OFFICE OF PERSONNEL MANAGEMENT

Civilian Acquisition Workforce Personnel Demonstration Project; Department of Defense (DoD)

AGENCY: Office of Personnel Management.

ACTION: Notice of approval of a demonstration project final plan.

SUMMARY: Title VI of the Civil Service Reform Act, title 5 U.S.C. 4703, authorizes the Office of Personnel Management (OPM) to conduct demonstration projects that experiment with new and different personnel management concepts to determine whether such changes in personnel policy or procedures would result in improved Federal personnel management.

Section 4308 of the National Defense Authorization Act for Fiscal Year 1996 (Pub. L. 104–106; 10 U.S.C.A. § 1701 note), as amended by section 845 of the National Defense Authorization Act for Fiscal Year 1998 (Pub.L. 105–85), permits the Department of Defense (DoD), with the approval of OPM, to conduct a personnel demonstration project within the Department's civilian acquisition workforce and those supporting personnel assigned to work directly with the acquisition workforce. This demonstration project covers the civilian acquisition workforce and teams of personnel, more than half of which consist of members of the acquisition workforce and the remainder of which consist of supporting personnel assigned to work directly with the acquisition workforce, throughout DoD. The total number of participants is limited to 95,000.

DATES: Implementation of this demonstration project will begin by February 9, 1999, or earlier. Participating organizations will be phased into the project in accordance with the timetable approved by DoD and OPM in the project's implementation plan.

FOR FURTHER INFORMATION CONTACT: *DoD:* Richard M. Childress, Civilian Acquisition Workforce Personnel Demonstration, 5203 Leesburg Pike, Suite 1404, Falls Church, VA 22041, 703–681–6658. *OPM:* Gail W. Redd, U.S. Office of Personnel Management, 1900 E Street NW, Room 7460, Washington, DC 20415, 202–606–1521.

SUPPLEMENTARY INFORMATION:

1. Background

Title VI of the Civil Service Reform Act, 5 U.S.C. 4703, authorizes the Office of Personnel Management (OPM) to conduct demonstration projects that experiment with new and different personnel management concepts to determine whether such changes in personnel policy or procedures would result in improved Federal personnel management.

Section 4308 of the National Defense Authorization Act for Fiscal Year 1996 (Pub. L. 104–106; 10 U.S.C.A. § 1701 note), as amended by section 845 of the National Defense Authorization Act for Fiscal Year 1998 (Pub. L. 105–85), permits DoD, with the approval of OPM, to conduct a personnel demonstration project within the Department's civilian acquisition workforce and those supporting personnel assigned to work directly with the acquisition workforce. This demonstration project covers the civilian acquisition workforce and teams of personnel, more than half of which consist of members of the acquisition workforce and the remainder of which consist of supporting personnel assigned to work directly with the acquisition workforce, throughout DoD. The Civilian Acquisition Workforce Personnel Demonstration Project is designed to provide an encouraging environment that promotes the growth of all employees and to improve the local acquisition managers' ability and authority to manage the acquisition workforce effectively. This demonstration involves streamlined hiring processes, broadbanding, simplified job classification, a contribution-based compensation and appraisal system, revised reduction-in-force procedures, expanded training opportunities, and sabbaticals.

2. Overview

On March 24, 1998, OPM published this proposed demonstration project in the **Federal Register** (63 FR 14253). During the 60-day public comment period ending May 26, 1998, OPM received comments from 182 individuals, including 37 who presented oral comments at one of the three public hearings. All comments were carefully considered.

Some commentors suggested changes to areas that lie outside the project's scope or the demonstration project authority of 5 U.S.C. chapter 47. These comments are not included in the summary below.

A number of commentors highlighted many instances of miscommunication and misunderstanding with the present system, as well as the project interventions. Others provided insight and encouragement to project developers. Still others emphasized the importance of training for all project participants.

The following summary addresses the comments received, provides responses, and notes resultant changes to the original project plan in the first **Federal Register** notice. Most commentors addressed several topics, which were counted separately. Thus, the total number of comments exceeds the number of individuals cited above.

A. General Positive Comments

Thirty-nine commentors were totally supportive of the demonstration and saw it as beneficial to employees, managers, the acquisition workforce, and the Federal civil service. One commentor thanked DoD, OPM, and Congress for making this project possible, saying it would greatly benefit workers at field-level installations. Several commentors said it would provide much-needed reform of workforce management. Others complimented the project's streamlined personnel management systems and application of good business practices to Government. Finally, several commentors simply said they looked forward to the project's implementation and welcomed the opportunity to contribute to its success.

B. Contribution-based Compensation and Appraisal System (CCAS)

A number of positive comments were received. Three commentors welcomed pay adjustments based on their contributions. One said that pay pool panels will serve to ensure even-handed assessments and that poor performers ''can no longer milk the system.'' Two commentors viewed CCAS's varied contribution factors as a way to satisfy the increasing need for a multi-skilled workforce in a downsized environment. One commentor thought CCAS should be implemented immediately.

A total of 105 comments were received about CCAS, relating to seven subtopics, as follows.

(1) CCAS Process

Comments: Thirty-eight commentors thought the CCAS process was too complicated. Another said the Customer Relations factor seemed to emphasize customer satisfaction over statutory compliance, yet contract specialists must achieve both.

Response: At first reading, the CCAS process may seem complicated. However, feedback from numerous CCAS orientation and training sessions throughout DoD showed that participants readily grasped the new system's concepts.

Project developers have conducted and will continue to give briefings for management and the workforce across the country. Additionally, ''train-the-trainer'' courses have been completed so that the next lower echelon of trainers can spread the word. Evaluation of this training indicated that an understanding of the CCAS process and its benefits can easily be achieved.

Each participating manager will be fully trained on the CCAS process and supporting software well before the end of the first appraisal cycle. Additionally, training materials, videotapes, and briefing charts are available to participating organizations, as well as an Internet-based tutorial.

With respect to the Customer Relations factor, it is important to note that all six CCAS factors are critical factors. Accordingly, an employee would not be expected to violate controlling laws or regulations in an effort to fulfill this factor.

(2) Funds Availability and General Pay Increase

Comments: Eight commentors inquired about funds availability for contribution rating increases and awards. They also believed the cost of living increase should be excluded from the pay pool. Nine commentors believed that CCAS would harm teamwork and lead to excessive competition among employees (or between managers and employees) for a finite amount of funds within a pay pool. Several others asked what effect achieving comparability under the Federal Employees Comparability Act of 1990 (FEPCA) might have on CCAS.

Response: Regarding funds availability, the project establishes mandatory funding floors for pay pools, with which participating organizations must comply.

As a point of clarification, the annual GS pay adjustment authorized under 5 U.S.C. 5303 is based on the cost of labor, not the cost of living. This pay increment is linked to changes in a component of the Employment Cost Index (ECI) that measures the overall rate of change in employers' wage and salary costs in the private sector. Thus, this pay increment is appropriately included in the pay pools.

As to CCAS's effect on teamwork, ''Teamwork/Cooperation'' is one of the six CCAS factors on which participants will be rated. Employees in matrix-managed organizations, as well as those in functional organizations, will have the opportunity to work as a team to accomplish the mission of the organization.

Regarding FEPCA, notwithstanding any other provision of this demonstration project, if General Schedule employees receive an increase under 5 U.S.C. 5303 that exceeds the amount otherwise required by that section on the date of this notice, the excess portion of such increase shall be paid to demonstration project employees in the same manner as to General Schedule employees. The excess portion of such increase shall not be distributed through the pay pool process.

(3) Locality Pay

Comments: Several commentors disagreed with including locality pay in the pay pools.

Response: The commentors were apparently misinformed; locality pay is not included in pay pool funding. Demonstration project employees will continue to receive locality pay as they do now.

(4) CCAS Implementation

Comments: Three commentors suggested that overall contribution scores be related to the current system with an adjective rating. One commentor said special rates should continue in effect to attract quality personnel. Another said that all employees rated ''above the rails'' (i.e., in the ''A'' region) would be reduced in basic pay, which in turn would reduce their retirement annuities. Several objected to the terms ''overcompensated'' and ''undercompensated'' for employees rated above and below the rails, respectively.

Response: The project itself does not incorporate adjective ratings, but it does provide an adjective rating that corresponds to the current system for use when employees leave the demonstration project.

The project does not use special rates. However, increased opportunities for pay progression under broadbanding should more than offset this. Additionally, former special rate employees will now receive locality pay, for which they previously were ineligible. Managers will also have greater flexibility to set pay above the minimum rate of the range upon initial appointment and promotion under the demonstration's broadbanding system.

A fundamental purpose of CCAS is to compensate employees appropriately. However, employees rated in the ''A'' region are not automatically reduced in pay. Rather, the supervisor decides whether corrective action is needed. If so, as under the current system, the supervisor informs the employee in writing, and the employee is placed on an improvement plan that provides a reasonable opportunity to demonstrate acceptable contribution for the identified factors. Reduction in pay can occur only if the employee fails to complete the plan successfully.

Finally, CCAS terminology was changed to ''inappropriately compensated'' above or below the rails.

(5) Pay Pool Process

Comments: One commentor suggested that the project plan set forth criteria for establishing pay pools. One commentor thought the recommended upper limit for the number of employees in a pay pool (300) should be made mandatory. Four believed panels should include union representation. Three said that only the immediate supervisor should determine an employee's overall contribution score (OCS). Several commentors said pay pool results should be made available to employees.

