

DEPARTMENT OF THE ARMY US ARMY INSTALLATION MANAGEMENT COMMAND 2405 GUN SHED ROAD JOINT BASE SAN ANTONIO FORT SAM HOUSTON, TX 78234-1223

AMIM-CG (215-3g)

2 1 APR 2022

MEMORANDUM FOR ALL ARMY NON-APPROPRIATED FUND INSTRUMENTALITIES (NAFI) EMPLOYEES

SUBJECT: Guidance on Implementation of \$15 Per Hour Minimum Pay Rate for all Army NAFI Employees

1. References:

- a. Under Secretary of Defense Memorandum for Senior Pentagon Leadership, Defense Agency and Department of Defense (DoD) Field Activity Directors, Subject: Implementation of \$15 Per Hour Minimum Pay Rate for Nonappropriated Fund Employees, dated 9 March 2022.
- b. Deputy Chief of Staff, G1 Memorandum, Subject: Implementation of a \$15 Per Hour Minimum Pay Rate for NAF Pay Band Employees, dated 10 March 2022.
- c. General Schedule Rate Table Number 0001M, http://apps.opm.gov/SpecialRates/2022/Table001M01302022.aspx.
- d. Deputy Chief of Staff, G1 Memorandum, Subject: Implementation of the New Minimum Rates for NAF Employees in Pay Bands NF-4 and NF-5, dated 11 April 2022.
- 2. Per reference 1.b. above, IMCOM was granted authority, as the executive agent for all Army NAFIs, to determine pay increases for NF and CY pay bands to avoid significant discrepancies in pay when executing the Executive Order (EO) to increase the minimum rates of Federal employees to \$15 per hour. Pay adjustments for all employees under the Federal Wage System have been released and executed. Reference 1a. extends the \$15 minimum rate to NAF pay bands. The following information outlines the process for implementing the rate increases for Army NAFIs.
 - a. IMCOM will execute the Executive Order in two phases.
- I. Phase 1 achieves compliance with the EO's intent. All NF Pay Band employees below the mandated \$15 an hour will increase to the minimum. For CY Pay Band employees, these positions are directly correlated to associated GS grades and steps. Pay adjustments for these individuals will be based on the published GS Special Rate table (see reference 1.c.) and will maintain the regulatory increase between CY Levels.

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- II. Phase 2 focuses on issues of pay compression for the NF and CY Pay Band employees.
- b. To ensure consistency of implementation, HQ, IMCOM G9 will perform any pay calculations required to minimize pay compression within the pay bands to the extent possible. HQ will conduct the analysis by pay band schedule and installation. HQ IMCOM will send the servicing NAF HR offices the proposed actions for all impacted employees to process the appropriate personnel action(s).
- c. IMCOM will provide direction to Civilian Human Resources Agency (CHRA) for any changes to NF-4 and NF-5 pay bands (see reference 1.d.) before moving to pay compression issues in Phase 2.
- d. Personnel actions will be sent from the servicing NAF HR offices to DFAS Texarkana to load the information into the payroll system for pay execution. Once the system is updated with the new rates, retroactive pay for all impacted employees will be effective the first day of the first applicable pay period beginning on or after January 30, 2022 (see reference 1.a.).
- e. The minimum and maximum range for each grade set by Defense Civilian Personnel Services (DCPAS) pay schedules is the limiting factor in all pay adjustments. Per reference 1.b., these schedules will not be adjusted, except in limited situations where the NF-1 maximum rate is still below the mandated \$15 minimum. Pay adjustments will be based on the new \$15 minimum rate for all employees, and will not exceed the maximum set for any pay band 3.
- 3. Management must fulfill all local labor relations obligations before implementing this change for bargaining unit employees. Contact the servicing NAF HR office for assistance in notifying local unions and fulfilling labor obligations

4. Point of contact for this memorandum is Mr. Paul D. Burk, 210-466-1189, paul.d.burk.naf@army.mil.

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