

# BPA Human Resources Directive 410-05

## Employee Pay and Compensation Incentives

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## 1. Purpose & Background

Communicates guidance for approving certain pay and compensation-related incentives permitted by government-wide regulations and/or applicable Department of Energy (DOE) policy.

## 2. Policy Owner

The Chief Administrative Officer, through Human Capital Management's (HCM) Integrated Strategy (NHI), has overall responsibility for monitoring, reporting, executing, and maintaining this BPA HR Directive.

## 3. Applicability

This BPA HR Directive applies to all BPA General Schedule (GS) or equivalent employees and/or positions. It also applies to career Senior Executive Service and other senior level and equivalent positions and to BPA hourly employees where specifically noted. It does not apply to Presidential appointees, either with or without Senate confirmation.

## 4. Terms & Definitions

- A. **Acceptable Level of Competence (ALOC):** Performance by an employee that warrants advancement of the employee's basic pay rate to the next higher step of the grade or the next higher rate within the grade or pay band. The level of performance an employee must demonstrate to receive a Within-Grade Increase (WGI) or Within-Range Increase (WRI) is at least "meets expectations" or equivalent.
- B. **Alternate Method:** An alternative to the standard promotion method, this is a series of steps used to determine an employee's pay entitlement upon promotion when there is a change in the employee's position of record that would cause the employee to have a different pay schedule and a different highest applicable rate range in the new position.
- C. **Basic Pay:** The rate of pay fixed by law or administrative action for the position held by a GS employee before any deductions and including a GS rate, a Law Enforcement Officer (LEO) special base rate, a special rate, a locality rate, a retained rate, but exclusive of additional pay of any other kind. For purposes of the Maximum Payable Rate Rule, a non-GS employee's rate of basic pay under other legal authority that is equivalent to a rate of basic pay for GS.
- D. **Exempt:** Employees not covered by the minimum wage and overtime provisions of the Fair Labor Standards Act (FLSA).
- E. **Grade Retention:** Retention for pay and benefit purposes of the grade of the position from which an employee was reduced for reasons other than cause.

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- F. **Highest Previous Rate (HPR):** The highest rate of basic pay previously received by an individual while employed in a civilian position in any part of the Federal Government without regard to whether that position was under the GS pay system or the highest rate of basic pay in effect when a GS employee held his or her highest GS grade and highest step within that grade.
- G. **Maximum Payable Rate Rule (MPRR):** A special rule that allows an agency to set pay for a GS employee at a rate above the rate that would be established using normal rules, based on a higher rate of pay the employee previously received in another Federal job.
- H. **Non-Exempt:** Employees covered by the minimum wage and overtime provisions of the Fair Labor Standards Act (FLSA).
- I. **Pay Retention:** Retention of a rate of basic pay higher than the maximum rate of the grade for the position occupied under circumstances prescribed by Government-wide regulations.
- J. **Rating-of-Record:** The summary rating required at the time specified by the performance appraisal system (normally at the end of an employee’s annual rating period).
- K. **Special Salary Rate:** A higher rate of basic pay authorized by the U.S. Office of Personnel Management (OPM) for a group or category of GS positions in one or more geographic areas to address existing or likely significant handicaps in recruiting or retaining well-qualified employees.
- L. **Standard Promotion Method:** A series of steps used to determine an employee's pay entitlement upon promotion when the employee is covered by the same pay schedules before and after promotion; or when an employee is covered by different pay schedules before and after promotion but this method produces a higher rate and BPA does not elect to apply the alternate method.
- M. **Supervisory Differential:** The annual total dollar amount paid, over and above basic pay, to a GS supervisor who otherwise would be paid less than one or more of the civilian employees supervised.
- N. **Voluntary Separation Incentive Payment (VSIP):** Also known as “buy out” authority, allows agencies that are downsizing or restructuring to offer employees lump sum payments as an incentive to voluntarily separate.
- O. **Within-Grade Increase (WGI):** An increase in an employee’s rate of basic pay by advancement from one step of an employee’s grade or range to the next after meeting requirements for length of service and performance.

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## 5. Policy

BPA officials establishing employee compensation make prudent decisions that consider the direct and indirect costs to BPA, ratepayers, and the United States Government, along with fairness and equity for the entire workforce. Approval should be for the minimum pay rate needed to attract and/or retain employees based on their expected contributions to BPA mission accomplishment, rather than routinely authorizing the highest pay rate permitted under the regulations. Managers use tools that do not have long-term financial consequences to attract and retain a high-quality workforce, e.g., recruitment incentives, when applicable.