Response: Pay pools will be established as determined by the participating DoD Components. The suggested size of pay pools ranges from 35 to 300 employees. Components have flexibility in this area in order to be able to tailor the pay pool process to meet their varied organizational needs.

Activities whose employees are represented by a union are encouraged to invite that union to participate in the pay pool process. The project plan and operating procedures have been modified to incorporate this feature.

Rather than relying on a single individual (the immediate supervisor), CCAS uses the pay pool panel process to ensure fairness and consistency in determining each employee's OCS.

Finally, pay pool managers are encouraged to convey the outcomes of the CCAS assessment process, in the aggregate, to employees within their pay pool. This may be done, for example, by providing to individual employees a scattergram depicting the OCS plot of the pay pool, both before and after salary adjustment, with only the individual's name shown on the scattergram. The software developed to support CCAS can provide this information.

(6) Overall Contribution Scores

Comments: Eight commentors believed CCAS would disadvantage current GS–15 employees at step 7 and above. Such employees would have to achieve near-perfect scores in all factors in order for their OCSs to fall between the rails (i.e., in the ''C'' region). These commentors believed the OCS methodology should be changed to

permit such employees' high achievement to be documented.

Response: The PAT adopted this comment and changed the scoring. A new score category of ''very high'' has been established for those at the top range of broadband level IV in the Business Management and Technical Management Professional career path. For consistency and as an outgrowth of this comment, scoring was similarly changed for the other two career paths.

(7) Appraisal Cycle

Comments: One commentor suggested that pay adjustments take effect the first pay period of September. Another thought the cutoff date for appraisals should be changed to August to allow more time for pay pool panel meetings.

Response: These comments were not adopted. Processing the CCAS and locality pay increases simultaneously in January will streamline administrative processes. The operating procedures set forth the steps necessary for pay pool panels to perform their tasks timely.

C. Management Issues

A number of positive comments were received. Seven commentors supported the demonstration because it gives management necessary flexibility, reduces administrative costs, enhances employees' career advancement, and improves personnel administration. Many commentors advocated the demonstration because it offers increased opportunity for them personally. Others viewed the project's compensation and hiring features as a way to attract and retain highly qualified personnel.

Additional comments on the management aspect of the demonstration may be divided into eight subtopics, as follows.

(1) Fairness

Comments: Thirty-eight commentors thought favoritism and the ''good old boy'' system would drive the demonstration and lead to inequitable treatment of employees. Several employees said managers would now determine their pay increases and, ultimately, their retirement annuities. Others said that monetary awards would be given to employees who do not challenge authority and are part of a favored clique.

Response: The demonstration establishes a structured, group review process to assess employees' contributions to the mission. This process is designed to reduce favoritism and promote fairness.

Specifically, the use of pay pool panels ensures that individual supervisors' ratings are reviewed by their peers (i.e., by other raters in the same pay pool) and by the supervisor of all raters in that pool. In addition, rated employees are rank-ordered by the entire pay pool panel. The intent here is not so much to require ranking per se as to ensure that inflation or deflation by any rater will be identified and corrected via the normal operation of the panel process. Finally, the pay pool manager (who is generally at a higher organizational level than all the above-mentioned supervisors) oversees and approves the results of the group review process.

A focused training session has been developed to teach supervisors and managers how to administer CCAS correctly. Additionally, a third-party evaluator continually collects data on project operation and monitors compensation trends, among other areas.

In summary, the pay pool panel process, managerial training, and continuing evaluation all guard against favoritism and promote fairness for employees under the demonstration.

(2) Managerial Preparedness

Comments: Three commentors thought current acquisition managers need preparation for the challenge of administering CCAS.

Response: A very robust training program will be provided for all supervisors and managers of demonstration participants so that they may gain confidence and competence in performing their duties.

(3) Waivers of Federal Civil Service Laws and Regulations

Comments: A number of commentors thought the **Federal Register** notice's list of waivers would diminish or eliminate employee protections.

Response: Waivers are an integral part of any Federal personnel demonstration project. Their purpose is to permit innovation, not to diminish employees' rights. A demonstration project is defined as—

> a project conducted by the Office of Personnel Management, or under its supervision, to determine whether a specified change in personnel management policies or procedures would result in improved Federal personnel management (5 U.S.C. 4701(a)(4)).

Under 5 U.S.C. chapter 47, OPM is permitted to waive civil service laws and regulations to enable an agency, such as DoD, to conduct demonstration projects by experimenting with new and innovative personnel systems. Examples of laws and regulations that may be waived for demonstration purposes include methods of: appointment to positions; classification and compensation; assignment, reassignment, or promotion; and providing incentives. However, no waivers of law are permitted in the areas of employee leave, employee benefits, equal employment opportunity, political activity, merit system principles, or other prohibited personnel practices.

To sum up, the Civilian Acquisition Workforce Personnel Demonstration is conducted jointly by DoD and OPM. Its innovations require waivers of various civil service laws and regulations.

(4) Work Assignments

Comments: Thirty-two commentors raised the possibility of favoritism in work assignments. They said managers could assign high-visibility tasks to certain employees and lower-level work to others, with predictable results when employees were compensated for their contributions. However, another commentor said this was possible under the current compensation system; it would remain so regardless of what system was implemented.

Response: Management will continue to determine work assignments. However, under the demonstration, work assignments will increasingly focus on supporting mission requirements, enhancing employees' capabilities, and providing employees with opportunities for career broadening and training.

Employees are responsible to ensure that management understands their capabilities and their desire to increase their contributions to the organization's mission. Employees should respond to work assignment opportunities in a proactive, rather than reactive, manner. Under the project, managers and employees can arrive at mutually agreeable opportunities to increase contributions to the organization's mission.

(5) Exercise of Managerial Authority

Comments: Seven commentors said managers could abuse their authority regarding employees' pay raises. For instance, managers who are engineers might view only other engineers as high contributors.

Response: Several project features help ensure visibility for all employees and fair assessment of both technical and functional contributions. In this regard, each of the six CCAS factors has multiple levels of increasing contribution corresponding to the broadband levels. Each factor contains descriptors for each respective level within the relevant career path. The

descriptors state what is important to the mission of the organization and describe employees' contributions at different broadband levels. Thus, work performed by individuals in a particular career path is evaluated against the same descriptors, and contribution is determined by a group consensus through the pay pool panel process.

(6) Dual Personnel Systems

Comments: Five commentors projected additional workload for supervisors and civilian personnel/human resources staffs as a result of maintaining two personnel systems.

Response: The FY 96 National Defense Authorization Act encouraged DoD to conduct a demonstration project for the acquisition workforce. In an effort to minimize the need for two personnel systems within this workforce, project developers made every effort to encourage eligible organizations and unions to participate.

There is precedent for operating dual personnel systems. Seven science and technology laboratory demonstration projects are already in operation within the Military Services. Most of these projects do not include all employees within a demonstration organization.

(7) Leadership/Supervision Factor

Comments: Seven commentors thought this factor did not emphasize safety and health, equal employment opportunity (EEO), etc. Some asked how employees' movement through the broadbands related to existing affirmative action (AA) goals.

Response: Nothing in this project waives safety, health, or equal employment opportunity principles. Managers will apply existing principles appropriately in determining employees' overall contribution scores for this factor. A statement which specifically addresses these concerns has been added to all career paths for the Leadership/Supervision factor.

The demonstration is not intended to alter existing equal employment opportunity or affirmative action programs. Part of the project's intended cultural change, however, is to think in terms of broadband levels in lieu of GS grades. As a result, participating DoD components and activities may adjust their affirmative action plans and goals to accommodate broadband levels.

Finally, through the project's evaluation process, trends will be identified. Any adverse trends may result in modifications to the ongoing demonstration project in those areas.

(8) Participation in the Project

Comments: Twelve commentors questioned their own participation in the project. Some engineers wanted to be included, while several interns did not.

Response: The respective DoD Components decided whether or not to participate. Each Component determined which organizations—and which positions within those organizations—would participate.

D. Broadbanding

A number of positive comments were received. Many commentors said broadbanding, with its seamless progression through the rate range, would be very beneficial to employees.

Additional comments received on this aspect of the personnel demonstration project were related to three subtopics, as follows.

(1) Broadband Structure

Comments: A number of commentors asked why particular grades were grouped into a given broadband and recommended changes. Two commentors wanted one broadband for all 15 GS grades, while others said they did not want to be placed in the same broadband with lower graded employees. One commentor suggested that broadbands be adjustable locally to suit a particular workforce. Additionally, several commentors said employees at the top of a broadband would lack potential for basic pay progression. Finally, two commentors raised an issue about promotions under broadbanding.

Response: When grouping GS grades into broadbands, project developers sought input from various sources, including other demonstrations, DoD, and OPM. Developers then identified natural breakpoints within a grouping of similar duties and responsibilities and used the breakpoints to determine broadband structure. (For instance, in most participating organizations, the journeyman level lies at GS–12 and 13 for the Business Management and Technical Management Professional career path. Hence, these two grades were combined into one broadband. Similarly, since GS–14s and 15s are generally the management core of an organization, it was logical to group these two grades into one broadband.) A standard broadband structure throughout the demonstration will ensure project integrity and facilitate project evaluation.

