HRDG 4531 - Highest Previous Rate - Section E

Last Modified:

Subchapter 4531 - Highest Previous Rate
Section E - Federal Wage System: Basic Pay Determinations

- New Appointment
- Reinstatement, Reassignment, or Transfer
- Position Change without a Change in Grade
- Reinstatement
- Voluntary Demotions
- Demotion to Enter a Career Enhancement Program
- Demotion with Grade or Pay Retention
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New Appointment	The rate of basic pay will be set at the minimum rate of the grade unless: • The provisions of 5 CFR 532.403(b) have been met for superior qualifications appointments, and • A written request is submitted to the servicing personnel office (SPO) before the effective date of the appointment. Contact your (SPO) for more information on these types of appointments.
Reinstatement, Reassignment, or Transfer	Except as provided below, the rate of basic pay is set using highest previous rate (HPR) or the maximum rate for the grade if HPR exceeds the maximum payable for the grade. HPR is found by selecting the higher of the following two (2) rates: • The actual earned rate, which is the highest hourly amount in dollars and cents the employee earned in a previous FWS job, or • The current rate, which is the hourly amount being paid for the grade and step in which the employee earned his or her HPR on the FWS wage schedule used now in the location where the employee is being placed.

Position Change Without a Change in Grade

The maximum payable rate rule may be used for lateral movements (e.g., WL to WL) of employees through:

- Transfers;
- Reassignments,
- Change in appointment type,
- Change in official worksite, or
- Other position change.

If an employee is entitled to pay retention, HRD must apply the rules in 5 CFR 536.

Reinstatement

The rate of basic pay will be set using HPR unless the employee meets the conditions for the superior qualifications and special needs pay setting authority **and** management has chosen, in writing, to grant that rate of pay.

Voluntary Demotions

Voluntary demotion with prospect of repromotion:

- HPR will not be granted upon a voluntary demotion to a position in which the employee has promotion potential equal to or greater than his/her former position and is expected to be repromoted within 120 days.
- Pay in the lower grade will be set at the rate necessary to place the employee, when promoted, at the rate which would have been attained had the employee not been demoted.

Voluntary demotion with **no** prospects of repromotion within 120 days when either the position has no promotion potential or the employee will not qualify for promotion within 120 days:

- HPR will be granted unless the Program has written policy on how pay is set in these situations.

Demotion to Enter a Career Enhancement Program	Employees who voluntarily take a downgrade to enter a Career Enhancement Program, Pathways Program, or similar upward mobility training program in Marketing and Regulatory Programs (MRP) are entitled to HPR. Employees will be entitled to pay retention if their existing rate of pay exceeds the top step of the rate to which they are being demoted.
Demotion with Grade or Pay Retention	Pay rates for employees placed in a lower grade due to reduction-in-force or reclassification will be set following grade and pay retention regulations, if they otherwise quality for these benefits.
Demotion for Cause	An employee demoted for either disciplinary or performance reasons receives the minimum rate of basic pay for the grade to which demoted. This grade and rate will be used to determine any future HPR decisions.

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