

Pay Pool Administrator Advisory

2019-05

Issue Date: 15 April 2019 (CORRECTED)

Topic: 2019 Retroactive General Pay Increase

Purpose: This advisory highlights the steps taken by the AcqDemo Program Office to implement the 2019 retroactive General Pay Increase (GPI) and to describe the impact of the retroactive GPI on employees' compensation. This advisory addresses how the GPI increase may affect employees in the Overcompensated Region (Above the Rails), and how the CRI and CRI Carryover may be adjusted for employees who are at the maximum pay of their broadband level or at a control point. It also addresses any impact from failed transactions to DCPDS, grievances, temporary/permanent promotions, supervisory and team leader cash differentials and the Accelerated Compensation for Developmental Positions (ACDP).

The intended audience of this advisory is the Superusers and Pay Pool Administrators for the AcqDemo organizations. Please check with your Component/Group POC for additional guidance.

A recommended message to your participating supervisors and employees is provided at the end of this advisory.

Retro GPI Change: On March 28, 2019, the President signed the Executive Order on the 2019 GPI and the Office of Personnel Management published the pay tables. The 2019 pay schedules are effective the first day of the first applicable pay period beginning on or after January 1, 2019 (January 6, 2019, based on the standard biweekly payroll cycle). The AcqDemo Program Office will create and post the adjusted pay transactions and your HR Servicing Office will process the revised pay transactions for the employees to receive their GPI.

The General Pay Increase (GPI) and Locality Pay Increase for 2019 retroactively changed from:

- 0% to 1.4% for GPI
- 0% to 0.5% on average for Locality Pay, where the change varies by Locality Pay Area
 - Note: IAW 5 CFR 536.305 when the employee is receiving a retained rate, the employee is entitled to 50 percent of the amount of the increase in that maximum rate.
 - Note: The 2019 Executive Level IV cap is \$166,500.

The AcqDemo pay transactions will be processed IAW the OPM directed order for processing simultaneous pay actions. The applicable pay actions are:

- GPI (Nature of Action Code (NOAC) 894)
- CRI (NOAC 891)
- CRI Carryover (Lump-sum Cash Payment in Lieu of a Pay Adjustment (NOAC 885))

AcqDemo transactions will be processed April 16-26, 2019 by your Human Resource Servicing Office (HRSO). Most of the DoD AcqDemo Workforce will see their new pay adjusted for Retroactive GPI on May 3, 2019 with the exception of the Army AcqDemo Workforce who will see the Retroactive GPI on May 10, 2019. The AcqDemo workforce will see personnel actions (SF-50) canceling the previous pay transactions on the CRI (891) and CRI Carryover (885) then will receive the 894 with the GPI and locality adjustment, 891 adding the CRI, and, if applicable, 885 CRI Carryover.

The GPI is NOT calculated on the base salary shown on the employee's SF-50 with the effective date of 01-06-2019. The 1.4% GPI is calculated on the employee's 2018 base pay in AcqDemo as of January 5, 2019, or on the promotion/ACDP base salary or on the grievance adjusted base salary or on the conversion base salary for organization converted to AcqDemo after January 5, 2019. The Retro GPI will not be applied to new hires to AcqDemo but will have the applicable locality adjustment. However, if a new hire's pay is at the minimum pay of the broadband, GPI will be applied so they are at the broadband minimum. New hires are defined as first-time employment in a Federal civilian position covered by the Retroactive 2019 Pay Adjustment Executive Order dated March 28, 2019. Any pay actions with effective dates after 6 January and prior to the Retro GPI, such as a promotion or conversion to AcqDemo, will be handled by the HRSO according to the applicable rules.

