

### § 5.3

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the higher grade for a continuous period of at least 1 year immediately before such reduction.

(c) *Retained grade.* For the 2-year period referred to in paragraphs (a) and (b) of this section, the retained grade of GAO employees shall be treated as the grade of the employee's position for all purposes (including pay and pay administration, retirement, life insurance and eligibility for training and promotion) except—

(1) For purposes of § 5.2(a).

(2) For purposes of applying any reduction-in-force procedures.

(3) For purposes of determining whether the employee is covered by a merit pay system.

(4) For such other purposes as the Comptroller General may provide by regulation.

(d) *Termination of retained grade.* The foregoing provisions of this section shall cease to apply to any GAO employee who—

(1) Has a break in service of 1 work-day or more;

(2) Is demoted for personal cause or at the employee's request;

(3) Is placed in, or declines, a reasonable offer of, a position the grade of which is equal or higher than the retained grade; or

(4) Elects in writing to have the benefits of this chapter terminate.

(e) *Pay retention.* (1) Any GAO employee: who ceases to be entitled to a retained grade by reason of the expiration of the 2-year period; or who (but for this paragraph) would be subject to a reduction in pay under circumstances prescribed by the Comptroller General by regulation to warrant the application of this paragraph is entitled to—

(2) Basic pay at a rate equal to the employee's allowable former rate of basic pay, plus 50 percent of the amount of each increase in the maximum rate of basic pay payable for the employee's position immediately after such reduction in pay if such allowable former rate exceeds such maximum rate for such grade.

(f) "*Allowable former rate of basic pay.*" This means the lower of—

(1) The rate of basic pay payable to the employee immediately before the reduction in pay; or

(2) 150 percent of the maximum rate of basic pay payable for the grade of the employee's position immediately after such reduction in pay.

(g) *Termination of retained pay.* The pay retention provisions in § 5.2(e) shall cease to apply to a GAO employee who—

(1) Has a break in service of 1 work-day or more.

(2) Is entitled by operation of §§ 5.1, 5.2, and 5.3 to a rate of basic pay which is equal to or higher than, or declines a reasonable offer of a position the rate of basic pay for which is equal to or higher than, the rate to which the employee is entitled under § 5.2(e); or

(3) Is demoted for personal cause or at the employee's request.

(h) *Remedial actions.* Under regulations prescribed by the Comptroller General, Personnel shall—

(1) Obtain and make available to employees receiving benefits under this section, information on vacancies in other Federal agencies.

(2) Take such steps as may be appropriate to assure employees receiving benefits under this section have the opportunity to obtain necessary qualifications for the selection to positions which would minimize the need for the application of this section; and

(3) Establish a program under which employees receiving benefits under this section are given priority in the consideration for or placement in positions which are equal to their retained grade or pay.

(i) *Appeals.* In the case of the termination of any benefits to a GAO employee under this section on the grounds that such employee declined a reasonable offer of a position the grade or pay of which was equal to or greater than their retained grade or pay, after administrative remedies have been exhausted, such termination may be appealed to the GAO Personnel Appeals Board under procedures prescribed by the Board.

### § 5.3 Merit pay.

The Comptroller General may promulgate regulations establishing a merit pay system for such employees of the Government Accountability Office as the Comptroller General considers appropriate. The merit pay system

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shall be designed to carry out purposes consistent with those set forth in section 5401(a) of title 5, United States Code, which provides—

### § 5401. Purpose

(a) It is the purpose of this chapter to provide for—

(1) A merit pay system which shall—

(A) Within available funds, recognize and reward quality performance by varying merit pay adjustments;

(B) Use performance appraisals as the basis for determining merit pay adjustments;

(C) Within available funds, provide for training to improve objectivity and fairness in the evaluation of performance; and

(D) Regulate the costs of merit pay by establishing appropriate control techniques; and

(2) A cash award program which shall provide cash awards for superior accomplishment and special service.

### § 5.4 Pay administration.

The provisions of chapter 55 of title 5, U.S. Code and the Office of Personnel Management implementing regulations apply to Government Accountability Office employees.

### § 5.5 Travel, transportation, and subsistence.

The provisions of chapter 57 of title 5, U.S. Code and the implementing regulations for the Executive Branch apply to Government Accountability Office employees.

### § 5.6 Allowances.

The provisions of chapter 59 of title 5, U.S. Code and the implementing regulations for the Executive Branch apply to Government Accountability Office employees.

## PART 6—ATTENDANCE AND LEAVE

AUTHORITY: 31 U.S.C. 732.

### § 6.1 Applicable law and regulations.

The provision of subpart E, title 5, United States Code and the Office of Personnel Management implementing regulations regarding “Attendance and Leave” apply to Government Accountability Office employees. This includes

hours of work, annual leave, sick leave, and other paid leave.

[45 FR 68378, Oct. 15, 1980, as amended at 47 FR 56979, Dec. 22, 1982]

## PART 7—PERSONNEL RELATIONS AND SERVICES

Sec.

7.1 Labor management relations.

7.2 Equal employment opportunity.

7.3 Political activities.

7.4 Employment limitations, foreign gifts and decorations, and misconduct.

7.5 Adverse actions: Suspensions for 14 days or less.

7.6 Adverse actions: Removal, suspension for more than 14 days, reduced in grade, reduced in pay or furloughed for 30 days or less.

7.7 Other appeals and grievances.

7.8 Services to employees.

AUTHORITY: 31 U.S.C. 732.

SOURCE: 45 FR 68378, Oct. 15, 1980, unless otherwise noted.

### § 7.1 Labor management relations.

(a) *Policy.* Each employee of GAO has the right, freely and without fear of penalty or reprisal, to form, join, or assist an employee organization, or to refrain from such activity.

(b) *Labor relations program.* A labor relations program consistent with chapter 71 of title 5, United States Code will be developed for the Government Accountability Office.

### § 7.2 Equal employment opportunity.

(a) *Policy.* All personnel actions affecting employees or applicants for employment in GAO shall be taken without regard to race, color, religion, age, sex, national origin, political affiliation, marital status or handicapping condition.

(b) *Equal opportunity recruiting program.* GAO shall conduct continuing programs for the recruitment of members of minorities and women for positions in GAO in a manner designed to eliminate underrepresentation of minorities and women in the various categories of employment in GAO. Special efforts will be directed at recruiting in minority communities, in educational institutions, and from other sources from which minorities can be recruited. GAO will conduct a continuing