, or otherwise permanently or temporarily changed to a position in another salary schedule, see [Exhibit 418.1](#) for grades that are equivalent for pay purposes. If the employee has a retained rate, the grade on which the retained rate is based is used to determine grade equivalence and appropriate salary action.

418.1

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Exhibit 418.1

**Equivalent Grades**

C – Mail Equipment Shops & Material Distribution Center	E – EAS	F – A–E Postmasters	G – Postal Nurses	K – Operating Services Division	M – Mail Handlers	N – Information/Technology Accounting Service Centers	P – Postal Service	Q – City Carriers	R – Rural Carriers	T – Tool & Die Shop	Y – Postal Police Officers
—	1–4	—	—	—	—	—	—	—	—	—	—
—	5	A–E	—	—	—	—	—	—	—	—	—
—	6	—	—	—	—	—	—	—	—	—	—
—	—	—	—	1	—	—	—	—	—	—	—
—	7	—	—	2	—	—	—	—	—	—	—
1	8	—	—	—	—	—	1	—	—	—	—
2	9	—	—	3	—	—	2	—	—	—	—
3	—	—	—	4	—	—	3	—	—	—	—
4	10	—	—	5	4	6,7,8	4	—	—	4	—
5	11	—	X *	6	5	9,10	5	—	X *	—	—
6	12	—	—	7	6	11,12	6	1	—	6	X *
7	—	—	—	—	—	13	7	2	—	7	—
8	13	—	—	8	—	14	8	—	—	8	—
9	14	—	—	9	—	15	9	—	—	9	—
10	15	—	—	—	—	16	10	—	—	—	—
11	16	—	—	—	—	17	11	—	—	11	—
—	17	—	—	—	—	18	—	—	—	—	—
—	18	—	—	—	—	19	—	—	—	—	—
—	19	—	—	—	—	20	—	—	—	—	—
—	20	—	—	—	—	21	—	—	—	—	—
—	21	—	—	—	—	22	—	—	—	—	—
—	22	—	—	—	—	23	—	—	—	—	—
—	23	—	—	—	—	—	—	—	—	—	—
—	24	—	—	—	—	—	—	—	—	—	—
—	25	—	—	—	—	—	—	—	—	—	—

\* X signifies a single-level schedule.

**EQUIVALENT GRADE DETERMINATION — To use the chart:****Step 1.** In the horizontal list at the top, locate the salary schedule and grade to the employee's position before the change action.**Step 2.** Cross over to the salary schedule into which the employee is being assigned.**Step 3.** Determine the nature of the change from the following:

Change Type	Position of New Grade
Reassignment	If the new grade is on the same line as the previous grade.
Lower Level	If the new grade is on a lower line than the previous grade.
Promotion	If the new grade is on a higher line than the previous grade. The number of lines on the chart between the old grade and the new grade is considered to be the number of grades increased for the purpose of calculating the promotional increase and new salary.

**418.2 Changes Between Nonbargaining Unit Schedules**

Changes between EAS and PCES salary schedules are made in accordance with the provisions of the Postal Career Executive Service Program. Changes between other nonbargaining unit schedules are made in accordance with the promotion and reassignment provisions of this subchapter (see 413, 414, and 415).

**418.3 Changes From Nonbargaining Unit to Bargaining Unit Schedules**

Changes of nonbargaining unit employees to bargaining unit positions are made in accordance with 420 and any applicable collective bargaining agreement.

**418.4 Changes From Bargaining Unit to Nonbargaining Unit Schedules**

Changes of bargaining unit employees to nonbargaining unit positions are made in accordance with 413, 414, 415, or 417.

**419 Supplemental EAS Noncareer Workforce****419.1 Casual Employee****419.11 Definition**

Casual employees are nonbargaining unit, noncareer employees with limited-term appointments. These employees are employed as a supplemental workforce, as described in collective bargaining agreements, to perform duties assigned to bargaining unit positions.

**419.12 Salary Grade**

Appointments of casuals are made to the position of Casual, Occupation Code 5201-1001, at grade EAS-7 in the Noncareer Temporary Rate (NTR) Schedule or as otherwise authorized by the vice president of Employee Resource Management.

**419.2 Nonbargaining Temporary Employees****419.21 Definition**

Nonbargaining temporary employees, including officers in charge (OICs) appointed from outside the Postal Service, are nonbargaining unit, noncareer employees who perform duties assigned to nonbargaining unit positions.

**419.22 Salary Grades**

Temporary employees hired as OICs are paid in accordance with the *Officers in Charge* schedule. Prior to hiring a temporary employee for other positions, the installation head or other appointing official should carefully assess operational needs of the office and determine the EAS grade for the types of work to be performed. Based on this determination, the temporary employee

419.3

Pay Administration

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is hired at the minimum salary for that grade. The full-time salary is divided by 2080 to determine the appropriate hourly rate.

### 419.3 **Postmaster Relief/Leave Replacements**

#### 419.31 **Definition**

A Postmaster Relief/Leave Replacements (PMR) is a noncareer hourly rate employee who performs as a relief or leave replacement during the absence of a postmaster in an EAS-15 or below Post Office.

#### 419.32 **Salary Grades**

PMRs are employed at the Noncareer Temporary Rate schedule grades indicated below, and are paid in accordance with the *Postmaster Relief/Leave Replacements* schedule.

<b>Authorized PM Grade (EAS)</b>	<b>PMR Occupational Code</b>	<b>PMR Grade (NTR)</b>
15	2305-6115	13
13	2305-6113	11
11	2305-6111	9
A-E	2305-6100	3