Employees Receiving Retained Pay: AcqDemo employees receiving retained pay will receive 50 percent of the amount of the increase in the maximum rate for their broadband level. For example for the NH-4 Retained Pay Employee in the Washington-Baltimore-Arlington (DCB) Locality Pay Area: The GPI is \$1,150, which is 50% of the increase in the maximum rate. This is calculated by subtracting the 2018 NH-4 Maximum Rate of \$164,200 from the 2019 NH-4 Maximum Rate of \$166,500. ($\$166,500 - \$164,200 = \$2,300 * 50\% = \$1,150$).

Employees in Overcompensated Region: For employees plotted above the upper rail Overcompensated region, administrators have already provided their pay pool managers' decisions on full, partial or zero GPI. These decisions will be used for the GPI transaction.

CRI (NOAC 891) and CRI Carryover (NOAC 885)

The maximum pay for a broadband depends on the step 10 pay for the corresponding GS grade set by OPM, for example, GS-13 Step 10 for NH-3 and NJ-4. This new AcqDemo pay adjusted for Retroactive GPI can be off from the new GS step 10 pay (band cap) by \$2 to \$8 compared to simply increasing the maximum pay of the broadband level by 1.4%. For example: OPM set the 2019 GS-13 Step 10 at \$99,691. But if you applied the 1.4% increase to the 2018 rate of pay for GS-13 Step 10 (NH-3 and NJ-4) it is \$99,693 ($\$98,317 * 1.014\% = \$99,693$), which is a difference of \$2. For the 397 employee where the new AcqDemo base pay would be over the band cap, the CRI payment (NOAC 891) will be reduced so that base pay is limited to the new cap and the difference will be added to the carryover payment (NOAC 885) so that the employee does not lose any payout.

In all other cases, neither the CRI 891 nor the Carryover Award 885 will change.

Contribution Award (NOAC 886) – There will be no personnel actions to change the previously processed and paid Contribution Awards (NOAC 886).

Failed Transactions: When the new pay was uploaded to DCPDS in January 2019, 177 pay transactions failed due to bad data. The PMO can fix all but 50 of these. The PMO will develop a by-component list of the 50 employees for whom the PMO cannot generate corrected transactions. The components will need to work with their pay pools and HRSOs to correct the pay manually for these 50 employees.

Salary Control Points: The PMO increased the 2019 salary control points used by pay pools by 1.4% (except for control points that are redundant with a band maximum, which were set to the new band maximum) and applied them to the employees' new 2019 post-retro base pay. Except in a few cases described above where the band maximum was the control point, all employees whose base pay had been stopped at a control point before the Retro GPI will now be short of the new control point (by an average of \$15). No employees will lose any payout due to the control point adjustment process. Administrators with the approval of their Personnel Policy Board or Pay Pool Manager should update the 2019 salary control points. Administrators can execute a mass control point update in CAS2Net by going to Menu > Administrator > User Management > Bulk Update to download and use the User Bulk Update Template File for this update.

Grievances: Any grievances accomplished after January 6, 2019, that increased the CRI and base salaries had to have an effective date of January 6, 2019. Therefore, the PMO will apply the Retro GPI as stated above. For grievances with OCS increases that have not been submitted to your HRSO, administrators should wait to submit them until after the April 28, when the HRSOs should be done processing retro. Pay pools should use their final CMS from the 2018 cycle with the 2018 CMS Update Tool Version 2 (with the Retro GPI) to update the tables in the CMS to include the 1.4% increase. Then the pay pool should use the updated CMS in grievance mode to compute new payouts for the employee affected and then work with their HRSO to process the changes. The CMS Update Tool Version 2 will be posted to the Pay Pool Notices on April 29, 2019. Administrators with History edit access will need to update the History files in CAS2Net to show the changes due to the grievance. Administrators who do not have access to edit the History files should contact their Group/Component Superuser or the PMO.

Temporary/Permanent Promotions: The 1.4% GPI is calculated on the employee's 2018 fully ratable temporary promotion/promotion base salary as of January 5, 2019 and any temporary and permanent promotion pay accomplished after January 6, 2019 will be adjusted by the pay transaction process stated above. Administrators should monitor and review to ensure these transactions are processed and if not processed, coordinate with their HRSO on the Retro GPI and locality pay.

