

# Domestic Employees Teleworking Overseas (DETO) at the Department of Commerce

## What is a DETO?

A DETO is a U.S. Government Civil Service or Foreign Service employee assigned to a domestic position who is approved to telework from an overseas location for a limited period of time. Although the domestic employee is not assigned or detailed to the overseas location, the DETO's duty station will be temporarily changed to reflect the overseas alternate worksite for the duration of the DETO arrangement. A DETO arrangement is a limited-duration workplace flexibility option that an agency may consider allowing U.S. Government employees who are assigned to domestic positions to accomplish the duties of their position from a foreign country. DETOs may be Foreign Service or Civil Service employees. (In this document, we are using the State Department's construction of "Civil Service" to exclude the Foreign Service. See discussion under "Coverage" paragraph below.) The Department of State provides policy guidance on the DETO program for its own employees in its Foreign Affairs Manual—see [3 FAM 2370](#).

Section 6202 of the Fiscal Year 2022 National Defense Authorization Act (Public Law 117–81, December 27, 2021) requires all Federal agencies to “establish a policy enumerating the circumstances under which employees may be permitted to temporarily perform work requirements and duties from approved overseas locations where there is a related Foreign Service assignment pursuant to an approved Domestically Employed Teleworking Overseas (DETO) agreement.” The language “related Foreign Service assignment” refers to the overseas assignment of an employee's spouse by U.S. Government orders.

## Types of DETOs

- **Sponsored DETOs:** These are DETOs who are on the orders of a U.S. Government-employed spouse assigned abroad on Government orders, which spouse acts as the DETO's sponsor. (Note: In 3 FAM 2371.7 (dealing with a DETO's official status overseas), State Department states that its sponsored DETOs are not eligible for any allowance benefits or payments in their own right—any eligibility for allowance benefits or payments is only derived from the sponsoring employee without exception.)
- **Independent (Individual) DETOs:** These are DETOs who are not on the orders of a U.S. Government-employed spouse assigned abroad on Government orders. The State Department does not allow independent DETOs for its own employees but other Federal agencies may allow both sponsored and independent DETOs. Agencies considering independent DETO arrangements must carefully consider the implications of these arrangements, including added costs and an added measure of difficulty in obtaining necessary approvals. **The Department does not support Independent (Individual) DETOs.**
- **There is no authority to permit a U.S. Government Civil Service or Foreign Service employee with a domestic position to telework from an overseas location without a DETO arrangement.**

## **Requesting a DETO**

The State Department has given authority to agencies to create their own policy for DETO arrangements. Bureaus/operating units (OU) will follow the following steps to obtain approval for a DETO:

- Department employees should direct inquiries to their bureau/(OU) Telework Officers/Coordinators who serve as their primary point of for all questions related to a DETO arrangement. It is Department policy that only Sponsored DETO Agreements will be considered, and the DETO must not incur any additional costs to the bureau/OU than it would otherwise cost for the employee to work at their normal location.
- **Independent (Individual) DETOs will not be considered for approval by the Department.**
- Bureau DETO requests must be approved by the Office of the Chief Information Officer (OCIO), the Office of Security (OSY), Employment and Labor Law Division/Office of the General Counsel, and the Office of Human Resources Management (OHRM).
- OHRM will forward bureau DETO requests to the Department of State for approval.
- Bureaus/OUTs should contact OHRM's Office of Policy and Benefits at [OPBservices@doc.gov](mailto:OPBservices@doc.gov) for questions on the DETO approval process.

## **DETO Locality Pay**

The FY 2023 National Defense Authorization Act (NDAA) included a provision providing special locality pay to Civil Service Domestic Employees Teleworking Overseas (DETOs)

### **General**

DETO locality pay for Civil Service employees (hereafter referred to as "DETO locality pay") is authorized under section 9717 of division I (Department of State Authorizations) in the James M. Inhofe National Defense Authorization Act for Fiscal Year 2023 (FY 2023 NDAA, H.R. 7776, Public Law 117-263, Dec. 23, 2022. See [enrolled bill](#). (Section 9717 from the enrolled bill is set forth in Attachment 1.)