## 6. Responsibilities

As stated in applicable HR Desk References and/or Standard Operating Procedures (see “Related HR Desk References” section).

## 7. Standards & Procedures

### 7.1. Pay and Compensation: General

- A. The pay and benefits provided to Federal employees should more than adequately satisfy the requirements of most potential or actual candidates for BPA employment in most situations.
- B. Additional recruitment incentives should be used in cases where they are determined to be clearly needed to enhance the applicant pool for hard to fill positions and/or to induce highly qualified candidates to accept employment offers. Candidates must be of demonstrably higher qualifications when used as an inducement.
- C. When compensation incentives are warranted, BPA offers the minimum incentive needed to secure acceptance of the employment offer. Hiring managers should first consider incentives that do not add to basic pay and therefore create a long-term, compounding obligation to the Federal Government.
- D. Multiple incentives should not be offered to a single candidate except under extraordinary circumstances.
- E. HCM concurrence is required for all discretionary pay-setting authorities outlined in this BPA HR Directive. Selecting Officials may discuss a candidate’s compensation needs or requests with them, but not infer or make employment offers that include pay rates based on HPR or that include compensation incentives.
- F. All determinations and requests made under this BPA HR Directive must be approved and concurred with in advance of the effective date of any personnel action.

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## 7.2. Setting Basic Pay

- A. **Maximum Payable Rate:** BPA has the discretion to set a GS employee’s pay at a higher rate than would be established using normal pay-setting rules (such as standard promotion and alternate methods or at a grade’s minimum rate or step) by using the MPRR. Under this rule, BPA may assign the employee a rate that corresponds to the highest rate of pay previously earned (HPR) or any other rate below the HPR that is at or above the lowest rate to which the employee is entitled.
- B. **Setting Pay Using Highest Previous Rate:** Managers should be judicious in authorizing use of an employee’s “highest previous rate,” reserving it for use when there is clearly a return to BPA in terms of the potential for high-level performance and contributions to BPA’s mission and programs.
- C. **Reasonable Accommodation:** Pay will be set using an employee’s HPR when an employee is changed to a lower grade to another position under BPA’s Reasonable Accommodation BPA HR Directive and procedures.
- D. **Rates Based on Temporary Promotions:** Managers may not use rates of pay received for temporary promotions of one year or longer as the basis for determining an employee’s HPR except when the employee is permanently placed in a position at the same or higher-grade level. Exceptions to this BPA HR Directive must be requested in writing using the “Request for Discretionary Pay-Setting” form.
- E. **Rates Based on Special Salary Rates:** Special salary rates are a governmental tool to address local labor market problems, not an employee entitlement that should routinely be carried to another position or area where there is no such problem. Use of a special rate as an employee’s HPR must be requested using the “Request for Discretionary Pay-Setting” form.
- F. **Voluntary Change to Lower Grade:** When an employee voluntarily accepts a change to a lower grade and is eligible for immediate re-promotion, i.e., to be re-promoted within 90 days to the former grade, the employee’s pay is set at a rate that provides the employee no greater benefit upon immediate re-promotion than the employee would have received without the change to lower grade.
- G. **Demotions for Cause:** A manager has the discretion to establish an employee’s rate of pay at the minimum step (step 1 or equivalent) of the grade to which the employee has been reduced or at a basic rate established by applying the MPRR when an employee is demoted for cause (actions under Chapter 43 or Chapter 75 of Title V, U.S.C.). A manager may establish a rate between the minimum rate (step 1 or equivalent) and the employee’s highest previous rate at the manager’s discretion.
- H. **Promotions:** The standard method of promotion pay-setting, which is based on an increase equivalent to at least two steps within the employee’s existing grade range, will be used unless the alternate method of promotion pay-setting is required or the

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standard method is determined to be inappropriate based on applicable regulations. Use of the standard method is inappropriate where an insufficient relationship exists between the knowledge and skills required for the positions before and after promotion. Managers may request approval to apply the alternate method using the “Request for Discretionary Pay-Setting” form. Requests must be made and approved with sufficient time to permit HCM to notify the employee prior to the effective date of the promotion.

