

**U.S. Department of Energy**  
**Washington, DC**

**ORDER**

**DRAFT**  
**DOE O 329.1A**

Approved: XX-XX-XXXX

**SUBJECT: EXCEPTED SERVICE AUTHORITIES FOR EJ AND EK PAY PLANS**

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1. PURPOSE. To establish requirements and responsibilities for the employment and compensation of individuals when using the following DOE excepted service authority:
  - a. Section 621(d) of the DOE Organization Act (42 United States Code (U.S.C.), section 7231(d), hereafter referred to as pay plan EJ.
  - b. Section 3161(a) of the National Defense Authorization Act for Fiscal Year 1995 (Public Law 103-337, October 5, 1994) and renewals, hereafter referred to as pay plan EK.
2. CANCELLATION. DOE O 329.1, Excepted Service Authorities for EJ and EK Pay Plans, dated 3-30-2012. Cancellation of an Order does not, by itself, modify or otherwise affect any contractual or regulatory obligation to comply with the directive. Contractor Requirements Documents (CRDs) that have been incorporated into a contract remain in effect throughout the term of the contract unless and until the contract or regulatory commitment is modified to either eliminate requirements that are no longer applicable or substitute a new set of requirements.
3. APPLICABILITY.
  - a. Departmental Applicability. This Order applies to all Departmental Elements.

The Administrator of the National Nuclear Security Administration (NNSA) must assure that NNSA employees comply with their responsibilities under this directive. Nothing in this directive will be construed to interfere with the NNSA Administrator's authority under section 3212(d) of Public Law (P.L.) 106 65 to establish Administration specific policies, unless disapproved by the Secretary.
  - b. DOE Contractors. This Order does not apply to DOE Contractors.
  - c. Equivalencies/Exemptions for DOE O 329.1A. Requests for exemptions must be forwarded to the Senior Management Review Board (SMRB) as delegated by the Chair, Executive Resources Board (ERB) or designee. The request must be submitted to the Office of Executive Resources (OER), and include the basis for the exemption, identify the key requirement for which the exemption is sought, and request a timeframe, as applicable.
4. REQUIREMENTS.
  - a. Covered Positions.
    - (1) The EJ authority as referenced in Section 621(d) of the DOE Organization Act (42 United States Code (U.S.C.), section 7231(d), is used to enhance

the Department's recruitment and retention of highly qualified scientific, engineering, and professional administrative personnel. Appointments made under this authority may be made without regard to the civil service laws and are excepted from the provisions of Title V, United States Code.

The use of the EJ authority is limited to 200 scientific, engineering, professional and administrative positions and may be used for time-limited and indefinite appointments.

- (2) The EK authority, as referenced in Section 3161(a) of the National Defense Authorization Act for Fiscal Year 1995 (Pub.L. 103-337, October 5, 1994) and renewals, is used to enhance the Department's recruitment and retention of highly qualified scientific, engineering, and technical personnel whose duties will relate to safety at defense nuclear facilities of the Department. Appointments made under this authority may be made without regard to the civil service laws and are excepted from the provisions of Title V, United States Code.

The use of the EK authority is limited to 200 scientific, engineering, technical positions and may be used for time-limited and indefinite appointments.

The EK authority is time-limited by law and must be renewed. Current EK employees are not affected; however, a freeze on hiring is implemented if the time period expires prior to extension.

- (3) The authorities shall be used in adherence to fair hiring practices without regard to non-merit factors such as color, religion, sex, age or national origin.
- (4) These authorities must be used for:
  - (a) Filling positions expeditiously as a result of:

- 1 **Recruitment difficulties:** Potential recruitment difficulties have been or are expected to significantly delay the timely filling of positions when there is a demonstrated mission-driven need to fill a key position in a timely manner with a highly qualified candidate (e.g., position offer/acceptance rates, proportion of similar positions filled, length of time required to fill similar positions, number of highly qualified candidates applying for vacancies, etc.).

- 2 **Urgent mission need:** An urgent, mission-driven need necessitates the quick hiring of a highly qualified candidate.