### **Department Responsibility**

Section 9717 did not give the Office of Personnel Management (OPM) authority to regulate or administer the DETO locality pay program. The Department is responsible for implementing the program for its DETOs.

### **Coverage**

To be eligible for DETO locality pay, an employee must serve in a position in the "civil service" (as defined in 5 U.S.C. 2101) and must be working overseas under a Domestic Employee Teleworking Overseas agreement. The term "civil service" as used in 5 U.S.C. 2101 is a broad term that would include members of the Foreign Service; however, in this document, references to "Civil Service" are understood to exclude the Foreign Service, since Foreign Service DETOs are already receiving overseas comparability pay under section 9802(c) of division I of the FY

2023 NDAA. Under section 9717, “overseas” means any geographic location that is not in the continental United States or in a nonforeign area (as defined in 5 CFR 591.205)—hereafter in this document referred to as the “United States” or “U.S.” This basically means the employee is working in a foreign area. In addition, to be eligible for DETO locality pay, a Civil Service employee must be in a position that would provide entitlement to title 5 locality pay if the employee were stationed in the United States. A Civil Service employee whose position is not covered by title 5 locality pay program would not receive DETO locality pay because, under section 9717(b), an employee is entitled to the lesser of two amounts of locality pay—one of which is the locality pay that would have been paid under the title 5 locality pay authority (5 U.S.C. 5304 or 5304a) if the employee’s official duty station had not been changed from a U.S. location to a foreign location. If the employee is not eligible for title 5 locality pay in the position in question even if the employee were stationed in the U.S., then the title 5 locality pay entitlement would be zero, and zero would be the lesser of the two amounts. We note that Civil Service employees not eligible for title 5 locality pay may be covered by a pay system under which the pay system administrator has discretion to provide a parallel overseas locality payment under independent authority.

### **Payment Amount**

Under section 9717(b), the DETO locality payment is equal to the lesser of—

- (1) the amount of title 5 locality pay the employee would have been paid if the official duty station of the employee had not been changed to an overseas location under the DETO arrangement; or
- (2) the amount of overseas locality pay the employee would be paid if the employee were an eligible member of the Foreign Service (i.e., designated class 1 or below for purposes of section 403 of the Foreign Service Act), as continued to be authorized under section 9802(c) of the FY 2023 NDAA.

The State Department has prepared a 2024 DETO locality pay table for Civil Service DETOs covered by the General Schedule (GS), which reflects a locality payment of 22.17 percent, which is 2/3rds of the 2024 Washington, DC, locality rate of 33.26 percent—the same overseas locality pay percentage that applies to Foreign Service employees as described in paragraph (2) above. (See Attachment 2 for the 2024 GS DETO locality pay table based on a 22.17 percent locality payment.) Note that the table with a locality rate equal to 2/3rds of the DC locality rate (22.17 percent in 2024) applies to an employee only if that locality pay percentage is less than the locality pay percentage the employee would have been paid had the official duty station of the employee not been changed to reflect an overseas location under the DETO agreement. In other words, in 2024, if the title 5 locality pay percentage that would have been paid to an employee without the DETO duty station change is less than 22.17 percent, then that lesser locality pay percentage is applicable to the overseas DETO. (See Attachment 3.) Each agency is responsible for ensuring that a DETO receives the correct locality payment and that the correct pay table is applied to the DETO in the payroll system.

### **Effective Date**

Section 9717(c)(1) states that DETO locality pay must begin to be paid—i.e., the locality pay entitlement must begin to be effective—not later than 60 days after the date of enactment of the FY 2023 NDAA, which was December 23, 2022. Thus, for current DETOs, each agency must make the entitlement to DETO locality payments effective no later than February 21, 2023. The effective date may be set retroactively. It is recommended that the effective date correspond with the beginning of a biweekly pay period. For example, the State Department made DETO locality pay for its employees effective on January 1, 2023.

