



UNITED STATES MARINE CORPS
MARINE CORPS INSTALLATIONS EAST-MARINE CORPS BASE
PSC BOX 20005
CAMP LEJEUNE NC 28542-0005

MCIEAST-MCB CAMLEJO 12535.1A
CHRO-E
NOV 0 9 2022

MARINE CORPS INSTALLATIONS EAST-MARINE CORPS BASE CAMP LEJEUNE
ORDER 12535.1A

From: Commanding General
To: Distribution List

Subj: SALARY AND WAGE STEP RATES FOR GENERAL SCHEDULE (GS)
AND FEDERAL WAGE SYSTEM (FWS) EMPLOYEES

Ref: (a) 5 CFR Parts 530-532, 536, and 550
(b) DoD Instruction 1400.25 Volumes 531, 536, and 550,
"DoD Civilian Personnel Management System,"
January 30, 2020
(c) SECNAVINST 12250.1B
(d) SECNAVINST 12250.6B
(e) OPM FWS Operating Manual
(f) CHRM Subchapter 550 of 3 Feb 12
(g) CNIC Memo 12300 of 28 Aug 19
(h) MARADMIN 239/17
(i) DoD NAF Interchange Agreement of 20 Sep 91

Encl: (1) Highest Previous Rate (HPR) Justification Form
(2) Advance In-Hire Rate - Superior Qualifications
Appointment (SQA) Justification Form

1. Situation. Pay for GS and FWS employees shall be set in accordance with current laws, rules, and regulations. Selecting officials may utilize flexibilities available (i.e., highest previous rate, maximum payable rate rules, superior qualifications etc.) to approve pay above the minimum required by law, rule, and/or regulation. However, use of these flexibilities will be made with prudence and fiscal responsibility.

2. Cancellation. MCIEAST-MCB CAMLEJO 12535.1.

3. Mission

a. To establish procedures for setting pay for GS and FWS employees in accordance with reference (a) through (h).

b. Summary of Revision. This Order has been revised to

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distribution is unlimited.

update policies, procedures, references, enclosures and assign responsibilities, and should be reviewed in its entirety.

4. Execution

a. Commander's Intent and Concept of Operations

(1) Commander's Intent. Provide and promulgate policy for determining pay for appropriated fund employees of Marine Corps Installations East-Marine Corps Base Camp Lejeune (MCIEAST-MCB CAMLEJ); to include Headquarters and Support Battalion (H&S Bn), Marine Corps Air Station (MCAS) Cherry Point, and MCAS New River.

(2) Concept of Operations. All personnel shall familiarize themselves with this Order and the references to ensure pay setting is properly administered.

b. Tasks

(1) MCIEAST-MCB CAMLEJ General and Special Staff Department Heads and MCIEAST Commanders identified in paragraph 4a(1) above shall approve/disapprove requests for setting pay at a rate above the minimum required by law, rule, or regulation under the flexibilities available.

(2) Pay shall be set at the minimum salary and wage rates required by law and regulation, unless there are compelling reasons to select a higher rate, as permitted by law and regulation. Selecting Officials shall complete enclosure (1), and provide written justification requesting to set pay above the minimum required. Approval of these requests reside with General and Special Staff Department Heads and MCIEAST Commanders identified in paragraph 4a(1).

(3) Civilian Human Resource Office-East (CHRO-E) staff shall provide advice and guidance as needed regarding pay setting. CHRO-E staff will further ensure that appropriate documentation is submitted in support of pay requests approved by Department Heads or Subordinate Commanders, the Office of Civilian Human Resources (OCHR) San Diego, prior to extending an official job offer.

(4) In accordance with references (a) through (g), OCHR will ensure requested personnel actions meet all legal, regulatory, and policy requirements, including the approval and/or disapproval of pay issues.

c. Coordinating Instructions

(1) Setting Pay. Salary and wage rates will be set as follows:

(a) New Appointment. The pay of an employee receiving a new appointment is set at the first step of the grade on the applicable pay rate table to which the employee is appointed unless a higher rate is permitted by law and regulations (i.e., Superior Qualifications). A new appointment is a person's first appointment as an employee of the Federal Government, regardless of whether it is a permanent or a temporary appointment.