- (b) Retaining employees in mission-critical positions or occupations based upon scarce demand or unique combination of skills and experience required to help the Department meet its mission:
- (5) These authorities are not to be used to:
  - (a) Make political appointments or appointments to positions properly classified in the Senior Executive Service (SES). The Office of Personnel Management (OPM) regulations and authorities govern the establishment, appointment process, and other matters for SES positions.
  - (b) Promote GS employees solely as a means of providing greater compensation.
  - (c) Convert SES, Senior Level (SL) or Scientific or Professional (ST) employees as a means to resolve a conduct or performance issue.
- b. Duration of Appointments.
  - (1) Appointments made under these authorities, unless otherwise stated, are indefinite.
  - (2) Time-limited appointments may be made for a period of up to 4 years.
- c. Classification.
  - (1) Classification materials applicable to other comparable Federal positions, (e.g., classification standards and guides applicable to General Schedule position) shall be used as guidelines for application to positions requested under this authority.
  - (2) Positions under the EJ authority shall be coded with the prefix "EJ" followed by the appropriate occupational series and corresponding difficulty level (e.g., EJ-510-IV) for positions which meet the series definition for Accounting at a level comparable to GS-15.
  - (3) Positions under the EK authority shall be coded with the prefix "EK" followed by the appropriate occupational series and corresponding difficulty level (e.g., EK-840-IV) for positions which meet the series definition for Nuclear Engineers at a level comparable to GS-15.
  - (4) The grade-evaluation guidelines described below may be used as guidance to evaluate positions under these authorities and in determining the appropriate pay band:
    - (a) **Pay Band I:** The level of duties may be equivalent to grade levels GS-5 through GS-7 of the General Schedule.

Pay Range GS-5, step 1 through GS-9, step 5.

- (b) **Pay Band II:** The level of duties may be equivalent to grade levels GS-9 through GS-11 of the General Schedule.

Pay Range GS-9, step 1 through GS-12, step 5.

- (c) **Pay Band III:** The level of duties may be equivalent to grade levels GS-12 through GS-13 of the General Schedule.

Pay Range GS-12, step 1 through GS-14, step 5.

- (d) **Pay Band IV:** The level of duties may be equivalent to the grade levels GS-14 through GS-15 of the General Schedule.

1 Pay Range GS-14, step 1 through 103 % of GS-15, step 10.

2 Grandfathered 14/1 to 136% of 15, step 1.

- (e) **Pay Band V:** The level of duties is above the GS-15 grade level of the General Schedule.

Pay Range EX-V through EX-III.

- (5) The position descriptions established will be recorded at a minimum, using the following format:

- (a) Introduction
- (b) Major Duties and Responsibilities
- (c) Technical Knowledge Required in the Position
- (d) Supervision and Guidance Received

- d. Qualification Requirements. An individual appointed under these authorities must meet the OPM minimum classification requirements established for the position.

- e. Recruitment Requirements. Positions under these authorities may be filled from sources within and outside the Department and federal government using competitive or non-competitive appointment procedures. All placement procedures must be consistent with merit system principles in accordance with 5 U.S.C. 2301 and result in excepted service appointments.

SMRB approval is required to establish all EJ and EK positions for competitive and non-competitive selections and proposed candidates. All non-competitive selections in the administrative field (e.g. GS-301-series equivalent) must have prior concurrence of the Assistant General Counsel for General Law, Office of General Counsel (GC) or for NNSA coordination with Headquarters GC. The

type of recruitment process must be indicated in the SMRB package with the applicable justification, if required.

(1) Non-competitive Procedures

- (a) SMRB approval for the establishment/backfill of the position must be obtained prior to requesting approval for the proposed candidate. After SMRB approval is received for the position, a subsequent package must be submitted for the approval for the proposed non-competitive candidate.
- (b) No formal vacancy announcement is issued; veteran's preference does not apply.
- (c) Candidate's qualifications (e.g., requisite knowledge, skills and experience) must be documented.
- (d) Overview of the review and selection process used by the Selecting Official must be provided.
- (e) Reference checks are required if candidate is outside of the Departmental Element; must be documented in writing.