### **Treatment of DETO Locality Payment**

Section 9717(c)(2) states that DETO locality pay must be treated in the same manner, and subject to the same terms and conditions, as a locality payment under title 5 (5 U.S.C. 5304 or 5304a). The treatment of title 5 locality pay is addressed in 5 U.S.C. 5304(c)(2) and 5 CFR 531.610. Among other things, this means—

- DETO locality pay is basic pay for the same purposes as title 5 locality pay—e.g., retirement and life insurance.
- DETO locality pay is included as part of basic pay in applying title 5 overtime pay and other premium pay rules. The adjusted rate of basic pay for GS-15, step 10, rate used in establishing an employee's premium pay cap under 5 U.S.C. 5547 would include the DETO locality payment.
- A DETO receives the highest applicable rate of pay—which could be the DETO locality rate, a special rate under 5 U.S.C. 5305 (based on the DETO's overseas position and location and not any special rate associated with the former U.S./domestic duty station), or a retained rate under 5 U.S.C. 5363. Consistent with the treatment of title 5 locality pay, DETO locality pay is not paid on top of a special rate or a retained rate. (See OPM's locality pay regulation at 5 CFR 531.608; special rate regulations at 5 CFR 530.303(d) and 530.307(e); and retained rate regulations at 5 CFR 536.308(a)(2) and (c)(2).)
- DETO locality pay is treated the same as title 5 locality pay in applying GS maximum payable rate rules in 5 CFR 531.221-531.223. This is the case even though the receipt of DETO locality pay is causing the recipient to be coded in data systems as receiving a special rate. (See section entitled "*Pay Rate Determinant (PRD) Code*" below.)

Note: While OPM is not responsible for implementing the DETO locality pay provision, it is responsible for administering various payments (e.g., overtime pay and other premium pay) and for determining how the DETO locality pay interacts with those payments.

### **Data Coding and Reporting**

Bureaus/OUTs must comply with the following instructions on data coding and reporting in connection with DETO locality pay:

#### *Processing Personnel Actions*

In documenting a change in the duty station to an overseas location under a DETO agreement, OPM is requiring that the nature of action code (NOAC) 894 be used with a legal authority of ZLM (DETO: Sec 9717 of P.L. 117-263). OPM will be adding a rule in Table 17-A of chapter 17 (Pay and Step Changes) in the Guide to Processing Personnel Actions (GPPA), which will apply to GS DETOs. OPM is directing agencies to use the following rule pending the formal revision of Table 17-A:

<i>RULE</i>	<i>If Basis for Action is</i>	<i>And</i>	<i>Then NOAC Is</i>	<i>NOA is</i>	<i>Auth Code is</i>	<i>Authority is</i>
30	Establishment, change in percentage, or termination of overseas locality payment for a Domestic Employee Teleworking Overseas (DETO)		894	Gen Adj	ZLM (DETO: Sec 9717 of P.L. 117-263)	DETO: Sec 9717 of P.L. 117-263

Since the pay entitlement authority is changing when DETO locality pay is established or terminated, use the above rule even if the amount of the employee's locality payment does not change. In the future, OPM will establish prospectively a special legal authority code for actions related to DETO locality pay.

*On an employee's Notification of Personnel Action (SF 50), DETO locality pay should be reported as "Locality Adj." on the SF 50 (blocks 12B or 20B, as applicable) and included in the "Adj. Basic Pay" (blocks 12C or 20C, as applicable). The Remarks in block 45 must document any change in status related to DETO locality pay. Pending further instructions, the following free-form remarks must be used, as applicable:*

- Employee is commencing a temporary assignment working under a Domestic Employee Teleworking Overseas (DETO) Agreement and commencing to receive DETO locality pay (section 9717 of Public Law 117-263). *[Note: This remark is used regardless of whether the employee's locality rate changes.]*
- Employee's DETO locality payment has been adjusted due to changes in the payable locality pay percentage. *[Note: The percentage amount of the DETO locality payment could change due to (1) a change in the locality pay percentage for the employee's former U.S. location, (2) a change in the DC locality pay percentage, or (3) a change in relationship between locality pay in the former U.S. location and locality pay in DC (i.e., a change in which one those rates is lesser).]*
- Employee is no longer entitled to locality pay in connection with a Domestic Employee Teleworking Overseas (DETO) Agreement. *[Note: This remark is used for any reason DETO locality pay is terminated.]*

Special Note: When an employee's DETO locality pay is terminated via a General Adjustment (NOAC 894/LAC ZLM) and the employee will be receiving locality pay under 5 U.S.C. 5304, an additional General Adjustment must be processed, with the same effective date, returning the employee to locality pay under 5 U.S.C. 5304 (NOAC 894/LAC VGR – see rule 23 of Table 17-A, GPPA Chapter 17). These actions may be processed concurrently (on the same SF-52/50) or as separate SF-52/50 actions. In processing the second action, use the following free-form remark: "Employee is entitled to locality pay under 5 U.S.C. 5304."