- I. **Multiple Actions:** When multiple pay actions are effective on the same date, BPA processes them in the order that provides the employee the greatest pay benefit, except when a specific order is prescribed by regulation, settlement agreement, or other requirement. With the approval of the applicable manager, employee, and HCM, the effective date of a promotion may be deferred for a maximum of two pay periods to allow the employee to receive a within-range increase during that period. The advantage of delaying a promotion for this reason must first be discussed with the employee.
- J. **Vice Presidents and Tier II Managers** (in organizations without a Vice President): Approve/disapprove use of temporary promotion rates and special salary rates as HPRs for employees under their administrative jurisdiction subject to HCM’s concurrence. They also approve/disapprove business application of the alternate method in lieu of the standard promotion method for employees under their administrative jurisdiction when use of the alternate method will produce a lower rate of pay than the standard promotion method, subject to HCM’s concurrence.
- K. **Supervisors/Managers:** Approve discretionary use of the MPRR subject to the limitations and authorities outlined in this BPA HR Directive.

**7.3. Compensation Incentives**

- A. **Superior Qualifications and Special Needs Pay-Setting Authority:** This authority is one of a number of flexibilities that is intended to address problems in recruiting highly qualified employees. Granting an advanced rate of pay is not routine. The rate of pay selected should be only as high as needed to attract the candidate who offers the best available talent and expertise at the most reasonable cost to BPA. A “reasonable cost” means one that BPA can afford and that allows BPA to maintain equitable pay structures. Consideration should be given to using other flexibilities, such as a recruitment incentive, as a means of securing high quality candidates. In rare cases, both a recruitment incentive and an advanced rate of pay may be appropriate. Use of superior qualifications and special needs pay-setting must be requested using the “Superior Qualifications and Special Needs Pay-Setting Justification and Pay Rate Recommendation” and the “Compensation Incentives Request Transmittal” forms.
- B. **Student Loan Repayment Authority:**

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1. A student loan repayment benefit may not be granted for student loans covering the same costs for which BPA granted tuition assistance under the Academic Degree Training Program in BPA HR Directive 410-04. If the employee is otherwise eligible, the amount of student loan repayment benefits to be authorized must be reduced by the amount of tuition costs reimbursed by BPA for the same period of time covered by the student loan obligation.
  2. An employee serving under an active Continued Service Agreement (CSA) for tuition assistance received under the Academic Degree Training Program is not eligible to receive a student loan repayment benefit for retention purposes until service obligations in the CSA are completed. After completion of the service agreement, and if otherwise eligible, the amount of student loan repayment benefits must be reduced as stated in B.1 above.
  3. Use of the Student Loan Repayment authority must be requested using the “Student Loan Repayment Benefit Justification and Recommendation” and “Compensation Incentives Request Transmittal” forms. Student loan repayment may be used for all employees.
- C. **Travel and Transportation Expenses to First Post of Duty:** Consideration must be given to the factors outlined in the applicable HR Desk Reference. BPA will not pay any reimbursements until the prospective new appointee has signed a Continued Service Agreement (eForm 1510.06).
- D. **Credit for Directly-Related Experience for Annual Leave Accrual:** BPA will selectively offer a higher annual leave earning rate under this authority based on strategic human capital needs. Selecting officials may offer this incentive after concurrence of their organization’s Vice President or Tier II manager (in organizations with no Vice President), concurrence of BPA HCM, and approval by DOE’s Office of Human Capital Management. DOE approval is required before the selectee’s entry on duty and the determination cannot be made retroactively.
- E. **Continuing Previously Agreed Financial Incentives:** BPA has discretion to decide to continue recruitment or relocation incentives and student loan repayment benefits when an employee changes positions within DOE unless the change is a result of a management-initiated action, such as a directed reassignment or major reorganization that may adversely affect the employee. Decisions are made on a case-by-case basis.
- F. **Recruitment, Relocation, and Retention Incentives (3 Rs):** These are compensation flexibilities available to help Federal agencies recruit and retain a world-class workforce and include the following:
1. Recruitment Incentive: BPA may pay a recruitment incentive to a newly-appointed employee if it determines the position is likely difficult-to-fill in the absence of an incentive.

