

**U.S. DEPARTMENT OF HOMELAND SECURITY
TRANSPORTATION SECURITY ADMINISTRATION
OFFICE OF HUMAN CAPITAL POLICY**

To enhance mission performance, TSA is committed to promoting a culture founded on its values of Integrity, Innovation and Team Spirit.

HCM LETTER NO. 531 - 2

DATE: May 31, 2007

SUBJECT: Policy on Setting Pay for Promotions and In-Position Increases

- 1. PURPOSE:** This HCM provides TSA policy and procedures for setting pay for promotions and in-position increases. It amends and supersedes HRM Letter No. 531-2, *Policy on Setting Pay for Promotions and In-Position Increases*, dated November 21, 2006. References to in-position increases for Transportation Security Officers (TSOs) have been removed since such increases are no longer available to any employee in a Performance Accountability and Standards System (PASS) position.
- 2. SCOPE:** This policy applies to all TSA employees covered by the Core Compensation System, with the exception of Section 7. B., which does not apply to employees in a PASS position. This policy does not apply to members of the Transportation Security Executive Service (TSES).
- 3. AUTHORITIES:**
 - A. Sections 101 and 111(d) of the Aviation and Transportation Security Act, Pub. L. 107-71 (ATSA), November 19, 2001 (49 U.S.C. §§ 114(n), 40122, 44935, and 44935 note)
- 4. DEFINITIONS:**
 - A. In-Position Increase: An increase to an employee's rate of basic pay, with no change in position or pay band.
 - B. PASS Position: A position for which the PASS program and its related management directive apply. As of this policy's effective date, positions with TSO and Transportation Screening/Security Manager job titles are PASS positions.
 - C. Promotion: A move from one pay band to a higher pay band.
 - D. Rate of Basic Pay: The rate of pay for the position held by the employee before any deductions. It includes a retained rate, but excludes additional

pay of any other kind (e.g., locality pay, overtime, other forms of premium pay, etc.). Rate of basic pay is also referred to as base salary.

5. RESPONSIBILITIES:

- A. Assistant Administrators, Area Directors and Office Directors are responsible for the management of human resources within budget allocations and authorized staffing levels, and in accordance with the merit principles governing leadership and management of the Federal workforce.
- B. Assistant Administrators, Area Directors and Office Directors may delegate the authority to approve base salary increases to subordinate management officials (i.e. Federal Security Directors (FSDs), Special Agents in Charge (SACs), and/or Branch Chiefs) within their organizations. The percentages that may be approved by each management level are identified in Sections 7.A. and 7.B., and must be in accordance with budget allocations.
- C. Management officials who have been delegated the authority to approve promotions and in-position increases are responsible and held accountable for approving increases within their budget allocations.
- D. The Assistant Administrator of the Office of Human Capital (AA/OHC) is responsible for reviewing and approving/disapproving justifications for promotions and in-position increases that exceed certain levels, as noted in Sections 7.A. and 7.B.

6. POLICY: TSA employees will be equitably compensated based on the value of their continuing contributions to TSA.

7. PROCEDURES:

A. Promotions.

(1) General.

(a) Except as noted in Section 7.A.(1)(b) below, promotion increases generally are to the minimum of the new pay band – regardless of the percentage increase – or up to 15 percent of the employee's current base salary. Pay upon promotion may not be set below the minimum of the new pay band.

(b) TSO E band promotion increases (b) may be established at the minimum of the E pay band or \$500, whichever is greater for the TSO.

- (c) A pay increase is not required when an employee is promoted. For example, an employee who was demoted but retained pay under TSA's pay retention provisions is not entitled to a pay increase if later promoted to his/her former pay band level.
- (d) Promotions must be made in accordance with the following:
 - (i) [TSA MD 1100.30-4, *Permanent Internal Assignments* issued March 28, 2004](#)
 - (ii) [TSA MD 1100.30-14, *Post Appointment Movement Restrictions* issued July 24, 2006.](#)

(2) Approval Levels for Promotions.

- (a) Assistant Administrators, Area Directors and Office Directors may delegate to lower level management officials within their organizations (including FSDs and SACs) the authority to approve promotions to the minimum of the new pay band or up to 10 percent of the employee's current base salary.
- (b) Assistant Administrators, Area Directors and Office Directors are delegated the authority to approve promotions up to 15 percent of an employee's current base salary.
- (c) Requests for promotions above 15 percent of an employee's current base salary must be submitted with a detailed justification to the AA/OHC for approval. *This type of request should be rare.* The promotion justification, as described in Section 7.A.(3), must clearly describe why the increase is warranted, and the benefit to the agency if the increase is approved.