### *Coding of Payment and Pay Table*

For EHRI reporting purposes, the DETO locality pay is considered a “special basic pay supplement” that is connected to a special pay table identifier, similar to a special rate supplement. OPM is establishing a special pay table identifier of OTDX for DETOs who are entitled to a locality payment equal to 2/3rds of the locality payment for Washington, DC. For DETO locality payments equal to locality payments on a domestic locality pay table (in areas where the locality payment is less than two-thirds of the DC locality payment), OPM is establishing special pay table identifier codes as shown in

Attachment 3. Agencies may begin to immediately use these special pay table identifier codes while OPM goes through the process of officially establishing the codes in OPM data systems.

### *Pay Rate Determinant (PRD) Code –*

At this time, due to current system requirements, OPM is directing agencies to use the PRD codes that are associated with special rates (i.e., 5, 6, E, and F) for DETOs who are receiving DETO locality pay in order to provide timely payment to covered employees. This PRD code assignment does not change the statutory requirement to treat DETO locality pay the same as title 5 locality pay for all purposes. (See above discussion of the maximum payable rate rule in the section entitled “*Treatment of DETO Locality Payment.*”)

### *System edits*

Any edits in agencies’ HR data systems or payroll systems that block payment of locality pay in overseas duty stations must be revised to allow DETO locality pay.

### **Questions**

If bureaus/OUTs have questions on implementation of DETO locality pay, they should contact OHRM’s Office of Policy and Benefits at [OPBservices@doc.gov](mailto:OPBservices@doc.gov) .

## Attachment 1: Law Providing Overseas Locality Pay to DETOs

Section 9717 of Division I (Department of State Authorizations) in the James M. Inhofe National Defense Authorization Act (NDAA) for Fiscal Year 2023 (H.R. 7776, Public Law 117-263, Dec. 23, 2022—[enrolled bill](#)).

### SEC. 9717. LOCALITY PAY FOR FEDERAL EMPLOYEES WORKING OVERSEAS UNDER DOMESTIC EMPLOYEE TELEWORKING OVERSEAS AGREEMENTS.

(a) DEFINITIONS—In this section:

(1) CIVIL SERVICE—The term “civil service” has the meaning given the term in section 2101 of title 5, United States Code.

(2) COVERED EMPLOYEE—The term “covered employee” means an employee who—

(A) occupies a position in the civil service; and

(B) is working overseas under a Domestic Employee Teleworking Overseas agreement.

(3) LOCALITY PAY—The term “locality pay” means a locality-based comparability payment paid in accordance with subsection (b).

(4) NONFOREIGN AREA—The term “nonforeign area” has the meaning given the term in section 591.205 of title 5, Code of Federal Regulations, or any successor regulation.

(5) OVERSEAS—The term “overseas” means any geographic location that is not in—

(A) the continental United States; or

(B) a nonforeign area.

(b) PAYMENT OF LOCALITY PAY—Each covered employee shall be paid locality pay in an amount that is equal to the lesser of—

(1) the amount of a locality-based comparability payment that the covered employee would have been paid under section 5304 or 5304a of title 5, United States Code, had the official duty station of the covered employee not been changed to reflect an overseas location under the applicable Domestic Employee Teleworking Overseas agreement; or

(2) the amount of a locality-based comparability payment that the covered employee would be paid under section 1113 of the Supplemental Appropriations Act, 2009 (Public Law 111- 32), as limited under section 9802(c)(2) of this Act, if the covered employee were an eligible member of the Foreign Service (as defined in subsection (b) of such section 1113).