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2. Relocation Incentive: BPA may pay a relocation incentive to an employee who must relocate to accept a position in a different geographic area if the position is likely difficult-to-fill in the absence of an incentive.
3. Retention Incentive: BPA may pay a retention incentive to a current employee based on:
  - a. The unusually high or unique qualifications of the employee or a special need for the employee's services makes retention of the employee essential and the employee would likely leave the Federal service in the absence of such retention incentive; or
  - b. BPA has a special need to retain the employee's services in his or her current position during an office closure or relocation of the employee's office, facility, activity, or organization and the employee would likely leave the Federal service in the absence of such retention incentive.
4. Recruitment, Relocation, and Retention Incentives have specific limitations on payment amounts and continued service agreement requirements. Managers/Supervisors must ensure ongoing and new authorizations for payments to employees are used in cases where they are determined to be necessary to support the mission and program needs and are consistent with the criteria in law and OPM regulation.

**G. Tier I Managers or above** (approver must be at least one level above requesting manager):

1. Approve/disapprove superior qualifications or special needs pay-setting, student loan repayment benefits, and recruitment, retention, and relocation incentive requests for GS employees reporting to subordinate supervisors. If the BPA Deputy Administrator, the Chief Operating Officer (COO), or the Chief Administrative Officer (CAO) is the immediate supervisor of the employee that would be paid the incentive, the BPA Administrator must approve/disapprove the incentive.
2. At least annually review and certify in writing whether positions targeted for incentives continue to be difficult-to-fill and warrant continuing to offer incentives. Retention incentives authorized for individual employees must be reviewed at least annually and recertified, reduced, or terminated, as warranted.
3. Approve termination of incentive payments and service agreements.
4. Approve continuation of incentives for employees from other DOE elements who are assigned (reassigned, promoted, or voluntarily changed to a lower grade) to BPA.
5. Approve reimbursement of travel and transportation expenses for pre-employment interviews and travel to first post of duty. This authority may be re-delegated no

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lower than one level above the selecting official. If the selecting official is a Vice President or above, no higher approval is required.

- 6. Waive service obligations over and above any minimum service obligations required by law or regulation.
- H. **COO, CAO, and Deputy Administrator:** Review and provide preliminary approval/disapproval for student loan repayment benefits and recruitment, retention, and relocation incentives for SES and Senior Level employees and forward approvals through HCM to the Executive Resources Board (ERB) at DOE.
- I. **Treasury Manager:** May waive, in whole or in part, a right of recovery of an employee's debt resulting from unmet service obligations if it is determined that recovery would be against equity and good conscience or against the public interest.

**7.4. Payment of Supervisory Differential**

- A. **A Supervisory Differential will be granted as follows:**
  - 1. To permanent GS (annual) or equivalent employees who perform direct, technical supervision of hourly employee(s) permanently or temporarily assigned to them.
  - 2. To annual employees who assume temporary qualifying responsibility (promotions/appointments/details) and provide direct, technical supervision of the hourly employee(s) whose salary is used to set the maximum differential rate.
- B. The supervisory differential will be equal to that amount which causes the continuing pay of the annual employee to exceed by three percent (3%) of the highest continuing pay of hourly employees to whom he/she provides direct, technical supervision.

**7.5. Within-Grade and Within-Range Increases**

- A. **Within-Grade Increases (WGI):** BPA HCM processes WGIs automatically on the scheduled due date when the employee meets waiting period requirements and the most recent rating-of-record indicates an ALOC. HCM does not process the WGI if the most recent rating-of-record is below an ALOC. HCM does not process a WGI if the supervisor or manager has failed to assign a current rating-of-record.
- B. **Within-Range Increases (WRI):** These pay adjustments within a pay band are applicable to EJ/EK and equivalent pay plans and are processed as described for WGIs above.
- C. **Performance Rating Officials:** Such officials may deny a subordinate's WGI/WRI with Performance Reviewing Official concurrence and written justification.
- D. **Tier I Managers or Managers No Lower than One Level above Reviewing Official (Whichever is Lower):** Such officials may reconsider WGI/WRI denial and issue decisions as requested by employees in accordance with 5 CFR 531.410. The Tier 1 manager may reassign authority in consultation with BPA's HCM. Refer to Human

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Capital Management Standard Operating Procedure, “Requirements for Granting and Denying Within-Grade-Increases.”