Some employees in the project will be paid at the maximum rate for a broadband level, just as some are now at step 10 of a GS grade. Most such employees will be able to compete for promotion to a higher broadband and be eligible for contribution awards. A significant advantage of the project for all employees is that it sets aggregate funding thresholds for these awards, whereas under the current system, no similar funds are guaranteed.

Under broadbanding, employees have greater advancement opportunities across a broad range of salary rates. Competitive promotion will continue to be required between broadbands, but most salary advancement will take the form of contribution rating increases.

(2) Occupational Series

Comments: Some commentors thought it was important to maintain the integrity of career fields, given that different occupational series are being combined into a given career path. Some commentors said the project included too many series, but others pointed out that it did not include all series in the acquisition and support workforce.

Response: Occupational series will remain in effect, and existing requirements for education and experience will be maintained. Degree or other specific requirements (including DAWIA certification) that now exist for certain occupations will be unchanged. Table 2 was amended to include all occupational series involved in the acquisition process, to include the support workforce.

(3) Contribution-Based Actions

Comments: Several commentors sought to ensure that contribution-based actions would be well-founded and reviewable by the Merit Systems Promotion Board.

Response: Contribution-based actions must meet the same standard of evidence as performance-based actions under the current system and are reviewable by the Board.

E. Academic Degree and Certificate Training

Eleven comments were received about this initiative, nine of them positive.

Comments: Commentors appreciated the new ability for Administrative Support and Technical Management Support employees to pursue educational opportunities. They also supported extending the time for degree and certificate training throughout the project's duration. This initiative will help attract the next-generation worker, they said.

Two commentors criticized DoD's paying for employees' education and then not capitalizing on its investment.

Response: Management and employees must work together to structure work assignments that take advantage of employees' skills and education.

F. Classification

Twenty-two comments regarding two subtopics were received about this initiative.

(1) Classification Process

Comments: Under the demonstration, position requirements documents (PRDs) combine position information, staffing requirements, and contribution expectations into a single document that replaces current agency-developed position description forms. Several commentors sought accurate PRDs that can capture unique position characteristics. While one commentor thought writing PRDs was burdensome, two others differed, saying they saw the value in a simplified process that reduces administrative costs and processing times. Two commentors asked how PRD factors relate to broadband levels, and two others asked who would approve PRDs. Several commentors wanted assurance that line managers will be prepared to assume classification authority.

Response: COREDOC, an interactive software program designed for development of PRDs, will be available to assist managers, along with training on classification. Unique position characteristics may be annotated in the PRDs' remarks section. Classification authority rests with the local commander and may be re-delegated no lower than one management level above the first-line supervisor of the employee or position under review. Personnel specialists will provide on-going consultation and guidance to managers and supervisors throughout the classification process.

(2) Classification Appeals

Comments: One commentor suggested setting time frames to process classification appeals. Several said the accuracy of PRDs should be appealable.

Response: The project does not change existing time frames for classification appeals. As under the current system, employees may not appeal the accuracy of a PRD, but instead may raise the issue under an applicable grievance procedure.

G. Reduction-in-Force (RIF)

The 38 comments about this initiative centered on four items.

(1) Definition of Competitive Area

Comments: Eighteen commentors wanted the same competitive area to cover project and non-project employees.

Response: Project developers seriously reconsidered the matter of competitive areas, and two mock RIFs were subsequently run. This exercise compared a scenario with an entire workforce in the same competitive area against a second scenario with separate competitive areas for project and non-project employees. The overall difference in outcome between the two mock RIFs was negligible. However, the demonstration and the standard title 5 personnel systems are very different with respect to their classification, compensation, and performance management/contribution programs. The same-area scenario proved inadequate to accommodate those differences when employees were moved via RIF between the two systems. Additionally, project developers sought input from other demonstration projects, DoD, and OPM. All of these supported the separate-areas concept. Accordingly, the project plan was amended to specify that employees under this demonstration shall be placed in a different competitive area from those who are not covered.

(2) Retention Rights

Comments: Other commentors said the project should not diminish retention of employees.

Response: The project's procedures are not intended to diminish retention. Under the current system, employees may only retreat to positions they have previously held. The project eliminates this restriction. If qualified for the position in question, a project employee may displace any other project employee with a lower retention standing.

(3) DoD Downsizing; Base Re-alignment and Closure (BRAC)

Comments: Five commentors raised the issue of conducting a demonstration in times of downsizing and BRAC.

Response: The project has no influence over downsizing or BRAC determinations. However, it does represent a valuable opportunity to enhance the quality, professionalism, and management of the DoD acquisition workforce through an improved human resources management system. The FY 96 and 98 National Defense Authorization Acts encouraged DoD to conduct this demonstration and established a 1999 time frame to commence implementation.

(4) Years of Retention Service Credit

Comments: Several commentors noted that the years of retention service credit in Table 7 were not consistent with OCS scores in the ''inappropriately compensated-below the rails'' (B) region.

Response: Table 7 was constructed in relation to the OCS normal range. Generally, employees whose OCSs fall within or above the top third of the OCS normal range for their career path and broadband level receive 20 years of retention service credit; those in the middle third, 16 years; and those in the lower third, 12 years. However, this breakout varies somewhat for broadband level I of each career path in order to accommodate the fact that the bottom of the OCS normal range for level I is zero.

H. Veterans' Issues

Ten commentors said that veterans' entitlements were being eroded.

Comments: Most of these commentors thought veterans were not treated fairly under this project. Specifically, they said, disabled veterans are at a disadvantage in scientific, engineering, and professional positions; veterans serving during peacetime are not treated fairly; and reduction-in-force rights for 5-point veterans are not specifically addressed when they are in the same broadband level with non-veterans. One commentor wanted to eliminate veterans' preference entirely during the hiring process, and another recommended a tie-breaking method or statement regarding current pass-over procedures.

Response: All current veterans' preference entitlements have been and will be protected throughout the duration of this demonstration project; none have been eroded. DoD operating procedures give specific instructions about honoring veterans' preference during hiring and reduction in force.

I. Sabbaticals

Seven comments were received on this initiative; six were positive.

Comments: One commentor saw no real change from the current system, but the remainder supported this initiative's availability to all project participants, saying it especially benefits those who have never been in a manufacturing or industrial environment. One commentor asked whether academia, industry, or the parent organization was responsible for funding sabbaticals.

Response: Under the current system, sabbaticals are available only to members of the Senior Executive Service. The demonstration expands this feature to all project employees.

The parent organization is responsible for funding this initiative.

J. Voluntary Emeritus Program

Nine comments were received regarding this initiative, addressing three subtopics.

(1) Positive Response

Comments: The commentor saw this program as an opportunity for the Government to benefit from highly qualified personnel who would provide their experience, judgment, and expertise on a voluntary basis.

(2) Effect on Permanent Employment

Comments: Four commentors said this initiative would reduce permanent employment. One saw it as a way to induce senior employees to retire and then return to work without appropriate compensation.

Response: The intent of this initiative is to afford retirees (primarily professionals in the Business Management and Technical Management Professional career path) an opportunity to return as a volunteer mentor. The project plan very clearly states that, ''This program may not be used to replace or substitute for work performed by civilian employees occupying regular positions required to perform the mission of the command.''

(3) Unfair Labor Practice

Comments: Four commentors said this program could be used inappropriately to obtain free labor and constitutes an unfair labor practice.

Response: A personnel policy and legal review of the project plan during the coordination process determined that this initiative is lawful and appropriately administered.

K. Factors and Weights

Three comments were received in this area.

Comments: Some commentors said that the factors, discriminators, and descriptors used to evaluate employees' contributions were too general and not meaningful. Another thought technical competency should be addressed in the Business Management and Technical Management Professional career path.

Response: The six factors are inherent in every job and form the framework for evaluating employees' contributions. Technical competency, while not a separate factor, is encompassed in the Problem Solving factor. The descriptors for the four broadband levels identify increases in scope, complexity, independence, and creativity. Employees must have a sufficient degree of technical competency at all broadband levels in order to solve the problems presented to them. Thus, the level at which they solve problems permits an assessment of their technical competency.

Dated: December 28, 1998.

Janice R. Lachance,

Director, Office of Personnel Management.

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I. Executive Summary

The project was designed by a Process Action Team (PAT) under the authority of the Under Secretary of Defense for Acquisition and Technology, with the participation of and review by DoD and the Office of Personnel Management (OPM). The purpose of the project is to enhance the quality, professionalism, and management of the DoD acquisition workforce through improvements in the efficiency and effectiveness of the human resources management system. The project interventions will strive to achieve the best workforce for the acquisition mission, adjust the workforce for change, and improve workforce quality. The project framework addresses all aspects of the human resources life-cycle model.

II. Introduction

A. Purpose

The purpose of the project is to demonstrate that the effectiveness of DoD acquisition can be enhanced by allowing greater managerial control over personnel processes and functions and, at the same time, expand the opportunities available to employees through a more responsive and flexible personnel system This demonstration project will provide managers, at the lowest practical level, the authority, control, and flexibility they need to achieve quality acquisition processes and quality products. This project not only provides a system that retains, recognizes, and rewards employees for their contribution, but also supports their personal and professional growth.