(b) Reinstatement

1. The pay of a former Federal employee who is re-employed after a break in service may be set up to the employee's last earned rate, utilizing applicable Highest Previous Rate (HPR) rules. If the last earned rate falls between two steps of the grade to which the employee is being reinstated, the higher step may be selected. Salary determinations for reinstatement eligibles must be recommended by the supervisor by forwarding enclosure (1) to the respective General or Special Staff Department. The approved/disapproved request shall be forwarded to CHRO-E for review and processing.

2. If the person's separation from Federal service was a result of a reduction in force or transfer of function action, their pay shall be fixed at a step rate which preserves, in so far as possible, the employee's last earned rate. If the last earned rate falls between two steps of the grade, the higher step will be selected.

(c) Transfer or Reassignment without a Change to Lower Grade. When an employee enters on duty without a break in service from another Federal activity, pay shall be set in the new position at the highest rate, which does not exceed the person's last earned rate immediately preceding the movement after converting the last earned rate to the new geographic locality table.

(d) Movement from a DoD Nonappropriated Fund (NAF) Position. When a regular full or part-time NAF employee moves to a GS position without a break in service of more than three

days under the portability provisions of reference (i), the following paysetting rules apply:

1. Involuntary Moves. Pay is protected at the rate of NAF basic pay at the time of the move. Pay may be set at a higher rate using the employee's highest previous rate of NAF pay, maximum payable rate rules (based on a non-NAF rate of basic pay), or the authority to grant pay retention per reference (b) Volume 531.

2. Voluntary Moves. Pay shall be set at the highest previous rate of NAF basic pay at the time of the move. If the NAF basic pay rate falls between two steps of the new position, pay shall be set at the higher step. Employees who are eligible for portability under the provisions of reference (i) may not have their pay set under the superior qualifications or special needs paysetting authority of reference (a) Part 531.

(e) Change to Lower Grade (Voluntary). In accordance with reference (f), the pay of an employee who accepts a voluntary change to lower grade will be set at the step of the lower grade which, if re-promoted to the employee's former grade, would not place the employee in a step exceeding that previously held in the higher grade, known as the "windfall provision." Reference (g) provides exception for a list of stressed occupational series for which the windfall provision does not apply, and HPR rules may be utilized. Application for formal trainee positions, the target grade of which is the same or higher than the employee's present grade, is not considered "at the employee's request".

Note: Re-promotion. The pay of an employee who is re-promoted to a previously held grade on a permanent basis or an appointment not limited to 90 days or less may be set utilizing applicable HPR rules. The pay of an employee who is re-promoted to an intervening grade on a permanent basis, or an appointment not limited to 90 days or less may be set using the GS standard promotion rule, the FWS mandatory promotion rule or applicable HPR rules.

(f) Change to Lower Grade (Involuntary, Employee at Fault). If the change to a lower grade is caused by the employee's failure to perform acceptably or for disciplinary reasons, pay is set at a rate from step 1 up to the step of the lower grade which, if re-promoted, will not place the

employee in a rate exceeding that previously held in the higher grade.

Note: Re-promotion. The pay of an employee re-promoted to the same grade from which involuntarily demoted, or an intervening grade, will not be set higher than the rate prescribed under the GS standard promotion method or the FWS mandatory promotion rule.

(2) Exceptions

(a) Reasonable Accommodation. An employee who accepts a lower grade position as an accommodation due to medical reasons, is entitled to have their pay set under the retained pay provisions of reference (b) Volume 531. However, pay cannot exceed 150 percent of GS Step 10 or FWS Step 5 of the grade to which assigned.

(b) Retained Grade/Pay. In a position change action affecting an employee under retained grade/pay, the provisions of reference (b) Volume 531 apply.