**7.6. Offering Optional Grade or Pay Retention**

- A. Optional grade or pay retention may be offered on an individual case-specific or organizational unit basis to assist management in achieving needed organizational changes by providing incentives to employees to voluntarily change positions without impact to pay or other benefits.
- B. Sound business reasons must support offering optional grade or pay retention, including documentation demonstrating:
  - 1. The impact to BPA if the request is disapproved;
  - 2. The actual or potential cost savings the organization will accrue by invoking this flexibility; and
  - 3. Consideration of other pay-setting options and their applicability, including the use of highest previous rate (in the case of individual requests for optional pay retention) for offering optional grade or pay retention.
- C. Requests must be made using the “Request and Justification for Optional Grade or Pay Retention” form.
- D. Management, with BPA’s Human Resources Director (HRD) concurrence, may approve requests to grant optional grade or pay retention.

**7.7. Overtime Pay and Compensatory Time Off**

The following includes BPA HR Directive on overtime pay or compensatory time off in lieu of overtime pay under Title V and the Fair Labor Standards Act, and Compensatory Time Off for Religious Purposes and for Travel.

- A. **BPA Official Worksite/Duty Station:** For purposes of determining whether time spent traveling is hours of work for overtime pay and for determining whether travel outside duty hours is eligible for compensatory time off for travel, the official worksite includes the city/town, county, and state in which an employee works and the surrounding area within the radius established per the BPA Travel Manual.

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**B. Overtime and Compensatory Time Off in Lieu of Paid Overtime:**

1. **General Requirements:** Overtime should be required only to avoid a serious backlog of work, to meet a special work requirement, or to address unexpected and unforeseen work requirements.
2. **Irregular and Occasional Overtime:** All employees (exempt and non-exempt) may be paid for irregular and occasional overtime or request to earn compensatory time off in lieu of paid overtime.
3. **Annual Leave:** Managers should not approve annual leave for the same day that an employee is required to work overtime unless specific management requirements or bona fide personal emergencies for the employee arise.
4. **Alternatives to Regularly Scheduled Overtime:** Managers should give consideration to rescheduling the daily or weekly tour-of-duty for some or all unit employees as an alternative to regularly scheduled overtime for continuing workload demands.
5. **Required Overtime:** Managers (or authorized team leaders) may require employees to work overtime as necessary to accomplish work. An employee may request to be relieved of a requirement to work overtime, but may not refuse. Failure to work directed overtime may result in disciplinary action.
6. **Scheduling and Approval:** Except for irregular or occasional overtime resulting from unexpected circumstances, overtime should be scheduled and approved in writing prior to the administrative workweek in which it will be performed (regularly scheduled overtime). The authorizing official must provide employees, in writing, the specific hours of overtime to be worked. When the number of overtime hours worked is more than the number of previously approved overtime hours, the additional hours must be approved immediately after the work is performed and before it is recorded in the time and attendance system. When an emergency precludes prior authorization, overtime must be approved as soon as possible and include a statement as to why it could not be approved in advance.
7. **Non-exempt Employees:** BPA managers have a duty to ensure that non-exempt employees do not work unauthorized overtime. A manager who observes or has reason to believe a non-exempt employee is working overtime hours without authorization (“suffered and permitted overtime”) must direct the employee to cease. An employee may be disciplined for performing overtime work against the express order of his/her supervisor. Similarly, a supervisor may be disciplined for allowing suffered and permitted overtime to continue unabated. The concept of “suffered and permitted overtime” does not apply to non-exempt employees who are on flexi-schedules and elect to work credit hours.
8. **Voluntary Overtime:** Additional hours of work performed voluntarily by an exempt employee that are not officially ordered or approved may not be compensated with

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overtime premium pay or compensatory time off in lieu of overtime pay; however, some union agreements (collective bargaining agreements) allow compensation for voluntary overtime when the manager with delegated authority determines it was needed and justified. An employee who voluntarily works additional hours that are not compensable as overtime or compensatory time may earn credit hours if on a flexi-schedule (see BPA HR Directive 410-06: Employee Leave, Work Schedules, and Telework).

**9. Increments for Earning Paid Overtime and Compensatory Time in Lieu of Paid**

**Overtime:** Irregular and occasional overtime and compensatory time in lieu of paid overtime is earned in 15-minute increments. Regularly scheduled overtime, and compensatory time in lieu of paid overtime, is earned in one minute increments.