B. Problems With the Present System

One of the goals of the Defense Acquisition Workforce Improvement Act (DAWIA) is to create well-trained, multi-skilled professionals who can effectively manage multi-million-dollar programs. Additionally, Integrated Product Teams (IPTs) require multi-skilled personnel who can function in a dynamic team environment. The current personnel system must be re-engineered to provide incentives and rewards to employees who exhibit these characteristics and who increase their contribution to the acquisition mission accordingly. Hiring restrictions and overly complex job classifications unduly exhaust valuable resources and unnecessarily detract attention from the acquisition mission. Managers must be able to compete with the private sector for the best talent and be able to make timely job offers to potential employees. Those same managers need the tools to reward employees for excellence so that the acquisition systems produced reflect the quality of such a workforce. A contribution-based compensation system will help managers acquire these tools and provide a forum in which to apply them. The acquisition process is continually changing and is moving more toward a team environment; therefore, managers must be given local control of positions and their classification in order to move employees freely within their organization when demanded by the mission, and to provide developmental opportunities for employees. Additionally, managers have only limited tools to shape the workforce to ensure continued growth of new ideas, perspectives, and state-of-the art skills for the 21st century. In summary, today's acquisition workforce management problems appear to be

largely outside the control of the acquisition managers. The inflexibility of many of today's personnel processes and the diffused authority, accountability, and approval chains throughout the organizations, result in a workforce that cannot posture itself for the rapidly changing technological and business environment. Also, the current personnel system does not provide an environment that motivates employees to continue to increase their contribution to the organization and the mission. This demonstration is designed to provide an encouraging environment that promotes the growth of all employees and to improve the local acquisition manager's ability and authority to manage the acquisition workforce effectively.

C. Changes Required/Expected Benefits

This project will demonstrate that a human resources system tailored to the mission and needs of the DoD acquisition workforce will result in: (a) Increased quality in the acquisition workforce and the products it acquires; (b) increased timeliness of key personnel processes; (c) workforce data trends toward higher retention rates of ''excellent contributors'' and separation rates of ''poor contributors''; (d) increased satisfaction of serviced DoD customers with the acquisition process and its products; and (e) increased workforce satisfaction with the personnel management system.

The DoD acquisition workforce demonstration program builds on the features of demonstration projects at the Air Force Research Laboratory, Department of the Navy (China Lake), and National Institute of Standards and Technology (NIST). The long-standing Department of the Navy (China Lake) and NIST demonstration projects have produced impressive statistics on job satisfaction for their employees versus that for the Federal workforce in general. Therefore, in addition to the expected benefits mentioned above, it is anticipated that the DoD acquisition workforce demonstration project will result in more satisfied employees as a consequence of the demonstration's pay equity, classification accuracy, and fairness of performance management. A full range of measures will be collected during project evaluation.

D. Bargaining Requirements

Employees within a unit to which a labor organization is accorded exclusive recognition under Chapter 71 of title 5, United States Code, shall not be included as part of the demonstration project unless the exclusive representative and the agency have entered into a written agreement covering participation in and implementation of this project. The parties may use mediation or any other mutually acceptable means to resolve disputes over the implementation of the project with respect to unit employees. Neither party may request the assistance of the Federal Service Impasses Panel to resolve such disputes.

Either labor or management may unilaterally withdraw from negotiations over the application of this demonstration project to bargaining unit members at any time up until final agreement approval, without such action being considered an unfair labor practice under Section 7116 of title 5, United States Code for refusing to negotiate in good faith.

Written agreements addressing the initial implementation of the demonstration project to bargaining unit members are subject to higher-level review and approval within DoD prior to implementation. This review is to ensure local agreements comply with the requirements of the demonstration project and any Service-wide implementing directives. The decision of the higher-level review is not subject to third-party intervention or review. Written agreements established under this paragraph shall be considered ''local agreements subject to a national or controlling agreement at a higher level'' as provided in 5 U.S.C. 7114(c)(4), and the approved demonstration project shall be considered a ''national agreement'' under that section.

Once a written agreement is reached and approved allowing for the local implementation of the project, all subsequent negotiations during the life of the project shall be subject to binding impasse procedures under Section 7119 of title 5, United States Code, or to alternative impasse procedures agreed to by the parties.

E. Participating Organizations

The DoD Acquisition Workforce Personnel Demonstration Project will include various organizational elements of the Air Force, Army, Navy, Marine Corps, and the Office of the Under Secretary of Defense (Acquisition and Technology). Participating organizations are shown in Table 1.

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TABLE 1- PARTICIPATING ORGANIZATIONS

	Air Force	
Command	**Organization/Office Symbol**	**Locations**
AFMC	Air Force Flight Test Center (AFFTC)	Edwards AFB, CA.
AFMC	95 Air Base Wing	Edwards AFB, CA.
AFMC	412 Test Wing	Edwards AFB, CA.
AFMC	452, Det 2	Kirtland AFB, NM.
AFMC	**Operating Locations**	
AFMC	412 TW, OL 00AB (EW)	AF Plant 04, TX.
AFMC	412 Log Gp, Det 00AA (LGLL-5C, LGLL-8, LGLL-1 LGLL-13, LGLL-16, LGLL-17	Wright-Patterson AFB, OH
AFMC	412 Test Sq, Det 00AB (LGLL-5A)	Long Beach, CA.
AFMC	412 Test Sq, Det 00AB (LGLL-2)	AF Plant 04, TX.
AFMC	412 Log Spt Aq, Det 00AA (LLL-1, LGLL-11)	Seattle, WA.
AFMC	412 Test Sq, Det 00AE (LGLL-6, LGLL-6A)	Hurlburt Field, FL.
AFMC	412 Test Sq, Det 00AF (LGLL-9A)	Tinker AFB, OK.
AFMC	412 Test Sq, Det 00AI (LGLL-4)	Whiteman AFB, MO.
AFMC	Air Armament Center (AAC) (Except 96 ABW and 377th Wing (KAFB))	Eglin AFB, FL.
AFMC	Air Armament Center (AAC) (Only 46TG)	Holloman AFB, NM.
AFMC	Aeronautical Systems Center (ASC) (All except 88ABW, 74 MED GRP; includes 88 AABW/FMPM and PKW)	Wright-Patterson AFB, OH
AFMC	Aeronautical Systems Center (ASC) (All except RA)	Palmdale AF Plan, CA.
AFMC	Aeronautical Systems Center (ASC)	Patuxent River, MD.
AFMC	Aeronautical Systems Center (ASC)	Arlington, VA.
AFMC	Headquarters, Air Force Materiel Command (HQ AFMC) Organizations included: Acquisition Directorate (HQ AFMC/AQ); Requirements Directorate (HQ AFMC/DR); Test and Operations Directorate (HQ AFMC/DO); Engineering Directorate (HQ AFMC/EN); Information and Communications Directorate (HQ AFMC/SC)	Wright-Patterson AFB, OH
AFMC	Electronic Systems Center (ESC) All Acquisition and ABW. Note: Excludes Materiel Systems Group (MSG), Standard Systems Group (SSG), 38th Engineering Inst. Wing (EIW) and Cryptologic Systems Group (CPSG)	Hanscom AFB, MA.

AFMC	Space Missile Center (SMC) 61ABG, 61 CS, 61 MDS, 61 SFS, SMC/CC, BC, HO, IG, IN, JA, MQ, PA, AX, FM, PK, XR, AD, CI, CL, CW, CZ, MC, MT, MV. Note: Exclude occupational series 0083 for all SMC organizations.	Los Angeles AFB, CA.
AFMC	SMC – Det 8/CC, CL, CW, PK, AX	Cape Canaveral AFB, FL.
AFMC	SMC – Det 11/CC, CW, TE, TM, AX	Vandenberg AFB, CA.
AFMC	SMC – SMC/CWO (Formerly Det 2)	Onizuka, CA.
AFMC	SMC – SMC/PK, TE, TM, AX	Kirtland AFB, NM.
AFMC	SMC /TE	Houston, TX.
AFMC	SMC/XR	Washington, DC.
AFMC	SMC – Det 11/CC/AP, FM, PK, RM, AX, CI, CW, CZ, MC, MT	Peterson AFB, CO.
AFMC	Operating Location (AC/HA) AD, CW, CZ, TE, AX	Schriever AFB, CO.
Secretary of the Air Force	Assistant Secretary of the Air Force (Acquisition) (SAF/AQ and subordinate organizations)	Pentagon, VA.

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Note:

- AFMC/SMC/DET11/Peterson AFB: DET 11 was realigned from HQ AFMC, June 98
- AFMC/SMC/Washington DC: Based on a realignment, deleted SMC/AX and changed to SMC/XR
- AFMC/SMC/Schriever AFB: Realigned from HQ AFMC, Jun 98
- AFMC/SMC/Los Angeles AFB: TE (newly established organization); 61SFS realigned/established Aug 98; change 66 ABG to 61 ABG (was a typo)

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	Army	
Command	**Organization/Office Symbol**	**Locations**
Army Acquisition Executive Support Agency (AAESA)	Headquarters, RDAISA, Contract Support Agency (CSA), Acquisition Career Management Office, Army Digitization Office (ADO), Leavenworth Support, Management Support Training Group, Element Redstone Arsenal, Element Ft. Huachuca, Element Rock Island, Element Aberdeen Proving Ground, Element Warren, Element Ft, Monmouth, Element Picatinny, Element Whitesands Missile Range, NM.	Ft. Belvoir, VA; Radford, VA; Pentagon, VA; Falls Church, VA; Arlington, VA; Ft Leavenworth, KS; Redstone Arsenal, AL; Ft. Huachuca, AZ; Rock Island, IL; Aberdeen Proving Ground, MD; Warren, MI; Ft. Monmouth, NJ; Picatinny, NJ; Whitesands Missile Range, NM.
AAESA	PEO Command, Control and Communication Systems (C3S), includes all associated PM's and Liaison Representatives	Ft. Monmouth, NJ; Pentagon, VA; Ft. Belvoir, VA; Huntsville, AL; Ft. Wayne, IN; McLean, VA; Fullerton, CA; San Diego, CA.
AAESA	PEO Ground Combat Support Systems (GCSS), includes all associated PM's and Liaison Representatives	Picatinny Arsenal, NJ; Warren, MI; Pentagon, VA; Minneapolis, MN; Ft. Sill, OK; Azuza, CA.

