Department of Veterans Affairs
Washington, DC 20420

VA DIRECTIVE 5534.5
Transmittal Sheet
April 12, 1995

PAY FOR SENIOR-LEVEL AND SCIENTIFIC AND PROFESSIONAL POSITIONS

1. REASON FOR ISSUE: To revise Section E, "Pay for Senior-Level and Scientific and Professional Positions," of Department of Veterans Affairs (VA) Manual MP-5, Part I, Chapter 534, "Pay Under Other Systems," and reformat it as Directive 5534.5.

2. SUMMARY OF CONTENTS/MAJOR CHANGES: This transmittal rescinds the 13 pay level VA Senior-Level (SL) Pay Schedule and establishes a pay band consisting of a minimum rate equal to 120 percent of GS-15, step 1, and a maximum rate equal to the basic rate of pay for Executive Level IV. These rates are augmented by the locality comparability payments authorized for the area in which they are located, but the augmented maximum cannot exceed the rate of basic pay for Executive Level III. VA rates change automatically when the Office of Personnel Management publishes adjustments.

3. RESPONSIBLE OFFICE: Salary and Wage Administration Service (052), Office of the Deputy Assistant Secretary for Human Resources Management.

4. RELATED HANDBOOK: None.

5. RESCISSIONS: Change 4, dated January 10, 1992, and change 5, dated January 8, 1993, to MP-5, part I, chapter 534.

CERTIFIED BY:

Nada D. Harris
Deputy Assistant Secretary for
Information Resources Management

BY DIRECTION OF THE SECRETARY OF VETERANS AFFAIRS:

Eugene A. Brickhouse
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PAY FOR SENIOR-LEVEL AND SCIENTIFIC AND PROFESSIONAL POSITIONS

1. PURPOSE. This directive provides Departmentwide pay policy for Department of Veterans Affairs (VA) senior-level (SL) positions classified above GS-15 in accordance with title 5, United States Code (U.S.C.), section 5108 and to scientific and professional (ST) positions established under 5 U.S.C. 3104.

2. POLICY

a. **Pay range.** Pay under the SL system (which covers both SL and ST positions) may not be less than 120 percent of the rate of basic pay for GS-15, step 1, or more than the rate of basic pay for level IV of the Executive Schedule. In areas authorized locality comparability pay, the minimum and maximum rates are augmented by the percentage authorized, but the maximum augmented rate cannot exceed the rate of basic pay for Executive Level III.

b. **Aggregate compensation limits.** Limits on aggregate compensation in 5 U.S.C. 5304(g)(2), 5307, and title 5, Code of Federal Regulations (CFR), part 530, subpart B are applicable.

c. **Pay band.** VA pay for SL employees may be set at any amount between the minimum and maximum rates authorized for the area. Future adjustments to the minimum and maximum rates by the Office of Personnel Management (OPM), including changes in locality comparability pay, are applicable as of the effective date established by that agency.

d. **Annual salary adjustments.** The basic pay of each VA SL employee will be adjusted automatically by the percentage applied to the GS, unless such increase would cause the annual salary to exceed the maximum rate. In the latter case, the increase will be to the maximum rate. These increases are effective as of the date prescribed by OPM and do not start a new 12-month waiting period.

e. **Grade retention.** SL employees are not eligible for grade retention because they occupy ungraded positions.

f. **Pay retention.** Pay retention may be authorized for those who become eligible because of assignment from an SL position to a position in a pay schedule covered by pay retention policies.

g. **Exclusions from coverage under Directive.** Board of Contract Appeals positions that were formerly classified above GS-15 and Senior Executive Service (SES) positions are excluded.

3. RESPONSIBILITIES

a. The Secretary will approve salary rates for employees upon entry into the VA SL system.

b. The Assistant Secretary for Human Resources and Administration will approve any adjustments of SL employees' pay after entry into the VA SL system.

c. Administration heads, Assistant Secretaries, other key officials, and Deputy Assistant Secretaries will recommend the salary level for initial placement and subsequent adjustments in pay for SL employees under their jurisdiction.

d. The Chairperson of the VA Executive Resources Board (ERB) will oversee administration of the SL pay system to ensure that pay determinations proposed under appendix A procedures are consistent with law, regulation, and VA policy and contribute to a reasonable distribution of employees within the SL pay band.

4. REFERENCES

a. 5 U.S.C. 5304 (g)(2), 5307 and 5376.

b. 5 CFR parts 319; 530, subpart B; 534, subpart E; 536; and 591, subpart B.

5. DEFINITION. Because the positions are established under separate title 5 authorities, SL will be used for senior-level positions and ST for scientific and professional positions for Personnel and Accounting Integrated Data (PAID) System coding identification purposes. **For purposes of this policy, however, the term "senior-level" (SL) describes both categories of covered positions and employees.**

PROCEDURES FOR DETERMINING PAY FOR SL EMPLOYEES

1. PAY SETTING UPON INITIAL ENTRY

a. Pay upon transfer of an SL employee from another Federal agency (or conversion of an SES employee to an SL position) will be set at a rate equal to the candidate's existing rate of basic pay, unless a higher rate is justified in accordance with the criteria in subparagraph d below.

b. For initial appointment of a non-Federal employee, pay will usually be set at the minimum rate, unless a higher rate is justified in accordance with the criteria in subparagraph d below.

c. Pay for Federal GS (including former GM) employees and VA title 38 employees newly appointed to an SL position will be set at a rate equal to their current rate of pay, plus 6 percent, unless a higher rate is justified in accordance with the criteria in subparagraph d below.

d. Pay for initial SL appointments with VA may be set in excess of rates described above when warranted by the level of responsibilities of the assignment and the impact of the position on VA, the Federal Government, and/or the private sector; in anticipation of outstanding contributions to the organization by the SL employee; and to ease problems in recruiting a high quality employee for a position which is " hard-to-fill" because of such factors as its geographic location or unique qualification requirements. A recommendation to establish an initial rate in excess of the rates described in subparagraphs a, b, and c above must include appropriate justification.

2. PAY ADJUSTMENTS

a. The rate of basic pay for any SL employee may be adjusted only once during a 12-month period. For purposes of this limitation, the initial pay rate established under paragraph 1 of this appendix is considered an adjustment, except when an SL employee transfers from another agency with no change in pay rate. Pay adjustments made under subparagraph 2d of this Directive do not start a new 12-month period.

b. The Secretary may approve reassignments to different duties and responsibilities within the SL pay system at the same rate of pay or at a different rate. In conjunction with a proposed reassignment, Administration heads, Assistant Secretaries, other key officials, and Deputy Assistant Secretaries will recommend an appropriate pay rate to the Secretary, through the Deputy Assistant Secretary for Human Resources Management (053) and the Assistant Secretary for Human Resources and Administration (006).

c. Pay adjustments may be recommended for the Secretary's approval at any time when documented professional accomplishments and performance warrant, consistent with the limitation specified in paragraph 2a of this appendix. Factors such as professional stature, enhanced qualifications, and contributions to the organization or profession, as well as performance, should be considered. Pay increases other than those to meet the statutory minimum are wholly at the discretion of the Department.