**10. Supervisory Approval Authority:** No employee may authorize or approve his/her own overtime work.

**11. Documenting and Using Compensatory Time Earned in Lieu of Paid Overtime:** All compensatory time off earned and taken by an employee in lieu of paid overtime must be recorded on the applicable time and labor report. An employee must use compensatory time off before using annual leave, unless using accrued compensatory time off will result in forfeiture of use-or-lose annual leave.

**12. Exempt Employees – Compensatory Time Off Not Used Within 26 Pay Periods of the Date It Was Earned:** Payment for unused compensatory time for exempt employees above the GS-10, step 10 or equivalent pay level is at management discretion under DOE Order 322.1. BPA “cashes out” the unused hours at the overtime rate the employee would have received at the time the compensatory time off was earned. An employee with unused compensatory time off who separates from Federal employment, transfers to another agency, or moves to another DOE Departmental element will be paid for unused compensatory time off hours at the overtime premium rate to which he/she was entitled when it was earned.

**C. Compensatory Time Off for Religious Observances and for Time Spent Traveling:**

**1. Increments for Earning and Using Compensatory Time Off for Religious Observances and for Travel:** Compensatory time off for these purposes will be earned and used in 15-minute increments.

**2. Compensatory Time Off for Religious Observances:** Both annual and hourly employees may earn and use compensatory time off for religious observances. Employees will use OPM Form 71, “Request for Leave or Approved Absence,” to request use and/or advances of religious compensatory time. The employee will state in the “remarks” section that time requested is for religious observances. Earned compensatory time off for religious observances remains credited to an employee’s account until the employee either separates or transfers to another

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agency, in which case the employee is paid at the rate in effect during the pay period in which it was earned.

3. **Advances of Religious Compensatory Time:** An employee who uses religious compensatory time before earning it must make up the advanced time by the end of the 26th pay period following the pay period in which the absence occurred. If not made up by that time, the employee will be charged annual leave or leave without pay to account for the negative balance. The employee will be indebted to BPA for the resulting overpayment if the negative balance is converted to leave without pay because of insufficient annual leave.
  4. **Travel During Non-Duty Hours:** Employees should not be required to travel during non-duty hours insofar as practicable; however, an employee’s work schedule may not be adjusted solely for the purpose of including travel time as compensable hours of work. Employees who are required to travel during non-duty hours are compensated with compensatory time off for travel unless otherwise compensated.
  5. **Using Compensatory Time Off for Travel:** Earned compensatory time off for travel must be used within 26 pay periods after the pay period within which it was earned or it will be forfeited. It must be used before using compensatory time earned in lieu of overtime or before using annual leave, unless use of accrued compensatory time for travel would result in forfeiture of use-or-lose annual leave. Employees must request managerial approval to schedule the use of earned compensatory time for travel in accordance with leave requesting procedures. Managers will approve such requests unless the employee’s services are needed so as to avoid forfeiture.
  6. **Requesting Extension of 26 Pay Period Limit for Using Compensatory Time Off for Travel:** When a manager determines that a work situation creates an exigency that is likely to require cancellation of scheduled use of an employee’s travel compensatory time and subsequent forfeiture, he/she must establish a file in which to maintain documentation supporting this preliminary determination. If the exigency occurs, the manager submits a request to declare an exigency to BPA’s HRD for review and subsequent submission to the appropriate Senior Vice President or Vice President for final determination.
- D. BPA’s COO has the authority, with HCM concurrence, to waive the bi-weekly cap on premium pay for first responders for recurring emergency situations, such as major power outages due to severe weather conditions. Waivers for one-of-a-kind situations require DOE approval.
- E. BPA’s HRD approves and extends the time limit for using compensatory time off for an additional 26 pay periods when forfeited as the result of an approved exigency.
- F. Managers and Supervisors (and Team Leaders with delegated authority):
1. Direct employees to work overtime;

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2. Approve overtime or compensatory time in lieu of overtime, consistent with Government-wide regulations for employees under their immediate supervision;
3. Approve requests to earn and use compensatory time off for travel and religious observances (including religious compensatory time advances); and
4. Approve an employee’s request for travel compensatory time in connection with the return home each night outside of duty hours or over the weekend if such travel results in a net cost savings to BPA.

**7.8. Voluntary Early Retirement Authority (VERA) and Voluntary Separation Incentive Payment (VSIP)**

- A. BPA does not maintain a distinct BPA HR Directive on VERA/VSIP; however, DOE may request authority to offer VERA/VSIP for Departmental Elements from the Office of Personnel Management (OPM).
- B. BPA’s COO approves specific VERA/VSIP offerings and windows (terms) that are consistent with the parameters of an authorization received from DOE and OPM.

