June 25, 2003

TO: Agency Human Resource Directors and
Agency Policy Manual Coordinators

FROM: Rick Pugh
Director of Compensation and Policy

SUBJECT: Policy Interpretation, Northern Virginia (FP) Expanded Ranges

The northern Virginia (FP) salary ranges are being adjusted effective July 1, 2003. As a result, we have developed new procedures for adjusting northern Virginia employees’ salaries. Please insert the attached policy addendum after page 18 of Policy 3.05, Compensation. If you have questions about this policy change, you should contact your assigned compensation consultant.

Attachment

Cc: Sara Wilson
Addendum
Policy 3.05, Compensation
Effective July 1, 2003

When an employee moves to another position within northern Virginia or into or out of northern Virginia, the employee’s new position may qualify for a higher, lower, or the same salary range. Where the range changes, there is no automatic adjustment to the employee’s salary.

Management-initiated actions that may affect an employee’s salary include Temporary Pay, Role Changes, Reassignments Within the Pay Band, Disciplinary Demotions, and Performance Demotions.

For Temporary Pay and Role Changes, management first applies the rules outlined in Policy 3.05 and then determines whether or not there should be an additional adjustment to the employee’s salary due to the change in salary range. Management should consider the 13 Pay Factors in making this determination.

For Reassignments Within the Pay Band, the employee’s salary normally does not change. However, management may decide to adjust the employee’s salary based on a change in the applicable salary range and the 13 Pay Factors.

Performance and Disciplinary Demotions require a minimum salary reduction of 5%. Agency management may decide the extent to which the reduction should be greater than 5% based on any salary range change and the 13 Pay Factors.

Employee-initiated actions include Promotions, Voluntary Transfers, and Voluntary Demotions. For these actions, the employee’s new salary will be negotiated based on the 13 Pay Factors. Agencies may consider any change in salary range in their negotiations.