	Army	
AAESA	PEO Standard Army Management Information Systems (STAMIS), includes all associated PM's and Liaison Representatives	Ft. Belvoir, VA; Ft. Monroe, VA; Ft. Knox, KY; Ft. Monmouth, NJ; Ft. Lee, VA.
AAESA	PM-Joint Program for Biological Defense	Falls Church, VA; Ft. Detrick, MD; Aberdeen Proving Ground, MD.
AAESA	PEO IEW&S, includes all associated PM's and Liaison Representatives	Ft. Monmouth, NJ; Ft. Belvoir, VA; Huntsville, AL; Wright-Patterson AFB, OH; Brussels, Belgium.
Medical Command (MEDCOM)	US Army Medical Command (MEDCOM)/MCAA	Honolulu, HI; Seattle, WA; El Paso, TX; San Antonio, TX; Augusta, GA.
Ofc Asst. Secy. of Army (Research, Development & Acquisition)	Director of Assessment and Evaluation (SARD-ZD)	Pentagon, VA.
Ofc Asst. Secy. of Army (Research, Development & Acquisition)	Deputy Assistant Secretary of the Army for Procurement (SARD-ZP)	Falls Church, VA.
Ofc Asst. Secy. of Army (Research, Development & Acquisition)	Deputy Assistant Secretary for Plans/Programs/Policy (SARD-ZR)	Radford, VA; Pentagon, VA; Ft. Belvoir, VA.
Ofc Asst. Secy. of Army (Research, Development & Acquisition)	Deputy for Systems Management (SARD-ZS)	Pentagon, VA.
Ofc Asst. Secy. of Army (Research, Development & Acquisition)	Deputy Assistant Secretary for Research and Technology (SARD-ZT)	Pentagon, VA.
Ofc Asst. Secy. of Army (Research, Development & Acquisition)	Management Support; SACO	Pentagon, VA.
8th Army	US Army Contracting Command Korea/EAKC	Seoul, Korea.
US Army Operational Test and Evaluation Command (OPTEC)	HQ, OPTEC	Alexandria, VA.
US Army Operational Test and Evaluation Command (OPTEC)	OPTEC Contracting Activity (OCA)	Ft. Hood, TX.
US Army Operational Test and Evaluation Command (OPTEC)	Operational Evaluation Command (OEC)	Alexandria, VA.
US Army Operational Test and Evaluation Command (OPTEC)	Evaluation Analysis Center (EAC)	Aberdeen Proving Ground, MD.

	Army	
Headquarters Department of the Army (HQDA)	Defense Supply Services Washington (DSSW)/JDSS-W	Washington, DC; Ft. Belvoir, VA; Alexandria, VA; Falls Church, VA; Arlington-Crystal City, VA; Pentagon, VA.
National Guard Bureau	PEO/PM RCAS, NGB-RCS-RA	Newington, VA.
Military Traffic Management Command	MTAQ	Falls Church, VA.

	Navy	
Command	**Organization/Office Symbol**	**Locations**
Assistant Secretary of the Navy (Research, Development and Acquisition)	ASN(RD&A)	Arlington, VA.
Navy International Program Office	NIPO	Arlington, VA.
NAVSUP	Fleet and Industrial Supply Center, Puget Sound	Bremerton, WA.
NAVSUP	Fleet and Industrial Supply Center	San Diego, CA.
Naval Sea Systems Command (NAVSEA)	TEAM CX	Arlington, VA.

	Marine Corps	
Command	**Organization/Office Symbol**	**Locations**
Marine Corps Systems Command	Amphibious Vehicle Test Branch (AVTB)	Camp Pendleton, CA.
Marine Corps Systems Command	MARCORSYSCOM	Quantico, VA; Warren, MI; Albany, GA; Picatinny Arsenal, NJ; Rock Island, IL.
Marine Corps Systems Command	Marine Corps Tactical Systems Support Activity-(MCTSSA)	Camp Pendleton, CA.

	DoD	
Command	**Organization/Office Symbol**	**Locations**
Under Secretary of Defense (Acquisition and Technology)	DSB; Spec. Prog.; DDR&E; ATSD(NCB); DUSD(ES); DUSD(AR); DUSD(AT); DUSD(L); DUSD(IA&I); DUSD(I&CP); SADBU; DIR,API; DIR,TSE&E; DIR,S&TS; DIR,DP; DIR, ADMIN	Pentagon, VA.

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F. Participating Employees

In determining the scope of the demonstration project, primary consideration was given to the number and diversity of occupations within the DoD acquisition workforce and the teams of personnel, more than half of which consist of members of the acquisition workforce and the remainder of supporting personnel assigned to work directly with the acquisition workforce, as well as the need for adequate development and testing of the Contribution-based Compensation and Appraisal System (CCAS). Additionally, current DoD human resources management design goals and priorities for the entire civilian workforce were considered.

While the intent of this project is to provide DoD activities with increased control and accountability for their covered workforce, the decision was made to restrict development efforts initially to covered General Schedule (GS) positions. Employees covered under the Performance Management and Recognition System Termination Act (pay plan code GM) are General Schedule employees and are covered under the demonstration project.

Interns assigned to an organization participating in this demonstration may be included, as determined by their organizations or components.

Employees in the Student Temporary Employment Program (summer hire and stay in school), all positions designated as primary or secondary law enforcement officer (LEO) positions (5 U.S.C. 5541(3)), and all positions in the Defense Civilian Intelligence Personnel System (DCIPS) (10 U.S.C. Chapter 83) are excluded from the demonstration project, even if their organizations and series are listed in Tables 1 and 2. Additionally, this demonstration project does not cover those positions that have previously been identified for coverage by a science and technology reinvention laboratory demonstration project, or the permanent demonstration project at the Naval Command, Control, and Ocean Surveillance Center, San Diego, CA and the Naval Air Warfare Center, Weapons Division, China Lake, CA.

The job series included in the project are identified in Table 2. To determine if your organization and series are included, locate your organization in Table 1 and then find your job series in Table 2. Additional questions, if any, regarding your specific position should be addressed to the OSD Acquisition Workforce Personnel Demonstration Project Office.

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TABLE 2 - SERIES INCLUDED IN THE DoD ACQUISITION WORKFORCE PERSONNEL DEMONSTRATION PROJECT

BUSINESS MANAGEMENT & TECHNICAL MANAGEMENT PROFESSIONAL	
SERIES NUMBER	SERIES TITLE
0011	BOND SALES PROMOTION
0018	SAFETY AND OCCUPATIONAL HEALTH MANAGEMENT
0020	COMMUNITY PLANNING SERIES
0023	OUTDOOR RECREATION PLANNING
0025	PARK RANGER
0028	ENVIRONMENTAL PROTECTION SPECIALIST
0030	SPORTS SPECIALIST
0050	FUNERAL DIRECTING
0062	CLOTHING DESIGN
0072	FINGERPRINT IDENTIFICATION
0080	SECURITY ADMINISTRATION
0095	FOREIGN LAW SPECIALIST
0099	GENERAL STUDENT TRAINEE
0101	SOCIAL SCIENCE
0106	UNEMPLOYMENT INSURANCE
0110	ECONOMIST
0130	FOREIGN AFFAIRS
0131	INTERNATIONAL RELATIONS SERIES
0135	FOREIGN AGRICULTURAL AFFAIRS
0136	INTERNATIONAL COOPERATION
0140	MANPOWER RESEARCH AND ANALYSIS
0142	MANPOWER DEVELOPMENT
0150	GEOGRAPHY
0156	ART SPECIALIST
0160	CIVIL RIGHTS ANALYSIS
0170	HISTORY
0180	PSYCHOLOGY
0184	SOCIOLOGY
0185	SOCIAL WORK
0188	RECREATION SPECIALIST
0190	GENERAL ANTHROPOLOGY
0193	ARCHEOLOGY
0199	SOCIAL SCIENCE STUDENT
0201	PERSONNEL MANAGEMENT
0205	MILITARY PERSONNEL MANAGEMENT SERIES
0212	PERSONNEL STAFFING SPECIALIST
0221	POSITION CLASSIFICATION
0230	EMPLOYEE RELATIONS
0233	LABOR RELATIONS
0235	EMPLOYEE DEVELOPMENT
0241	MEDIATION
0243	APPRENTICESHIP AND TRAINING
0244	LABOR MANAGEMENT RELATIONS EXAMINING SERIES
0246	CONTRACTOR INDUSTRIAL RELATIONS
0249	WAGE AND HOUR COMPLIANCE
0260	EQUAL EMPLOYMENT OPPORTUNITY
0270	FEDERAL RETIREMENT BENEFITS
0299	PERSONNEL MANAGEMENT STUDENT TRAINEE SERIES
0301	MISCELLANEOUS ADMINISTRATION AND PROGRAM