(3) Criteria: A detailed written justification for the promotion must be completed and approved by the designated management official prior to the action being effective. The following must be considered when making a promotion request:

- (a) The employee's performance versus job expectations.
- (b) The employee's current rate of basic pay relative to the new pay band.
- (c) The importance of the skills necessary to perform the duties of the position and the importance of the responsibilities of the position as they relate the organization's objectives.

- (d) The employee's skill level relative to that desired for the new position and in comparison to the skills of other employees performing the same or highly similar work.
- (e) The degree of change in job complexity, duties, responsibilities (including management responsibilities), and potential impact on the achievement of objectives.

B. In-Position Increases.

(1) General.

- (a) Employees in PASS positions are not eligible for in-position increases.
- (b) In-position increases acknowledge special circumstances such as an employee's significant professional growth or increased complexity of an employee's current job.
- (c) Granting an in-position increase is at the sole discretion of the appropriately designated management officials.
- (d) An employee whose base pay is at the maximum of the pay band, and is therefore ineligible to receive an in-position increase, may be eligible to receive a Special Achievement Award in place of the in-position increase. Additional details can be found in [Management Directive 1100.45-1, Awards and Recognition](#).
- (e) An employee may receive no more than one in-position increase within a 52-week period. The 52-week period starts on the effective date of the most recent in-position increase.
- (f) An employee may not receive an in-position increase until he or she has been on TSA rolls and in the position for at least 180 days. The 180-day period starts on the effective date of the most recent personnel action placing an employee in a position.
- (g) An employee may not receive an in-position increase if he or she has been promoted with a pay increase within the prior 180 days. The 180-day period starts on the effective date of the most recent pay increase.
- (h) An in-position increase may not be appropriate if the employee has had any form of disciplinary action within the last six to 12 months. In determining the increase percentage, the management official should consider the severity of the event that led to discipline, the type of discipline issued, and the length of time

since the event/discipline and the employee's performance and conduct since that time.

(2) Approval Levels for In-Position Increases

- (a) Assistant Administrators, Area Directors and Office Directors, or their designees, have the authority to approve in-position increases up to 7 percent of an employee's current basic pay.
- (b) Requests for in-position increases above 7 percent must be submitted with a detailed justification to the appropriate Assistant Administrator and the AA/OHC for approval. *This type of request should be rare.* The in-position increase justification, as described in section 7.B.(3), must clearly state why such an increase is warranted, and the benefit to the agency if the increase is approved.

(3) Criteria.

- (a) A detailed written justification for an in-position increase must be completed and approved by the designated management official prior to the action being effective.
- (b) Eligibility for an in-position increase and the amount of the increase are based on some or all of the following criteria:
 - (i) An employee's position has become substantially more difficult through assignment of complex, highly visible projects or other work.
 - (ii) The technical complexity of an employee's position has increased substantially by requirements to address technological advances, new theories and practices in the employee's area of expertise, or substantial challenges in the social or political environment.
 - (iii) There is evidence of significant professional attainments that enable the employee to perform his or her current job more effectively.
 - (iv) An employee's performance substantially exceeds the expectations of his or her current position.
- (c) An employee in a managerial position may be considered for an in-position increase if the organization that he or she directs has assumed missions that are more complex, risky, or visible and/or

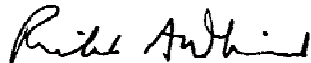
the organization directed has grown substantially in size or complexity.

(d) An employee in a supervisory or managerial position may be considered for an in-position increase of up to 10 percent over the pay of an employee in the same pay band over which supervisory or managerial authority is exercised (e.g., a K band employee supervising/managing another K band employee). Such recommendations must be approved by the AA/OHC.

(e) In-position increases may also be granted to achieve parity with highly specialized labor markets.

C. Oversight: OHC will conduct periodic reviews of promotions and in-position increases to ensure compliance with the procedures identified in this directive.

APPROVAL



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Filing Instructions: File with HRM 531 Letters and Guidance

Distribution: Administrator, Deputy Administrator, Associate Administrator, Assistant Administrators, Office Directors, Area Directors, Special Agents in Charge, and Federal Security Directors

POC: Office of Human Capital