(2) Competitive Procedures

- (a) External Recruitment Process (Area of Consideration in USAJobs: Open to "All Qualified" candidates)

1 SMRB approval for the establishment/backfill of the position must be obtained prior to requesting approval for the proposed candidate.

2 Veteran's preference applies. DOE applies Category Rating to rate and rank applicants.

Acceptance and evaluation of applications for the selection and appointment of candidates for positions covered by these authorities shall be in accordance with the policies and procedures outlined in 5 CFR, Part 302, and 5 U.S.C. 2108.

3 The minimum length of the vacancy announcement period must be 5 business days.

4 An SMRB package must be submitted for the approval for the proposed candidate.

5 Reference checks are required if candidate is outside of the Departmental Element; must be documented in writing.

(b) External Recruitment Process (Area of consideration in USAJobs: federal employees only)

1 SMRB approval for the position must be obtained prior to recruitment.

2 Acceptance and evaluation of applications for the selection and appointment of candidates is done within a limited area of consideration (e.g., DOE-Headquarters federal employees, local commuting area or Government-wide federal employees only).

3 The minimum length of the vacancy announcement period must be 5 business days.

4 An SMRB package must be submitted for the approval for the proposed candidate.

5 Reference checks are required if candidate is outside of the Departmental Element; must be documented in writing.

(3) Details

(a) Details of excepted service employees under these authorities are permissible and are subject to the provisions governing comparable GS positions at Pay Bands I through IV.

(b) Employees under these authorities may be reassigned to other excepted service positions for which they qualify in accordance with the requirements established for comparable GS positions at Pay Bands I through IV

(c) All Details to EJ or EK positions require SMRB approval prior to effecting the action, regardless of the length.

f. Performance Management. EJ and EK employees follow guidelines under DOE Order 331.1C, Employee Performance Management and Recognition Program.

All performance-based awards, performance-based pay adjustments and other awards, except those covered under section (4)(b) for employees must be submitted to OER for SMRB approval prior to granting. An award cannot be a duplication of an accomplishment documented in the performance plan.

(1) Performance Appraisal Cycle

- (a) The performance appraisal cycle is October 1<sup>st</sup> through September 30<sup>th</sup> of each year.
  - (b) Two progress reviews must be completed during the appraisal period.
- (2) Performance-Based Pay Adjustments
  - (a) A performance-based pay adjustment may result in a pay increase not to exceed six percent within the assigned pay band, unless DOE is restricted in providing such adjustments.
  - (b) An EJ or EK employee may be considered for one performance-based pay adjustment annually based on clearly documented performance achievements reflected in the performance appraisal and written justification.
  - (c) Eligibility is applicable during the performance cycle only.
- (3) Performance-Based Awards
  - (a) Based on their annual performance achievements, EJ or EK employees may receive lump sum cash awards ("bonuses").
  - (b) Time Off Awards comparable to other pay systems in recognition of annual performance may also be granted.
  - (c) Eligibility is applicable during the performance cycle only if based upon the annual performance.
- (4) Other Awards
  - (a) Employees appointed under these authorities are eligible to receive Departmental awards intended to motivate and reward or recognize excellence.
  - (b) Awards for consideration include: Special Act or Service, On-the-Spot Monetary Award, Time Off Awards, Certificate of Appreciation, Equal Employment Opportunity Award, and Departmental Honorary Awards.
  - (c) Monetary awards less than \$1500 and Time Off Awards less than 20 hours do not need SMRB approval; however, Departmental Elements must notify OER when awards are given.
  - (d) Monetary awards over the thresholds established in (c) and non-monetary awards must be submitted to OER for SMRB approval prior to granting the proposed award.

g. Pay and Leave Administration.