(c) APPLICATION—Locality pay paid to a covered employee under this section—

(1) shall begin to be paid not later than 60 days after the date of the enactment of this Act; and

(2) shall be treated in the same manner, and subject to the same terms and conditions, as a locality-based comparability payment paid under section 5304 or 5304a of title 5, United States Code.

## Attachment 2



**United States Department of State  
2024 Civil Service Salary Schedule  
Overseas DETO  
Effective January 1, 2024**

**Rates in U.S. Dollars**

Grade	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7	Step 8	Step 9	Step 10
1	26,860	27,762	28,654	29,544	30,435	30,957	31,841	32,732	32,767	33,599
2	30,203	30,921	31,922	32,767	33,137	34,112	35,087	36,062	37,037	38,012
3	32,955	34,054	35,152	36,250	37,349	38,447	39,545	40,644	41,742	42,840
4	36,993	38,226	39,458	40,691	41,924	43,157	44,389	45,622	46,855	48,087
5	41,389	42,768	44,147	45,527	46,906	48,285	49,665	51,044	52,423	53,802
6	46,138	47,676	49,214	50,752	52,290	53,828	55,366	56,904	58,442	59,981
7	51,270	52,979	54,688	56,397	58,106	59,816	61,525	63,234	64,943	66,652
8	56,779	58,671	60,563	62,456	64,348	66,241	68,133	70,025	71,918	73,810
9	62,712	64,803	66,893	68,983	71,074	73,164	75,254	77,345	79,435	81,525
10	69,060	71,362	73,664	75,965	78,267	80,569	82,870	85,172	87,474	89,775
11	75,876	78,405	80,934	83,463	85,992	88,521	91,050	93,579	96,107	98,636
12	90,945	93,976	97,007	100,038	103,069	106,100	109,131	112,162	115,193	118,224
13	108,145	111,750	115,355	118,961	122,566	126,171	129,776	133,382	136,987	140,592
14	127,795	132,055	136,315	140,575	144,835	149,095	153,355	157,615	161,875	166,135
15	150,319	155,329	160,340	165,350	170,360	175,370	180,380	185,391	190,401	191,900

Note: Civil Service employees are eligible to receive salary rates in accordance with this schedule only if the locality pay rate associated with this schedule (22.17% in 2024) is less than the locality pay rate the employee would have been paid had the official duty station of the employee not been changed to reflect an overseas duty location under the applicable DETO agreement.

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<sup>1</sup> Rate limited to the rate for level IV of the Executive Schedule (5 U.S.C. 5304 (g)(1)) which is \$191,900.



### Attachment 3: Special Pay Table Identifier Codes for DETOs

The table below provides special pay table identifier (SPTI) codes that may potentially be used for DETOs. There are locality pay areas that currently have a locality pay percentage that is lower than 2/3rds of the locality pay percentage applicable to employees stationed in Washington, DC. Since these codes correspond to locality pay areas, we are using the applicable EHRI two-character locality pay area code as the last two characters in special pay table identifier code. Each special pay table identifier begins with “OT” which represents “overseas telework.” For example, the special pay table code for DETOs whose overseas locality pay is linked to locality pay for the St. Louis locality pay area would be “OTSL”. For DETOs whose overseas locality pay will be fixed at 2/3rds of the locality payment for Washington, DC, the special pay table identifier code will be “OTDX.” OPM is authorizing agencies to immediately commence using these DETO special pay table identifier codes. OPM will recognize the codes as effective as of January 1, 2023. The table below also provides a crosswalk to corresponding locality pay table codes used by OPM for other purposes.

