OFFICE SYMBOL

MEMORANDUM FOR

SUBJECT: Notification of Pay Retention to Employees Transitioning to GG-Grades

1. References:

a. USD(I) Message to the Workforce 2010 AUG 05 – SECDEF Response to NAPA Report

b. USD(I) DCIPS Transition Guidance, Transition to DCIPS Grades, March 2011

c. DoDI 1400.25-Volume 2006, DoD Civilian Personnel Management System: DCIPS Compensation Administration, 3 March 2012.

d. 5 Code of Federal Regulations (CFR) Part 536.

1. This memorandum is to inform you that upon your transition from DCIPS IA to DCIPS GG, your base rate of pay exceeds the maximum of the extended rate range of the GG grade assigned to your position and you are being afforded pay retention in order to comply with the reference 1.a. which requires there be no loss in pay at the time of transition. Your GG grade and pay are reflected on the attached Notification of Personnel Action (SF 50), blocks 18 and 20, respectively. Additional information regarding the conditions of your pay retention is provided in references 1.b and c.

2. While on pay retention (or retained pay), you will receive 50% of any annual general pay increase (GPI) in the maximum base rate (i.e., the equivalent to the step 12 base rate plus any applicable LMS or TLMS) for your assigned grade. This pay will continue indefinitely until (a) your base salary falls at or below the equivalent to the step 12 base rate for your DCIPS grade, or (b) your basic pay falls below the level IV rate of the Executive Schedule, or (c) your entitlement to pay retention ends due to a terminating event (see paragraph 3. below).

3. Your entitlement to pay retention will end if:

* You have a break in service of one workday or more.
* You are entitled to a rate of basic pay under a covered pay system which is equal to or greater than your retained rate.
* You decline a reasonable offer of a position in which your rate of basic pay would be equal to or greater than your retained rate (after applying any applicable geographic pay differences).
* You are reduced in grade for personal cause or at your request.
* You move to a position not under a covered pay system.

4. I encourage you to carefully review the information to understand your eligibility for, and events that may terminate your retained pay as described in part 536.308(a) of Reference 1.b.

5. Thank you for your continued support.

Encl Supervisor Signature Block