## (1) Pay Setting Upon Initial Appointment

- (a) Compensation for an EJ or EK must reflect the salary paid in the labor market for comparable positions, commensurate with the individual's skills, professional and educational accomplishments and the complexity of work being asked to perform.
- (b) Initial basic pay (base pay and locality) for an EJ or EK may be set at any point in the applicable pay band based on consideration of such factors as:
  - 1 Labor market conditions
  - 2 Personal qualifications and unique skills
  - 3 Education
  - 4 Experience
  - 5 Salary history
  - 6 Mission impact
  - 7 Organizational equity or pay considerations (comparable competitive service position)
- (c) A broad-banding pay system of 5 levels has been established and basic pay ranges for the 5 levels are as follows:

| Pay Band            | Level of Duties | Pay Ranges                  |
|---------------------|-----------------|-----------------------------|
| I                   | GS-5 - 7        | GS-5/1 – GS-9/5             |
| II                  | GS-9 - 11       | GS-9/1 – GS-12/5            |
| III                 | GS-12 - 13      | GS-12/1 – GS-14/5           |
| IV                  | GS-14 - 15      | GS-14/1 to 103% of GS-15/10 |
| *IV (Grandfathered) | GS-14 - 15      | GS-14/1 to 136% of GS-15/1  |
| V                   | Above GS-15     | EX-V – EX-III               |

## (2) Total Annual Compensation

- (a) An EJ or EK employee's aggregate compensation (basic pay, incentives, differentials, and awards, etc.) per calendar year may not exceed the annual rate payable for Executive Level I.
- (b) The total basic pay (base pay and locality) compensation may not exceed Executive Level III.



(3) Locality Pay Increases

Employees appointed under these authorities will receive locality pay increases applicable to other federal employees.

(4) Comparability Increases

Employees appointed to positions under these authorities will receive comparability increases applicable to other federal employees.

(5) Promotion

(a) A promotion is defined as movement to a higher pay band resulting from substantial increase in higher level duties and responsibilities (i.e., accretion of duties) or permanent assignment to another position of greater complexity. A revised or new position description must accompany the promotion request.

(b) A promotion may result in a pay increase up to six percent (6%) not to exceed the top of the pay band. The adjusted salary may not be less than the minimum salary established for the band to which the individual is promoted.

(c) Employees will not receive more than one promotion in a 12-month period except as provided under a career development program.

(6) Reassignment

(a) A reassignment to a position of substantially greater responsibility may result in an increase up to six percent (6%) not to exceed the top of the pay band.

(b) This will generally apply to an employee being reassigned from a nonsupervisory position to a supervisory position.

(7) Movement into the EJ/EK Pay Band

If moving to a position of greater responsibility and scope, an employee may receive a pay increase up to six percent (6%) not to exceed the top of the applicable pay band when transitioning from another pay system into the EJ/EK pay band (e.g., GS to EJ). The pay must be set at least at the minimum of the applicable EJ/EK pay band.

(8) Movement from the EJ/EK Pay Band to a Different Pay Plan

Employees moving out of the excepted service pay band into the General Schedule (GS) or other pay plan are only entitled to highest previous rate and not the GS two-step promotion rule.

(9) Movement within the EJ/EK Pay Band with a Change in Duty Station

Employees, whose official worksite is changed to a new duty location upon a pay setting action (e.g. promotion, reassignment, etc.), must be converted to the applicable pay schedule and the rate of basic pay for the new official worksite prior to processing the new pay-setting action.

(10) Recruitment/Relocation/Retention Incentives

- (a) Employees under these authorities are eligible for recruitment, relocation, or retention incentives.
- (b) These incentives are not entitlements and must be used judiciously.
- (c) SMRB approval is required.

(11) Leave Administration

- (a) EJ or EK V employees have been approved by OPM to receive 8 hours of annual leave automatically upon entrance on duty or conversion regardless of the years of federal service. The maximum annual leave carry-over is 240 hours.
- (b) EJ and EK employees in Pay Band I through IV will receive the annual leave accrual that is applicable to other federal employees in comparable positions.
- (c) EJ and EK employees in Pay Band I through V will receive the sick leave accrual that is applicable to other federal employees in comparable positions.

(12) Credit Hours/Compensatory Time

Employees under these authorities on a Flexible Work Schedule (FWS) can earn credit hours if available under an FWS and compensatory time for irregularly scheduled overtime in lieu of being paid for the overtime.

h. Miscellaneous.

(1) Reinstatement Eligibility

- (a) Employees who voluntarily convert from the competitive service, SES, or other pay systems to a non -time-limited appointment

under these authorities are not afforded "fallback rights" to the pay system previously assigned prior to the conversion.