(c) Superior Qualifications. Appointments may be made to positions in all grades at a rate above the minimum when justified by the candidate's superior qualifications. The rate may not exceed the maximum rate for the grade to which appointed, GS Step 10 or FWS Step 5. Application of this pay setting authority will be rare. Extensive documentation is required for each case wherein this authorization is exercised. Each case at MCIEAST-MCB CAMLEJ; including H&S Bn, MCAS Cherry Point, MCAS New River, and any GS-14s or above requires the Commanding General's or his designee's written approval. Recommendations for superior qualifications pay setting will be completed by submitting enclosure (2), to the CHRO-E for review. OCHR has final approval authority on the use of this pay setting flexibility.

5. Administration and Logistics. MCIEAST-MCB CAMLEJ General, Special Staff Department Heads and the Commanders identified in paragraph 4a(1) shall ensure supervisors are thoroughly familiar with this Order, and it is made available to employees upon request.

6. Command and Signal

a. Command

(1) This Order is applicable to MCIEAST-MCB CAMLEJ Departments Heads; H&S Bn, MCAS Cherry Point, and MCAS New River.

(2) All MCIEAST Installation Commanders/Commanding Officers shall adapt the guidance contained in this Order. Commands may adopt more detailed rules to meet their specific needs.

(3) Tenant Commands. Tenant commands and other commands supported by CHRO-E may elect to comply with this Order in its entirety or may describe more detailed rules to meet specific needs as required.

b. Signal. This Order is effective the date signed.



E. J. ADAMS
Chief of Staff

DISTRIBUTION: A/C (Plus H&S Bn, WTBn, MCAS NR and MCAS
CHERPT)

HIGHEST PREVIOUS RATE (HPR) JUSTIFICATION FORM

SELECTEE NAME: _____

ACTIVITY: _____ ORGANIZATION/CODE: _____

POSITION (TITLE/SERIES/GRADE): _____

It is the policy of the Department of the Navy to set pay at the minimum step required by law or regulation unless a higher rate is permissible and in the interest of the Government. Whenever a higher rate is permissible, activity management will review the rate to be set on the basis of the needs of the activity, assessment of the qualifications of the employee, equity among employees, and availability of funds. In no case will there be an automatic placement in the highest rate permissible.

The applicant listed above is eligible for a step above the minimum step as follows: Step _____ of Grade _____ based on the highest previous rate of \$_____ per annum/per hour as a(n) _____ from _____ to _____
(Title and Series) (Date) (Date)

Justification: I have reviewed the HPR criteria identified above, and the following factors are applicable to this position (Mark with an X and attach any necessary additional justification).

- _____ Needs of the Activity
- _____ Quality of the employee
- _____ Pay equity among employees
- _____ Availability of Funds

I have reviewed the policy stated above and have given careful consideration to overall pay alignment within the organization and other salary management considerations, including availability of funds. I have determined that it is in the best interest of the government to set the salary as indicated below:

_____ Minimum Rate	Step 01
_____ Highest Previous Rate	Step _____
_____ Other	Step _____

Selecting Official's Signature

Date

Department Head's Signature and Code

Date

CHRO-E Review

Date

ADVANCE IN-HIRE RATE - SUPERIOR QUALIFICATIONS APPOINTMENT (SQA) JUSTIFICATION FORM

Title 5 of the United States Code (5 U.S.C.) Part 5333, and Title 5 of the Code of Federal Regulations (5 CFR) Part 531 allow agencies to exercise discretionary authority on the approval of establishing an employee's salary above the minimum rate of pay for certain categories of employees.

