



Foreign Service Overseas Comparability Pay, Phase Two

A Mandatory Reference for ADS Chapter 470

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The Office of Human Resources is pleased to announce that USAID is implementing the second phase of Foreign Service Overseas Comparability Pay jointly with the Department of State, as announced in 10 STATE 072562. This second phase is being processed effective August 15, 2010 (pay period 17).

Section 1113 of the Supplemental Appropriations Act, 2009 (P.L. 111-32), enacted on June 24, 2009, included initial authorization for Foreign Service Overseas Pay Comparability. USAID joined the Department of State in implementing this comparability pay authority in phases, the first of which began in August 2009. (See USAID/General Notice #0909, Foreign Service Overseas Pay Comparability, dated September 1, 2009, for additional information.)

Effective August 16, 2009 (pay period 17), overseas employees received the first phase pay increase of 7.7 percent, which was reflected in pay period 20 earnings statements retroactive to the August 16th date.

Effective January 3, 2010, overseas employees received the Washington, D.C. locality pay increase of 1.12 percent. These increases brought the overseas comparability rate to 8.82 percent.

With Phase Two, USAID provides an additional 7.7 percent comparability pay, bringing the rate to 16.52 percent, effective August 15, 2010 (pay period 17). This increase will appear on September 9, 2010 earnings statements. Assuming an extension of the authorization and USAID's ability to fund the increase, the third and final adjustment will be implemented in August 2011.

Employees eligible to receive the adjustment include direct-hire Foreign Service Officers who are career candidates, career, or non-career employees (FSLs) at FS-01 and below, Civil Service employees on limited FS non-career appointments overseas, and individuals serving on temporary appointments. Senior Foreign Service employees, Senior Executive Service employees serving on limited non-career appointments overseas, and employees on temporary duty (TDY) assignments from Washington positions are ineligible.

The National Finance Center (NFC) has the Overseas Foreign Service (FS) Salary Table incorporating the locality pay adjustment, which was developed by the Department of State. NFC modifies internal pay tables and adds a new salary rate table. NFC generates the pay adjustments and processes them through the payroll/personnel system that will update individual salary records with the increased salary amounts. The increase will be identified as locality pay. Under the second phase, the total cumulative increase is 16.52 percent.

The 16.52 percent increase will be included in basic pay for the purposes of computing post differential and danger pay and other allowances and benefits calculated using basic pay. This increase establishes a new annual maximum rate of basic pay for FS-01s at steps 10 and above: \$150,913.

Executive Officers should ensure that all overseas employees receive a copy of this Notice. Employees should contact their responsible Human Resources Specialist in the Foreign Service Staffing Branch (OHR/FSP/FSS), if they have questions about their pay adjustment or fail to receive it on time. USAID/General Notice #0584, Areas of Responsibility in Foreign Service Staffing, Update dated May 24, 2010, provides an up-to-date listing of Human Resources Specialists and their servicing responsibilities.

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SUBJECT: FOREIGN SERVICE OVERSEAS COMPARABILITY PAY,
PHASE TWO

REF: STATE 75056

1. In July 2009, the Department announced a major achievement that began to close the pay gap for Foreign Service members at grades FS-01s and below who are serving overseas. The Supplemental Appropriations Act, 2009 (P.L. 111-32), enacted on June 24, 2009, included initial authorization for Foreign Service Overseas Pay Comparability. The Department implemented this comparability pay authority in phases, first of which began in August 2009. We are pleased to announce the Undersecretary for Management has approved the implementation of the second phase providing an additional 7.7 percent comparability pay, bringing comparability pay from its current rate of 8.82 percent to 16.52 percent.

2. The first overseas comparability payment of 7.7 percent became effective during pay period 17 (August 16, 2009), and was reflected in pay period 18 earnings statements (September 10, 2009). Effective January 3, 2010, overseas employees received the Washington, D.C. locality pay increase of 1.12 percent, bringing the overseas comparability rate up to 8.82 percent. Under its current authorization, the Department will implement the second phase (7.7 percent adjustment), bringing the total to 16.52 percent, effective pay period 17 (August 15, 2010). This increase will appear on September 9, 2010 pay statements. Assuming an extension of the authorization and funding, the third and final adjustment is anticipated to be implemented in August 2011.

3. The new pay schedules are now available at http://intranet.hr.state.sbu/Benefits_Compensation/Compensation/Pages/Pay.aspx. You will see that, with the second phase, the total is 16.52 percent.

ELIGIBILITY

4. In response to queries regarding eligibility, HR/RMA has developed a table to clarify who is eligible to receive the adjustment. In addition, a Frequently Asked Questions section is provided. Both can be found at <http://intranet.hr.state.sbu/offices/rma/Pages/FAQs.aspx>. The information will be updated regularly.

5. Eligible employees include direct-hire Foreign Service Officers and Specialists serving in overseas positions who are career or non-career (FS-01 and below), Civil Service employees on a limited FS non-career appointment (LNA) overseas, Appointment Eligible Family Members (AEFMs), and temporary appointments.

6. Ineligible employees overseas include Ordinarily Resident Locally Employed Staff, Consular Agents (FZ pay scale), Senior Foreign Service employees, Senior Executive Service employees serving on an LNA overseas, Personal Services Contractors, and individuals serving on Personal Services Agreements.

7. For questions regarding eligibility contact HR/RMA-April Hartman at hartmanas@state.gov. For questions on your pay, contact the payroll customer support desk at payhelp@state.gov.

8. Minimize considered.
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