- (b) DOE employees who meet the following conditions are entitled to be placed in a position of like status, tenure and grade upon completion of a time-limited EJ or EK appointment:

- 1 A non-time limited appointment in the excepted service or a career career-conditional appointment in the competitive service or a career SES appointment or an appointment of equivalent tenure; and
- 2 Receives a time-limited appointment under these authorities without a break in service and whose appointment is terminated for reasons other than misconduct, neglect of duty, or malfeasance

(2) Collective Bargaining Agreements

When provisions of a local collective bargaining agreement with the employees' exclusive representative are in conflict with the provisions of this policy with regard to bargaining unit positions, the provisions of the local agreement will govern.

(3) Employee Status

- (a) EJ and EK is an excepted service appointment; therefore, this appointment does not confer career-conditional or career tenure status.
- (b) An employee must compete with other applicants in open competition to meet requirements for another federal position, unless they meet the requirements for reinstatement.

(4) Supervisory Role and Supervisory Reporting Relationships

- (a) An EJ or EK Pay Band V position may include some supervisory and related managerial duties provided that those duties occupy less than 25% of the incumbent's time. Positions in which supervisory and managerial work constitute more than 25% cannot be classified as an EJ or EK Pay Band 5.
- (b) An EJ or EK Pay Band V position must report to an equivalent Pay Band V or SES/SL/ST position.

- (c) An EJ or EK Pay Band IV and below position can report to an equivalent or higher grade level, as illustrated in the pay ranges on pay.

(5) Trial Period/Supervisory Probationary Period

- (a) A trial period of one year for the purpose of assessing the ability of an individual to adequately perform in his or her assigned position will be established for appointments under these authorities unless the employee has already completed a probationary period under a career or career-conditional appointment.
- (b) Employees separated within their trial periods will be provided the same rights as competitive service employees who are involuntarily separated during the trial period.
- (c) All employees selected for an initial supervisory position must complete a one year probationary period.

(6) Employee Benefits

Employees appointed under these authorities for a period exceeding one year and a day are entitled to the same basic benefits (e.g., health benefits, life insurance, retirement, and leave accrual) as applicable to other employees of the Department.

(7) Public Financial Disclosure Report

Employees under these authorities may be required to complete a public financial disclosure statement and receive approval clearance from the Office of General Counsel (GC) prior to initial appointment and, thereafter on May 15 of every year, and upon termination of a position that requires an employee to file. Employees will also have to file periodic transaction reports as necessary.

(8) Post-Employment Restrictions

- (a) All Federal employees are subject to the post-employment restrictions set forth in 18 U.S.C. § 207. Since its enactment, 18 U.S.C. § 207 has remained the primary source of post-employment restrictions for Federal employees. In general, this statute prohibits a former employee from knowingly making, with the intent to influence, any communication to or appearance before an employee of the United States on behalf of any other person (except the United States) in connection with a particular matter involving a specific party in which the employee was personally and substantially involved or that was pending under the

employee's official responsibility, and in which the United States is a party or has a direct and substantial interest.

- (b) There are additional post-employment restrictions placed on employees who are considered "senior." A "senior" employee is someone paid at or above 86.5 percent of the rate of basic pay for Level II of the Executive Schedule for a period of one year after leaving a "senior" position, an individual may not make, with intent to influence, any communication or appearance in connection with any official action before any officer or employee of the agency (or agencies) in which he or she served within the year immediately prior to termination of service as a "senior" employee. This bar ordinarily does not prohibit appearances before or communications with Members of Congress or their staffs.

(9) Involuntary Separations

- (a) Employees separated within their trial periods will be provided the same rights as competitive service employees who are involuntarily separated during a trial period.
- (b) The procedures and appeal rights contained in 5 U.S.C. Chapters 43 and 75 are applicable to employees serving on appointments without time limitation who have completed a trial period.

(10) Time-Limited Appointments

- (a) Termination of a time-limited appointment at the expiration of the appointment is not grievable or appealable.
- (b) Termination of a time-limited appointment under this authority prior to the expiration of the appointment is subject to limited appeal rights.