Supervisory and Team Leader Cash Differentials: The cash differentials are computed as a percentage of basic pay. Administrators with their Pay Pool Managers' approval, should review cash differentials paid between January 6, 2019, and the date the retroactive pay adjustment is processed and make necessary adjustments to reflect the new 2019 pay rates. If updates are required, Administrators should work with their local HRSO.

Accelerated Compensation for Developmental Positions (ACDP): ACDP basic pay increases will be processed as stated above. Administrators with their Pay Pool Managers may need to determine the need to update the ACDP basic pay increases. If updates are required, then Administrators should work with their local HRSO.

Post-Cycle Separation and Retirement: The PMO will prepare separate transaction files for employees who were identified by pay pools as post cycle losses (depart between 1 October 2018 and 6 January 2019). These files have "leavers" in the file name and are sent to the organization's HRSO's. Components should check with their HRSO on GPI 894, CRI 891 and/or CRI Carryover 885 for employees who separated or retired after January 6, 2019. These actions are not part of the "leavers" files.

Updating CAS2Net: NLT April 29, 2019, the PMO will update CAS2Net User Profile > Salary Information with the new basic pay and locality rate; User Profile > History > Employee History Data with the GPI and as applicable the Approved CRI and Carryover; and CAS2Net with the new salary information, new locality rates and the salary band ranges.

Distribution: Widest distribution of this advisory is encouraged to your Pay Pool Administrators, Senior Leaders and servicing HRSO's. We recommend the following message be communicated to the workforce in regards to the calculation of the Retro GPI pay adjustments and the associated personnel actions.

Message to the AcqDemo Workforce: The General Pay Increase (GPI) and Locality Pay Increase for 2019 retroactively changed the General Pay Increase from 0% to 1.4% and increased by 0.5% on average for Locality Pay, with the change varying by Locality Pay Area. Employees will first see cancellations of the previously approved personnel actions (SF-50's) on the Regular Performance Pay for the Contribution Rating Increase with the Nature of Action Code (NOAC) 891 and the CRI Carryover Lump-sum Cash Payment in Lieu of a Pay Adjustment NOAC 885. Then the workforce will see the new pay adjustments for the GPI General Adjustment NOAC 894, followed with the 891 and, if applicable, the 885. For the vast majority of the workforce, neither the 891 for the CRI nor the 885 CRI Carryover will change. However, 397 employees at the maximum salary of their broadband level will see a few dollar decrease to the previously approved 891 on the CRI not to exceed the band maximum in order to give them the full 1.4% GPI and will see a like dollar amount increase to the 885. The Contribution Awards (NOAC 886) are not affected by this Retro GPI pay adjustment.

It is important to understand that the GPI is NOT calculated on the base salary shown on the employee's SF-50 with the effective date of 01-06-2019. The 1.4% GPI is calculated on the

employee's 2018 base pay as of January 5, 2019, or on the promotion/ACDP base salary or on the grievance adjusted base salary or on the conversion base salary for organization converted to AcqDemo after January 5, 2019. The Retro GPI will not be applied to new hires to AcqDemo unless an increase is required to be bring pay to the band minimum, but the applicable locality adjustment will be applied to all. New hires are defined as first-time employment in a Federal civilian position covered by the Retroactive 2019 Pay Adjustment Executive Order dated March 28, 2019.

It is expected that most of the DoD AcqDemo Workforce will see the Retro GPI NLT May 3, 2019 with the exception of the Army AcqDemo Workforce who will see the Retro GPI NLT May 10, 2019.

Note: Pay Pool Superusers/Administrators should add their contact information to the message to the workforce. If you have questions, please email the AcqDemo Program Office at AcqDemo.Contact@hci.mil.