0334	COMPUTER SPECIALIST
0340	PROGRAM MANAGEMENT
0341	ADMINISTRATIVE OFFICER
0343	MANAGEMENT AND PROGRAM ANALYSIS
0346	LOGISTICS MANAGEMENT
0360	EQUAL OPPORTUNITY COMPLIANCE
0391	TELECOMMUNICATIONS
0399	ADMINISTRATION AND OFFICE SUPPORT STUDENT TRAINEE
0401	GENERAL BIOLOGICAL SCIENCE
0403	MICROBIOLOGY
0405	PHARMACOLOGY
0406	AGRICULTURAL EXTENSION
0408	ECOLOGY
0410	ZOOLOGY
0413	PHYSIOLOGY
0414	ENTOMOLOGY
0415	TOXICOLOGY
0430	BOTANY
0434	PLANT PATHOLOGY
0435	PLANT PHYSIOLOGY
0436	PLANT PROTECTION AND QUARANTINE SERIES
0437	HORTICULTURE
0440	GENETICS
0454	RANGE CONSERVATION
0457	SOIL CONSERVATION
0460	FORESTRY
0470	SOIL SCIENCE
0471	AGRONOMY
0475	AGRICULTURAL MANAGEMENT
0480	GENERAL FISH AND WILDLIFE ADMINISTRATION SERIES
0482	FISHERY BIOLOGY
0485	WILDLIFE REFUGE MANAGEMENT
0486	WILDLIFE BIOLOGY
0487	ANIMAL SCIENCE
0493	HOME ECONOMICS
0499	BIOLOGICAL
0501	FINANCIAL ADMINISTRATION AND PROGRAM
0505	FINANICIAL MANAGEMENT
0510	ACCOUNTING
0511	AUDITING
0512	INTERNAL REVENUE AGENT
0560	BUDGET ANALYSIS
0599	FINANCIAL MANAGEMENT STUDENT TRAINEE
0601	GENERAL HEALTH SCIENCE
0602	MEDICAL OFFICER
0610	NURSE
0630	DIETICIAN AND NUTRITIONIST
0631	OCCUPATIONAL THERAPIST
0633	PHYSICAL THERAPIST
0635	CORRECTIVE THERAPIST
0637	MANUAL ARTS THERAPIST
0639	EDUCATIONAL THERAPIST
0660	PHARMACIST

0662	OPTOMETRIST
0665	SPEECH PATHOLOGY AND AUDIOLOGY
0668	PODIATRIST
0671	HEALTH SYSTEMS SPECIALIST
0680	DENTAL OFFICER
0690	INDUSTRIAL HYGIENE
0699	MEDICAL AND HEALTH STUDENT TRAINEE
0701	VETERINARY MEDICAL SCIENCE
0799	VETERINARY STUDENT TRAINEE
0801	GENERAL ENGINEERING
0803	SAFETY ENGINEERING
0804	FIRE PROTECTION ENGINEERING
0806	MATERIALS ENGINEERING
0807	LANDSCAPE ARCHITECTURE
0808	ARCHITECTURE
0810	CIVIL ENGINEERING
0819	ENVIRONMENTAL ENGINEERING
0830	MECHANICAL ENGINEERING
0840	NUCLEAR ENGINEERING
0850	ELECTRICAL ENGINEERING
0854	COMPUTER ENGINEERING
0855	ELECTRONICS ENGINEERING
0858	BIOMEDICAL ENGINEERING
0861	AEROSPACE ENGINEERING
0871	NAVAL ARCHITECTURE
0880	MINING ENGINEERING
0881	PETROLEUM ENGINEERING
0890	AGRICULTURAL ENGINEERING
0892	CERAMIC ENGINEERING
0893	CHEMICAL ENGINEERING
0894	WELDING ENGINEERING
0896	INDUSTRIAL ENGINEER
0899	ENGINEERING AND ARCHITECTURE STUDENT TRAINEE
0904	LAW CLERK
0905	GENERAL ATTORNEY
0950	PARALEGAL SPECIALIST
0958	PENSION LAW SPECIALIST
0965	LAND LAW EXAMINING
0967	PASSPORT AND VISA EXAMINING
0987	TAX LAW SPECIALIST
0991	WORKERS'COMPENSATION CLAIMS EXAMINING
0993	SOCIAL INSURANCE CLAIMS EXAMINING
0994	UNEMPLOYMENT COMPENSATION CLAIMS EXAMINING
0996	VETERANS CLAIMS EXAMINING
0999	STUDENT TRAINEE
1001	GENERAL ARTS AND INFORMATION
1008	INTERIOR DESIGN
1010	EXHIBITS SPECIALIST
1015	MUSEUM CURATOR
1020	ILLUSTRATOR
1035	PUBLIC AFFAIRS
1040	LANGUAGE SPECIALIST
1056	ART SPECIALIST
1060	PHOTOGRAPHY

1071	AUDIOVISUAL PRODUCTION
1082	WRITING AND EDITING
1083	TECHNICAL WRITING AND EDITING
1084	VISUAL INFORMATION
1099	ARTS STUDENT TRAINEE
1101	GENERAL BUSINESS AND INDUSTRY
1102	CONTRACTING
1103	INDUSTRIAL PROPERTY MANAGEMENT
1104	PROPERTY DISPOSAL
1130	PUBLIC UTILITIES
1140	TRADE SPECIALIST
1144	COMMISSARY STORE MANAGEMENT
1145	AGRICULTURE PROGRAM SPECIALIST
1146	AGRICULTURAL MARKETING
1147	AGRICULTURAL MARKETING REPORTING
1150	INDUSTRIAL SPECIALIST
1160	FINANCIAL ANALYSIS
1161	CROP INSURANCE ADMINISTRATION
1162	CROP INSURANCE UNDERWRITING
1163	INSURANCE EXAMINING
1165	LOAN SPECIALIST
1169	INTERNAL REVENUE
1170	REALTY
1171	APPRAISING
1173	HOUSING MANAGEMENT
1176	BUILDING MANAGEMENT
1199	BUSINESS AND INDUSTRY STUDENT TRAINEE
1210	COPYRIGHT
1220	PATENT ADMINISTRATOR
1221	PATENT ADVISOR
1222	PATENT ATTORNEY
1223	PATENT CLASSIFYING
1224	PATENT EXAMINING
1226	DESIGN PATENT EXAMINING
1299	COPYRIGHT AND PATENT STUDENT TRAINEE
1301	GENERAL PHYSICAL SCIENCE
1306	HEALTH PHYSICS
1310	PHYSICS
1313	GEOPHYSICS
1315	HYDROLOGY
1320	CHEMISTRY
1321	METALURGY
1330	ASTRONOMY AND SPACE SCIENCE
1340	METEOROLOGY
1350	GEOLOGY
1360	OCEANOGRAPHY
1370	CARTOGRAPHY
1372	GEODESY
1373	LAND SURVEYING
1380	FOREST PRODUCTS TECHNOLOGY
1382	FOOD TECHNOLOGY
1384	TEXTILE TECHNOLOGY
1386	PHOTOGRAHIC TECHNOLOGY
1397	DOCUMENT ANALYSIS

1399	PHYSICAL SCIENCE STUDENT TRAINEE
1410	LIBRARIAN
1412	TECHNICAL INFORMATION SERVICES
1420	ARCHIVIST
1499	LIBRARY AND ARCHIVES STUDENT TRAINEE
1501	GENERAL MATHEMATICS (AFIT FACULTY ONLY)
1510	ACTUARY
1515	OPERATIONS RESEARCH
1520	MATHEMATICS
1529	MATHEMATICAL STATISTICIAN
1530	STATISTICIAN
1540	CRYPTOGRAPHY
1541	CRYPTANALYSIS
1550	COMPUTER SCIENCE
1599	MATHEMATICAL AND STATISTICAL STUDENT TRAINEE
1601	GENERAL FACILITIES AND EQUIPMENT
1630	CEMETARY ADMINISTRATION
1640	FACILITY MANAGEMENT
1654	PRINTING MANAGEMENT
1670	EQUIPMENT SPECIALIST
1699	EQUIPMENT AND FACILITIES MANAGEMENT STUDENT TRAINEE
1701	GENERAL EDUCATION AND TRAINING
1710	EDUCATION AND VOCATIONAL TRAINING
1712	TRAINING INSTRUCTION
1715	VOCATIONAL REHABILITATION
1720	EDUCATION PROGRAM
1725	PUBLIC HEALTH EDUCATION
1730	EDUCATION RESEARCH
1740	EDUCATION SERVICES
1750	INSTRUCTIONAL SYSTEMS
1799	EDUCATION STUDENT TRAINEE
1801	GENERAL INSPECTION, INVESTIGATION AND COMPLIANCE
1802	COMPLIANCE, INSPECTION AND SUPPORT
1810	GENERAL INVESTIGATING
1816	IMMIGRATION INSPECTION
1822	MINE SAFETY AND HEALTH
1825	AVIATION SAFETY
1831	SECURITIES COMPLIANCE
1854	ALCOHOL, TOBACCO AND FIREARMS INSPECTION
1862	CONSUMER SAFETY INSPECTION
1863	FOOD INSPECTION
1864	PUBLIC HEALTH QUARANTINE INSPECTION
1889	IMPORT SPECIALIST
1890	CUSTOMS INSPECTION
1899	INVESTIGATION STUDENT TRAINEE
1910	QUALITY ASSURANCE
1980	AGRICULTURAL COMMODITY
1999	COMMODITY GRADING QUALITY INSPECTION STUDENT TRAINEE
2001	GENERAL SUPPLY
2003	SUPPLY PROGRAM MANAGEMENT
2010	INVENTORY MANAGEMENT