(11) Reduction-In-Force

Procedures governing reduction-in-force applicable to excepted service employees contained in 5 CFR Part 351 are applicable to appointments made under these authorities.

(12) Appeal Rights – Adverse Action

- (a) Departmental procedures for taking adverse action (e.g. suspension for more than 14 days) applicable to competitive service employees will apply to employees under these authorities.

- (b) Employees also have appeal rights in these cases to the Merit Systems Protection Board and will be advised of these rights in accordance with 5 U.S.C. 75.

(13) Grievance Rights

Employees under these authorities will be covered by the locally applicable Administrative or Negotiated Grievance Procedures in DOE O 342. 1.

(14) Applicability of Other Departmental Policies

Unless otherwise described above or in supplemental policy guidance, Departmental policies and procedures will apply to appointments and positions under these authorities.

5. RESPONSIBILITIES. SMRB as delegated by the ERB

- (1) Manage and assign all EJ and EK allocations throughout the Department, including NNSA;
- (2) Establish and approve new positions, abolishments, reassignments, and selections into EJ and EK positions;
- (3) Approve details of Departmental and Non-Departmental career employees into EJ and EK positions;
- (4) Approve assignments (detail, transfer to International Organizations, etc.) of any EJ or EK employee outside of the Department;
- (5) Approve all Intergovernmental Personnel Assignment details;
- (6) Approve requests from Heads of Departmental Elements (and other field organizations with personnel authority) to request national interest determinations from the Secretary of State when details and transfers to public international organizations will last more than five years;
- (7) Approve pay setting (e.g., initial, as a result of a reassignment to a position of higher responsibilities, promotions, etc.);
- (8) Approve recruitment/relocation/retention allowances and dual compensation waivers;
- (9) Approve performance based pay adjustments;
- (10) Approve proposals to grant non-performance based incentive awards, unless the Head of the Departmental Element has written delegation from the SMRB to approve;

- (11) Approve priority consideration for surplus employees affected by a Reduction-in-Force (RIF); and
  - (12) Approve exemptions to the policy, as applicable.
- b. Heads of Departmental Elements or Equivalent  
Approve all EJ/EK requests prior to submission to the SMRB
- c. Selecting Officials
  - (1) Comply with approved guidance;
  - (2) Certify merit system principles were followed;
  - (3) Certify misuse of his/her position did not occur; and
  - (4) Collaborate with OER in relation to establishing EJ or EK positions, pay, recruitment, hiring, etc.
- d. Human Resources Resource Managers/Business Partners
  - (1) Ensure EJ/EK actions are submitted and authorized in accordance with approved guidance (e.g. DOE Order 329.1, ERB Charter, etc.); and
  - (2) Collaborate with OER in relation to establishing EJ or EK positions, pay, recruitment, hiring, etc.
- e. OER
  - (1) Provide technical support to organizations;
  - (2) Monitor use of EJ and EK authorities;
  - (3) Provide advice and technical assistance to program offices prior to final approval of all personnel actions that are forwarded to the SMRB for consideration; and
  - (4) Develop Departmental Instructions/Guidance.
- f. Office of General Counsel
  - (1) Provide legal support to extend EK authority, as applicable; and
  - (2) Concur in use of non-competitive procedures to select personnel classified under GS-301-series equivalent utilizing the EJ authority.

