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# ADS Chapter 474

## Salary and Grade Retention

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ADS Chapter 474 – Salary and Grade Retention  
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*\*An asterisk and yellow highlight indicate that the adjacent material is new for this chapter or substantively revised.*

**THIS ADS CHAPTER REPLACES HANDBOOK 26, CHAPTER 9 IN ITS ENTIRETY**

**ADS Chapter 474 – Salary and Grade Retention**

**474.1 OVERVIEW**

This chapter outlines the policies and essential procedures to be followed administering and computing pay and grade retention benefits for employees whose demotions in General Schedule or Wage Board positions are without personal cause, not at their own request, and not in a reduction-in-force due to lack of funds or curtailment of work.

**474.2 PRIMARY RESPONSIBILITIES**

The Bureau for Management, Office of Human Resources (M/HR) is responsible for determining eligibility for pay and grade retention.

**474.3 POLICY DIRECTIVES AND REQUIRED PROCEDURES**

The following are the official Agency policies and essential procedures:

**474.3.1 Entitlement**

U.S. Agency for International Development (USAID) shall adhere to the entitlement policy and procedures contained in 5 CFR 536.101. (See [5 CFR 536.101](#))

**474.3.2 Coverage and Applicability of Grade Retention**

U.S. Agency for International Development (USAID) shall adhere to the coverage and applicability of grade retention policy and procedures contained in 5 CFR 536.103. (See [5 CFR 536.103](#))

**474.3.3 Coverage and Applicability of Pay Retention**

U.S. Agency for International Development (USAID) shall adhere to the coverage and applicability of pay retention policy and procedures contained in 5 CFR 536.104. (See [5 CFR 536.104](#))

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#### **474.3.4 Exclusions**

USAID shall adhere to the exclusion policy and procedures contained in 5 CFR 536.105. (See [5 CFR 536.105](#))

#### **474.3.5 Determination of Retained Grade and Rate of Basic Pay; Loss of, or Termination of Eligibility**

The Agency shall adhere to the following policies and essential procedures in the various sections of 5 CFR 536:

- a) COMPARISON OF GRADES IN DIFFERENT PAY SCHEDULES OR PAY SYSTEMS (See [5 CFR 536.201](#))
- b) PERIOD OF GRADE RETENTION (See [5 CFR 536.202](#))
- c) DETERMINATION OF RETAINED GRADE (See [5 CFR 536.203](#))
- d) DETERMINATION OF APPLICABLE RATE SCHEDULE (See [5 CFR 536.204](#))
- e) DETERMINATION OF RATE OF BASIC PAY (See [5 CFR 536.205](#))
- f) CRITERIA FOR A "REASONABLE OFFER" (See [5 CFR 536.206](#))
- g) LOSS OF ELIGIBILITY FOR GRADE RETENTION (See [5 CFR 536.207](#))
- h) TERMINATION OF GRADE RETENTION (See [5 CFR 536.208](#))
- i) LOSS OF ELIGIBILITY FOR, OR TERMINATION OF, PAY RETENTION (See [5 CFR 536.209](#))

#### **474.3.6 Miscellaneous Provisions**

USAID shall adhere to the following policy and procedures pertaining to Miscellaneous Provisions as contained in 5 CFR 536, Subpart C:

- a) PLACEMENT AND CLASSIFICATION PLANS (See [5 CFR 536.301](#))
- b) APPEAL OF TERMINATION OF BENEFITS BECAUSE OF REASONABLE OFFER (See [5 CFR 536.302](#))
- c) DOCUMENTATION (See [5 CFR 536.303](#))

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- d) ISSUANCE OF EMPLOYEE LETTERS (See [5 CFR 536.304](#))
- e) AVAILABILITY OF INFORMATION (See [5 CFR 536.307](#))
- f) APPLICABILITY OF RETAINED GRADE (See [5 CFR 536.308](#))

#### 474.4 MANDATORY REFERENCES

##### 474.4.1 External Mandatory References

- a. [5 CFR 536.101](#)
- b. [5 CFR 536.103](#)
- c. [5 CFR 536.104](#)
- d. [5 CFR 536.105](#)
- e. [5 CFR 536.202](#)
- f. [5 CFR 536.203](#)
- g. [5 CFR 536.204](#)
- h. [5 CFR 536.205](#)
- i. [5 CFR 536.206](#)
- j. [5 CFR 536.207](#)
- k. [5 CFR 536.208](#)
- l. [5 CFR 536.209](#)
- m. [5 CFR 536.301](#)
- n. [5 CFR 536.302](#)
- o. [5 CFR 536.303](#)
- p. [5 CFR 536.304](#)
- q. [5 CFR 536.307](#)
- r. [5 CFR 536.308](#)

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- s. [5 U.S.C. SUBCHAPTER VI, Section 5361-5366](#)
- t. [Title 5, Administrative Personnel, Code of Federal Regulations \(CFR\) Part 536](#)

#### **474.4.2 Internal Mandatory References**

Effective Date: 09/25/2002

There are no Internal Mandatory References for this chapter.

#### **474.5 ADDITIONAL HELP**

Effective Date: 09/25/2002

There are no Additional Help documents for this chapter.

#### **474.6 DEFINITIONS**

(See [ADS GLOSSARY](#))

##### **demotion at an employee's request**

See 5 CFR 536.102. (Chapter 474)

##### **demotion for personal cause**

See 5 CFR 536.102. (Chapter 474)

##### **employee**

See CFR 536.102 for definition which applies to ADS Chapter 474. (Chapter 474)

##### **employment on a temporary or term basis**

See 5 CFR 536.102. (Chapter 474)

##### **rate of basic pay**

See 5 CFR 536.102. (Chapter 474)

##### **rate schedule**

See 5 CFR 536.102. (Chapter 474)

##### **reorganization**

See 5 CFR 536.102. The planned elimination, addition, or redistribution of functions or duties in an organization. (Chapters [452](#), 474)

##### **representative rate**

The fourth step of the grade for a position subject to the General Schedule; the prevailing rate for a position under the wage-board system; and for all other positions,

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the rate designated by the Agency as representative of the position. (Chapters [452](#), 474)

**temporary promotion**

See 5 CFR 536.102. (Chapter 474)

**Temporary Reassignment**

See 5 CFR 536.102 (Chapter 474)

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