The Department of the Navy (DON) and/or the United States Marine Corps (USMC) has agreed to provide the following:

Employee Name	Position Title	Pay Plan	Series	Grade

Activity Name

Regulatory References:

- (a) Title 5 of the Code of Federal Regulations (5 CFR), Section 531.212
- (b) Title 5 of the United States Code (5 U.S.C.), Parts 5333
- (c) DON Civilian Human Resources Manual (CHRM), Subchapter 550, of 3 Feb 12

Section A: General Incentive Considerations

As the supervisor and/or selecting official, I have read the incentive criteria contained in references (a) and (b). Furthermore, I have considered and fully documented my justifications as required to support the proposed incentive identified:

- The agency must first consider the use of a recruitment incentive under 5 CFR 575, as required by 5 CFR 531.212(d).
- The determination to use this incentive was decided and approved prior to the date effecting the personnel action or appointment, in compliance with 5 CFR 531.212(e)
- The minimum salary established is consistent with overall Federal pay policies and is supported by the justification documented below, the candidate's current salary information, and the belief that the candidate will accept this offer.

Select One The advanced in-hire rate is based on:

- SUPERIOR QUALIFICATIONS** - Based on the level, type, or quality of the candidate's skills or competencies demonstrated or obtained through experience and/or education, the quality of the candidate's accomplishments compared to others in the field, or other factors that support a superior qualifications determination.
- SPECIAL NEEDS** - Based on the type, level, or quality of skills and competencies or other qualities and experiences possessed by the candidate are relevant to the requirements of the position *and* are essential to accomplishing an important agency mission, goal, or program activity; OR by meeting agency workforce needs, as documented in the agency's strategic human capital plan.

The superior qualifications of the candidate under 5 CFR 531.212(b)(1) or the special agency need for the candidate's services under 5 CFR 531.212 (b)(2) which justifies a higher than minimum rate is explained below.

Section B: Pay Rate Determination Factors

As the supervisor and/or selecting official, I have read the incentive criteria contained in references (a) and (b) and have considered the factors applicable to this position and have documented justification in the applicable sections to support the proposed salary/pay rate.

- (1) The level, type, or quality of the candidate's skills or competencies;
- (2) The candidate's existing salary, recent salary history, or salary documented in a competing job offer, considering the geographic location, with copies of LES or equivalent, job offer letters with salary information, etc. provided with attached narrative;
- (3) Significant disparities between Federal and non-Federal salaries for the skills and competencies required of the position to be filled;
- (4) Existing labor market conditions and employment trends, including availability and quality of candidates for the same or similar positions;
- (5) The success of recent recruitment efforts for the same or similar positions;
- (6) Recent turnover in the same or similar positions;
- (7) Importance/criticality of the position to be filled and impact on the activity if not filled or if there's a delay in filling it;

(8) Desirability of the geographic location, duties, and/or work environment of the position;

(9) Agency workforce needs, as documented in the agency's strategic human capital plan; and/or

(10) Other relevant factors (as specified here or in an attached supporting narrative).

Section C: Recommended Step of Grade Information

Per 5 CFR 531.212(e)(2)(ii), the factors in section B directly relate to the rate approved in the following way.

The candidate's current salary \$ per annum / per hour.

I recommend the approval of an advanced in-hire rate for establishing pay at the step of grade

Section D: Consideration a Recruitment Incentive

Per 5 CFR 531.212(e)(2)(iii), the following are the reasons for authorizing a higher than minimum rate instead of or in addition to a recruitment incentive under 5 CFR 575, subpart A.

Section E: Activity and Human Resources Office Approval

The activity signatures below confirm that this incentive justification has been accepted and approved for processing.

As the supervisor and/or selecting official, I certify that I have given careful consideration to overall pay alignment within the organization, other salary management considerations, and have determined that use of the superior qualifications or special needs pay setting authority is in the best interest of the government.

Selecting Official or Immediate Supervisor (Name and Title) <input type="text"/>	<input type="text"/>
Management Official, Second-line Supervisor (Name and Title) <input type="checkbox"/> Official must be at least one-level higher than the official making the offer	<input type="text"/>
<input type="text"/>	<input type="text"/>
Human Resources Office, Personnel Officer or Designee (Name and Title) <input type="text"/>	<input type="text"/>