6. REFERENCES.

- a. Section 621(d) of the DOE Organization Act (42 United States Code (U.S.C.), section 7231(d), hereafter referred to as pay plan EJ
- b. Section 3161(a) of the National Defense Authorization Act for Fiscal Year 1995 (Pub.L. 103-337, October 5, 1994) and renewals, hereafter referred to as pay plan EK.
- c. Executive Resources Board Charter
- d. DOE N 314.1, *DOE FLEX: DOE's Telework Program*, dated 2-11-13, or most current
- e. DOE O 320.1 Chg. 1, *Acquiring and Positioning Human Resources*, dated 9-6-02, or most current
- f. DOE M 321.1-1, *Intergovernmental Personnel Act Assignments*, dated 8-24-00, or most current
- g. DOE O 322.1C, *Pay and Leave Administration and Hours of Duty*. and Admin Chg. to *DOE Pay and Leave Administration and Hours of Duty*, dated 1-19-11, or most current
- h. DOE O 331.1C, *Employee Performance Management and Recognition Program*, dated 10-15-10, or most current
- i. DOE O 342.1, *Grievance Policy and Procedures*, dated 2-2-06, or most current
- j. *DOE Handbook on Recruitment and Retention Incentives*, dated April 2012 or most current
- k. 5 U.S.C. Chapter 43, Performance Appraisal
- l. 5 U.S.C. Chapter 45, Incentive Awards
- m. 5 U.S.C. Chapter 75, Adverse Actions
- n. 5 CFR Part 302, Employment in the Excepted Service
- o. 5 CFR Part 351, Reduction in Force
- p. 5 CFR Part 430, Performance Management
- q. 5 CFR Part 451, Awards



- r. 5 CFR Part 575, Recruitment and Relocation Bonuses, Retention Allowances
  - s. 5 U.S.C. Section 2108 Veteran; disabled veteran; preference eligible
  - t. 5 U.S.C. Section 2301, Merit Systems Principles
  - u. Office of Personnel Management Handbook of Occupational Groups and Families
  - v. Office of Personnel Management Introduction to the Position Classification Standards
  - w. Office of Personnel Management the Classifier's Handbook
7. CONTACT. Questions concerning the Order should be directed to the Office of Executive Resources at 202-586-2195 or 202-586-9558.

BY ORDER OF THE SECRETARY OF ENERGY:

Logo  
inserted  
here after  
approval

NAME  
Deputy Secretary



## SETTING PAY

Initial basic pay may be set at any point in the pay bands as described in Section 4.g.(1). Once the SMRB approves the recommended total salary, the basic pay and locality adjustment are calculated as follows:

1. Determine locality rate for the position
2. Convert locality percent to a decimal
3. Divide total salary by locality decimal to determine basic pay
4. Subtract basic pay from Step 3 from the total salary to determine the locality pay

**Example A:** An employee is selected for an EJ/EK position in Washington, DC and the total approved salary for the EJ/EK position is \$123,758 annually.

1. Determine locality rate for the position
  - Washington, DC has a locality rate of 24.22% (locality rate for 2014)
2. Convert locality percent to a decimal
  - 1.2422
3. Divide total salary by locality decimal
  - $(\$123,758) / (1.2422) = \$99,628$  per annum
4. Subtract basic pay from Step 3 from the total salary to determine the locality pay
  - $(\$123,758) - (\$99,628) = \$24,130$  per annum

When changes in duty stations occur when moving positions within the EJ/EK pay bands as described in Section 4.g.(9), the new basic pay and locality adjustment are calculated as follows:

1. Determine locality rate for the current position
2. Convert the current locality percent to a decimal
3. Divide total salary by current locality decimal to determine basic pay
4. Multiply basic pay from Step 3 by any approved pay increase (e.g., 6% for a promotion), if applicable, to determine new basic pay
5. Determine locality rate for the new position
6. Multiply it by the new basic pay determined in Step 4 to determine new total salary

**Example B:** An employee is selected for an EJ/EK position in Aiken, South Carolina and is promoted to an EJ/EK position in Washington, DC. The employee's current salary in South Carolina is \$123,758.

1. Determine locality rate for the current position
  - Aiken, South Carolina has a locality rate of 14.16% (locality rate for 2014)
2. Convert the current locality percent to a decimal
  - 1.1416
3. Divide total salary by current locality decimal to determine basic pay
  - $(\$123,758) / (1.1416) = \$108,407$  per annum
4. Multiply basic pay from Step 3 by any approved pay increase (e.g., 6% for a promotion), if applicable, to determine new basic pay
  - $(\$108,407) / (1.06) = \$114,911$  per annum
5. Determine locality rate for the new position
  - Washington, DC has a locality rate of 24.22% (locality rate for 2014)
6. Multiply it by the new basic pay determined in Step 4 to determine new total salary
  - $(\$114,911) * (1.2422) = \$142,742$  per annum