2030	DISTRIBUTION FACILITIES AND STORAGE MANAGEMENT
2032	PACKAGING
2050	SUPPLY CATALOGING
2099	SUPPLY STUDENT TRAINEE
2101	TRANSPORTATION SPECIALIST
2110	TRANSPORTATION INDUSTRY ANALYSIS
2121	RAILROAD SAFETY
2123	MOTOR CARRIER SAFETY
2125	HIGHWAY SAFETY
2130	TRAFFIC MANAGEMENT
2150	TRANSPORTATION OPERATIONS
2151	DISPATCHING
2152	AIR TRAFFIC CONTROL
2161	MARINE CARGO
2181	AIR CRAFT OPERATIONS
2183	AIR NAVIGATION
2199	TRANSPORTATION STUDENT TRAINEE

TECHNICAL MANAGEMENT SUPPORT	
SERIES NUMBER	**SERIES TITLE**
0019	SAFETY TECHNICIAN
0021	COMMUNITY PLANNING TECHNICIAN
0102	SOCIAL SCIENCE AIDE
0181	PSYCHOLOGY AIDE AND TECHNICIAN
0187	SOCIAL SERVICES
0332	COMPUTER OPERATION
0390	TELECOMMUNICATIONS PROCESSING
0392	GENERAL TELECOMMUNICATIONS
0404	BIOLOGICAL SCIENCE TECHNICIAN
0421	PLANT PROTECTION TECHNICIAN
0455	RANGE TECHNICIAN
0458	SOIL CONSERVATION TECHNICIAN
0459	IRRIGATION SYSTEMS OPERATION
0462	FORESTRY TECHNICIAN
0526	TAX TECHNICIAN
0592	TAX EXAMINING
0620	PRACTICAL NURSE
0621	NURSING ASSISTANT
0622	MEDICAL SUPPLY AIDE AND TECHNICIAN
0640	HEALTH AIDE AND TECHNICIAN
0642	NUCLEAR MEDICINE TECHNICIAN
0644	MEDICAL TECHNOLOGIST
0645	MEDICAL TECHNICIAN
0646	PATHOLOGY TECHNICIAN
0647	DIAGNOSTIC RADIOLOGIC TECHNOLOGIST
0648	THERAPEUTIC RADIOLOGIC TECHNOLOGIST
0649	MEDICAL INSTRUMENT TECHNICIAN
0661	PHARMACY TECHNICIAN
0664	RESTORATION TECHNICIAN
0672	PROSTHETIC REPRESENTATIVE
0675	MEDICAL RECORDS TECHNICIAN
0683	DENTAL LABORATORY AIDE AND TECHNICIAN

0698	ENVIRONMENTAL HEALTH TECHNICIAN
0802	ENGINEERING TECHNICIAN
0809	CONSTRUCTION CONTROL
0817	SURVEYING TECHNICIAN
0818	ENGINEERING DRAFTING
0856	ELECTRONICS TECHNICIAN
0873	SHIP SURVEYING
0895	INDUSTRIAL ENGINEERING TECHNICIAN
0962	CONTACT REPRESENTATIVE
0963	LEGAL INSTRUMENTS EXAMINING
0990	GENERAL CLAIMS EXAMINING
0992	LOSS AND DAMAGE CLAIMS EXAMINING
0995	DEPENDENT AND ESTATES CLAIMS EXAMINING
1016	MUSEUM SPECIALIST AND TECHNICIAN
1152	PRODUCTION CONTROL
1202	PATENT TECHNICIAN
1211	COPYRIGHT TECHNICIAN
1311	PHYSICAL SCIENCE TECHNICIAN
1316	HYDRAULIC TECHNICIAN
1341	METEOROLOGICAL TECHNICIAN
1371	CARTOGRAPHIC TECHNICIAN
1374	GEODETIC TECHNICIAN
1411	LIBRARY TECHNICIAN
1421	ARCHIVES TECHNICIAN
1521	MATHEMATICS TECHNICIAN
1531	STATISTICAL ASSISTANT
1658	LAUNDRY AND DRY CLEANING PLANT MANAGEMENT
1667	STEWARD
1702	EDUCATION AND TRAINING TECHNICIAN
1895	CUSTOM WAREHOUSE OFFICER
2005	SUPPLY CLERICAL AND TECHNICIAN
2135	TRANSPORTATION LOSS AND DAMAGE CLAIMS
2185	AIRCREW TECHNICIAN

ADMINISTRATIVE SUPPORT	
SERIES NUMBER	**SERIES TITLE**
0029	ENVIRONMENTAL PROTECTION ASSISTANT
0085	SECURITY GUARD
0086	SECURITY CLERICAL AND ASSISTANCE
0105	SOCIAL INSURANCE ADMINISTRATOR
0107	HEALTH INSURANCE ADMINISTRATOR
0119	ECONOMICS ASSISTANT
0186	SOCIAL SERVICES AIDE AND ASSISTANCE
0189	RECREATION AIDE AND ASSISTANCE
0203	PERSONNEL CLEARANCE AND ASSISTANCE
0204	MILITARY PERSONNEL CLERICAL AND TECHNICIAN
0303	MISCELLANEOUS CLERK AND ASSISTANT
0304	INFORMATION RECEPTIONIST
0305	MAIL AND FILE
0309	CORRESPONDENCE CLERK
0312	CLERK-STENOGRAPHER AND REPORTER
0313	WORK UNIT SUPERVISOR
0318	SECRETARY
0319	CLOSED MICROPHONE REPORTER

0322	CLERK TYPIST
0326	OFFICE AUTOMATION CLERICAL AND ASSISTANCE
0335	COMPUTER CLERK AND ASSISTANCE
0342	SUPPORT SERVICES ADMINISTRATOR
0344	MANAGEMENT AND PROGRAM CLERICAL AND ASSISTANCE
0350	EQUIPMENT OPERATOR
0351	PRINTING CLERICAL
0356	DATA TRANSCRIBER
0357	CODING
0361	EQUAL OPPORTUNITY ASSISTANCE
0382	TELEPHONE OPERATING
0394	COMMUNICATIONS CLERICAL
0503	FINANICIAL CLERICAL AND ASSISTANCE
0525	ACCOUNTING TECHNICIAN
0530	CASH PROCESSING
0540	VOUCHER EXAMINING
0544	CIVILIAN PAY
0545	MILITARY PAY
0561	BUDGET CLERICAL AND ASSISTANCE
0625	AUTOPSY ASSISTANT
0650	MEDICAL TECHNICIAN
0679	MEDICAL CLERK
0681	DENTAL ASSISTANT
0986	LEGAL CLERICAL AND ASSISTANCE
0998	CLAIMS CLERICAL
1087	EDITORIAL ASSISTANCE
1105	PURCHASING
1106	PROCUREMENT CLERICAL AND ASSISTANCE
1107	PROPERTY DISPOSAL CLERICAL AND TECHNICIAN
2091	SALES STORE CLERICAL
2102	TRANSPORTATION CLERK AND ASSISTANT
2131	FREIGHT RATE
2132	TRAVEL
2134	SHIPMENT CLERICAL
2135	TRANSPORTATION LOSS AND DAMAGE CLAIMS EXAMINING
2144	CARGO SCHEDULING
2154	AIR TRAFFIC ASSISTANCE

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Qualifying positions in other job series, located in participating organizations, may be phased in during the course of the project, up to the statutory maximum. However, prior OSD and OPM approval will be required.

Current demographics and union representation for the positions covered by this demonstration project are shown in Table 3.

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Table 3—DoD Acquisition Workforce Demographics and Union Representation

CAREER PATHS	
Business Management & Technical Management Professional	9,585
Technical Management Support	1,430
Administrative Support	3,751
GS-13 AND ABOVE	5,886
GS-12 AND BELOW	8,880
OCCUPATIONAL FAMILIES	22
PERCENTAGE OF VETERANS	24.7%
UNION AFFILIATION	
AFGE	4,804
NFFE	130
NAGE	227
DoD COMPONENT	
AIR FORCE	9,859
ARMY	1,754
NAVY	2,081
MARINE CORPS	715
OSD	357
TOTAL	14,766

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Of the 14,766 personnel assigned to this project, 5,161 are represented by labor unions. Union representatives have been separately notified about the project and participated in its development. DoD is proceeding to fulfill its obligation to consult or negotiate with the unions, as appropriate, in accordance with 5 U.S.C. 4703(f).