<b>SPTI</b>	<b>SPTI Description (including description of and code for locality pay area to which the special pay table is linked)</b>	<b>Corresponding Locality Pay Table Code</b>
OTAL	For DETO overseas locality pay linked to locality pay area Albany-Schenectady, NY-MA [AL]	AL
OTAQ	For DETO overseas locality pay linked to locality pay area Albuquerque-Santa Fe-Las Vegas, NM [AQ]	AQ
OTAU	For DETO overseas locality pay linked to locality pay area Austin-Round Rock, TX [AU]	AU
OTBH	For DETO overseas locality pay linked to locality pay area Birmingham-Hoover-Talladega, AL [BH]	BH
OTBU	For DETO overseas locality pay linked to locality pay area Buffalo-Cheektowaga, NY [BU]	BU
OTBN	For DETO overseas locality pay linked to locality pay area Burlington-South Burlington, VT [BN]	BN
OTCT	For DETO overseas locality pay linked to locality pay area Charlotte-Concord, NC-SC [CT]	CT
OTCI	For DETO overseas locality pay linked to locality pay Cincinnati-Wilmington-Maysville, OH-KY-IN [CI]	CIN

<b>SPTI</b>	<b>SPTI Description (including description of and code for locality pay area to which the special pay table is linked)</b>	<b>Corresponding Locality Pay Table Code</b>
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OTCS	For DETO overseas locality pay linked to locality pay area Colorado Springs, CO [CS]	CS
OTCO	For DETO overseas locality pay linked to locality pay area Columbus-Marion-Zanesville, OH [CO]	COL
OTCC	For DETO overseas locality pay linked to locality pay area Corpus Christi-Kingsville-Alice, TX [CC]	CC
OTDV	For DETO overseas locality pay linked to locality pay area Davenport-Moline, IA-IL [DV]	DV
OTDG	For DETO overseas locality pay linked to locality pay area Dayton-Springfield-Sidney, OH [DG]	DAY
OTDM	For DETO overseas locality pay linked to locality pay area Des Moines-Ames-West Des Moines, IA [DM]	DM
OTHB	For DETO overseas locality pay linked to locality pay area Harrisburg-Lebanon, PA [HB]	HB
OTHU	For DETO overseas locality pay linked to locality pay area Huntsville-Decatur-Albertville, AL [HU]	HU
OTHI	For DETO overseas locality pay linked to locality pay area Hawaii [HI]	HI
OTIN	For DETO overseas locality pay linked to locality pay area Indianapolis-Carmel-Muncie, IN [IN]	IND
OTKC	For DETO overseas locality pay linked to locality pay area Kansas City-Overland Park-Kansas City, MO-KS [KC]	KC
OTLR	For DETO overseas locality pay linked to locality pay area Laredo, TX [LR]	LR
OTLV	For DETO overseas locality pay linked to locality pay area Las Vegas-Henderson, NV-AZ [LV]	LV
OTOM	For DETO overseas locality pay linked to locality pay area Omaha-Council Bluffs-Fremont, NE-IA [OM]	OM
OTPB	For DETO overseas locality pay linked to locality pay area Palm Bay-Melbourne-Titusville, FL [PB]	PB
OTPX	For DETO overseas locality pay linked to locality pay area Phoenix-Mesa-Scottsdale, AZ [PX]	PX

<b>SPTI</b>	<b>SPTI Description (including description of and code for locality pay area to which the special pay table is linked)</b>	<b>Corresponding Locality Pay Table Code</b>
OTPI	For DETO overseas locality pay linked to locality pay area Pittsburgh-New Castle-Weirton, PA-OH-WV [PI]	PIT
OTRA	For DETO overseas locality pay linked to locality pay area Raleigh-Durham-Chapel Hill, NC [RA]	RA
OTZX	For DETO overseas locality pay linked to locality pay area Rest of U.S. [ZX]	RUS
OTRI	For DETO overseas locality pay linked to locality pay area Richmond, VA [RI]	RCH
OTSO	For DETO overseas locality pay linked to locality pay area San Antonio-New Braunfels-Pearsall, TX [SO]	SO
OTSL	For DETO overseas locality pay linked to locality pay area St. Louis-St. Charles-Farmington, MO-IL [SL]	SL
OTTU	For DETO overseas locality pay linked to locality pay area Tucson-Nogales, AZ [TU]	TU
OTVB	For DETO overseas locality pay linked to locality pay area Virginia Beach-Norfolk, VA-NC [VB]	VB
OTDX	For DETO overseas locality pay linked to locality pay area Washington-Baltimore-Arlington, DC-MD-VA-WV-PA [WA]– 2/3rds of locality pay for that area	Linked to DCB