**8. Authorities & References**

- A. 5 U.S.C. Section 5333, Minimum Rate for New Appointments
- B. 5 U.S.C. Section 5335, Periodic Step Increases
- C. 5 U.S.C. Section 5336, Additional Step Increases
- D. 5 U.S.C. Section 5379, Student Loan Repayments
- E. 5 U.S.C. Section 5543, Compensatory Time Off
- F. 5 U.S.C. Section 5550A, Compensatory Time Off for Religious Observances
- G. 5 U.S.C. Section 5550B, Compensatory Time Off for Travel
- H. 5 U.S.C. Section 5723, Travel and Transportation Expenses of New Appointees and Student Trainees
- I. 5 U.S.C. Section 6303, Annual leave; Accrual
- J. 5 U.S.C. Chapter 35, Retention Preference, Voluntary Separation Incentive Payments, Restoration, and Reemployment; Subchapter II – Voluntary Separation Incentive Payments
- K. 5 CFR Section 531, Pay under the General Schedule
- L. 5 CFR Section 536, Grade and Pay Retention
- M. 5 CFR Section 537, Repayment of Student Loans
- N. 5 CFR Section 550, Pay Administration

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- O. 5 CFR Section 551, Pay Administration under the Fair Labor Standards Act
- P. 5 CFR Section 572, Travel and Transportation Expenses; New Appointees and Interviews
- Q. 5 CFR Section 575, Recruitment, Relocation, and Retention Incentives; Supervisory Differentials; and Extended Assignment Incentives
- R. 5 CFR Section 576, Voluntary Separation Incentive Payments
- S. 5 CFR Section 630, Absence and Leave
- T. DOE Order 322.1
- U. DOE Order 331.1c
- V. DOE Order and Memorandum 552.1
- W. DOE Supervisory/Non-supervisory Employee Performance Management and Recognition Program HR Desk Reference, 10/21/2010
- X. DOE Policy Guidance Memorandum #11A, Approval Process for Dual Compensation Waivers for Reemployed Annuitants, 8/27/2010
- Y. DOE Policy Guidance Memorandum #14, Establishing a Residence for a Relocation Incentive, 10/14/2010
- Z. DOE Policy Guidance Memorandum #20A, Crediting Directly-Related Experience for Annual Leave, 3/17/2011
- AA. DOE Memorandum, Waiver of the Bi-weekly Pay Limitation for Emergency Response Activities, from Robert Gibbs, dated 9/03/2013
- BB. DOE Memorandum, Review of Bonneville Power Administration’s Human Capital Policies, from Kenneth T. Venuto to Elliot E. Mainzer, dated 8/14/2014, with attachment: Exceptions to Department Human Capital Related Directives:  
 “No exceptions granted to Department directives related to DOE Employee Pay and Compensation Incentives.”
- CC. DOE Supplemental Guidance regarding Compensatory Time Off for Travel (revised 10/27/2008)

**8.1. Additional Resources**

- A. Related HR Desk References:
  - 1. 410-05-01: Pay and Compensation for Non-Exempt Annual Employees
  - 2. 410-05-02: Pay and Compensation for Exempt Annual Employees
  - 3. 410-05-03: Compensatory Time Off for Travel
  - 4. 410-05-04: Religious Compensatory Time

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- 5. 410-05-05: Premium Pay
- B. Compensation Incentives Request Transmittal form
- C. Request and Justification for Optional Grade or Pay Retention form
- D. Request for Discretionary Pay-Setting form
- E. Student Loan Repayment Benefit Justification and Recommendation form
- F. Superior Qualifications and Special Needs Pay-Setting Justification and Pay Rate Recommendation form

## 9. Revision History

This chart contains a history of the revisions and reviews made to this document.

Version Number	Issue Date	Brief Description of Change/Review
1.0	1/19/2016	Initial publication.
2.0	2/11/2016	Changed text in § 7.7.A from "...within a 50-mile radius" to "...within the radius established per the BPA Travel Manual." Effective Date of policy remains 1/19/2016.
3.0	4/12/2016	Style, formatting, and grammatical changes.
4.0	8/3/2016	Revised Section 7.4 Payment of Supervisory Differential; and formatting and grammatical changes.

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