G. Project Design

In September 1996, a Process Action Team (PAT) was formed by the Secretary of Defense in response to Section 4308 of the National Defense Authorization Act for Fiscal Year 1996 (Pub.L. 104–106; 10 U.S.C. 1701 note). The PAT was chartered to take full opportunity of this legislation and to develop solutions for many DoD acquisition workforce personnel issues. The team included managers from each of the Military Services and DoD Components, as well as subject-matter experts from civilian personnel and manpower. This team developed 13 initiatives that together represent sweeping changes to the entire spectrum of human resources management for the DoD acquisition workforce. Several initiatives were designed to assist DoD acquisition activities in hiring and placing the best people to fulfill mission requirements. Others focused on developing, motivating, and equitably compensating employees based on their contribution to the mission. Initiatives to manage workforce realignment effectively and maintain organizational excellence were also developed. These initiatives were endorsed and accepted in total by the acquisition leadership.

After thorough study, the original 13 initiatives were refined. Those appearing herein constitute the demonstration project for purposes of 5 U.S.C. 4703. The remainder is subject to policies established by DoD; waivers were approved at that level.

III. Personnel System Changes

A. Hiring and Appointment Authorities

1. Simplified, Accelerated Hiring

The complexity of the current system and various hiring restrictions create delays; hamper management's ability to hire, develop, realign, and retain a quality workforce that is reflective of our nation's diversity; and inhibit a quick response to economic and population changes. Line managers find

the complexity limiting as they attempt to accomplish timely recruitment of needed skills. To compete with the private sector for the best talent available and be able to make expeditious job offers, managers need a process that is streamlined, easy to administer, and allows for timely job offers. In order to create a human resources management system that facilitates mission execution and organization excellence, this demonstration project will respond to today's dynamic environment of downsizing, restructuring, and installation closures by obtaining, developing, utilizing, incentivizing, and retaining high-performing employees. The project will provide a flexible system that can reduce, restructure, or renew the workforce quickly to meet diverse mission needs, respond to workload exigencies, and contribute to quality products, people, and workplaces.

Specifically, this part of the demonstration project will provide simplified, accelerated hiring that allows participating organizations more rapidly to appoint individuals to positions. Appropriate recruitment methods and sources will include those that are likely to yield quality candidates with the knowledge, skills, and abilities necessary to perform the duties of the position.

(a) Delegated Examining Process. This demonstration project establishes a streamlined examining process. This process may be used to fill positions covered by this demonstration project, with the following exceptions: positions in the Senior Executive Service or the Executive Assignment System; Senior Level (ST/SL) positions; Administrative Law Judge positions; and positions subject to any examining process covered by court order.

An applicant's basic eligibility will be determined using OPM's Operating Manual ''Qualifications Standards for General Schedule Positions'' and DAWIA requirements as needed. Minimum eligibility requirements will be those at the lowest equivalent GS grade of the appropriate broadband level. Selective placement factors may be established in accordance with OPM's Operating Manual ''Qualifications Standards for General Schedule Positions'' when judged to be critical to successful job performance. These factors will be communicated to applicants and must be met for basic eligibility.

Candidates who meet the basic ''minimum'' qualifications will be further evaluated based on knowledge, skills, and abilities which are directly linked to the positions(s) to be filled. Based on this assessment, candidates will receive numerical scores of 70, 80, or 90. No intermediate scores will be granted except for those eligibles who are entitled to veterans' preference. Preference eligibles meeting basic (minimum) qualifications will receive an additional five or ten points (depending on their preference eligibility), added to the minimum scores identified above. Candidates will be placed in one of the quality groups based on their numerical score, including any veterans' preference points: Basically Qualified (score of 70 to 79); Highly Qualified (score of 80 to 89); or Superior (score of 90 and above). The names of preference eligibles will be entered ahead of others having the same numerical score.

For scientific/engineering and professional positions at the basic rate of pay equivalent to GS–9 and above, candidates will be referred by quality groups in the order of the numerical ratings, including any veterans' preference points. For all other positions, (i.e., other than scientific/engineering and professional positions at the equivalent of GS–9 and above), preference eligibles with a compensable service-connected disability of ten percent or more who meet basic (minimum) eligibility will be listed at the top of the highest group certified.

Selecting officials should be provided with a reasonable number of qualified candidates from which to choose. All candidates in the highest group will be certified. If there is an insufficient number of candidates in the highest group, candidates in the next lower group may then be certified; should this process not yield a sufficient number, groups will be certified sequentially until a selection is made or the qualified pool is exhausted. When two or more groups are certified, candidates will be identified by quality group (i.e., Superior, Highly Qualified, Basically Qualified) in the order of their numerical scores. Passing over any preference eligible(s) to select a nonpreference eligible requires approval under current pass-over or objection procedures.

(b) Scholastic Achievement Appointment. This demonstration project establishes a Scholastic Achievement Appointment that provides the authority to appoint candidates with degrees to positions with positive education requirements. Candidates may be appointed under this procedure if: (1) they meet the minimum standards for the positions as published in OPM's Operating Manual ''Qualification Standards for General Schedule Positions,'' plus any selective factors stated in the vacancy announcement; (2) the occupation has a positive education requirement; (3) the candidate has a cumulative grade point average (GPA) of 3.5 or better (on a 4.0 scale) in those courses in those fields of study that are specified in the Qualification Standards for the occupational series and an overall undergraduate GPA of at least 3.0 on a 4.0 scale; and (4) the appointment is into a position at a pay level lower than the top step of GS–7. Appointments may also be made at the equivalent of GS–9 through GS–11 on the basis of graduate education and experience, but with the requirement of a GPA of at least 3.7 on a scale of 4.0 for graduate courses in the field of study required for the occupation. Veterans' preference procedures will apply when selecting candidates under this authority. Preference eligibles who meet the above criteria will be considered ahead of nonpreference eligibles. Passing over any preference eligible(s) to select a nonpreference eligible requires OPM approval under current objection procedures. This authority allows for competitive appointment to positions at the broadband level II.

2. Appointment Authority

The DoD acquisition environment is seriously affected by variable workload and mission changes that require flexibility not only in workforce numbers but required skills and knowledge. The current personnel system is unable to adapt the workforce rapidly to these changes. This demonstration project provides a method to expand and contract the workforce as needed. Under this demonstration project there are three appointment options: permanent, temporary limited, and modified term appointments. The permanent option is the existing career and career-conditional appointments. The temporary limited option is the existing temporary-authority-not-to-exceed-one-year appointment. The modified term option is a new appointment authority that is based on the existing term appointment, but may extend up to five years with a one-year locally approved extension. Benefits and appeal rights are the same as those currently afforded term employees.

Agencies may make a modified term appointment for a period that is expected to last longer than one year, but not to exceed five years with an option for one additional year, when the need for an employee's service is not permanent.

Reasons for making a modified term appointment include, but are not limited to, carrying out special project work; staffing new or existing programs of limited duration; filling a position in activities undergoing review for reduction or closure; and replacing permanent employees who have been temporarily assigned to another position, are on extended leave, or have entered military service.

Selections for modified term appointments will be made under competitive examining processes. An agency may make a modified term appointment from the appropriate register or if the selectee is:

(a) A person with eligibility for reinstatement;

(b) Any veteran who meets the qualifications for a veterans readjustment appointment;

(c) A person eligible for career or career-conditional employment under §§ 315.601 through 315.610 inclusive, or under § 315.703;

(d) A former term employee of the agency who left prior to the expiration of his/her appointment. Reappointment must be to a position covered by the same term authority under which the individual previously served, and service under such reappointment may not exceed the expiration date of the original term appointment;

(e) A disabled veteran who has been retired from active military service with a disability rating of 30 percent or more, or has been rated by the Department of Veterans Affairs within the preceding year as having a compensable, service-connected disability of 30 percent or more;

(f) A person eligible for acquisition of competitive status for career appointment under 5 U.S.C. 3304(c). (However, a term employee does not acquire a competitive status on the basis of this term appointment, nor does this term appointment extend or terminate the employee's eligibility under 5 U.S.C. 3304(c));

(g) A temporary employee who is within reach for term appointment to the same position from an appropriate register at the time of his/her temporary appointment, or during subsequent service in the position, provided that the register was being used for term appointments at the time the employee was reached and he/she has been continuously employed in the position since being reached; or

(h) A person eligible under OPM interchange agreements.

An agency may place a modified term employee in any other modified term position provided the employee meets the qualifying requirements of that position. However, such reassignment will not serve to extend the appointment beyond the original term appointment time period. The qualifications of modified term employees will be determined according to OPM's Operating Manual ''Qualifications Standards for General Schedule Positions'' and applicable DAWIA requirements.

Employees hired under the modified term appointment authority are in a temporary status but may be eligible for conversion to career-conditional appointments. To be converted, the employee must (1) have been selected for the term position under competitive procedures, with the announcement specifically stating that the individual(s) selected for the term positions(s) may be eligible for conversion to career-conditional appointment at a later date; (2) have served two years of continuous service in the term position; and (3) be selected under merit promotion procedures for the permanent position.

Service under a modified term appointment immediately prior to a permanent appointment shall count toward the probationary period requirements, provided contribution is adequate and the permanent position is in the same career path as the modified term appointment.

3. Voluntary Emeritus Program

Under the demonstration project, Commanders/Directors have the authority to offer retired or separated individuals voluntary assignments in their activities and to accept the gratuitous services of those individuals. Voluntary Emeritus Program assignments are not considered employment by the Federal Government (except as indicated below). Thus, such assignments do not affect an employee's entitlement to buy-outs or severance payments based on earlier separation from Federal Service. This program may not be used to replace or substitute for work performed by civilian employees occupying regular positions required to perform the mission of the command.

The Voluntary Emeritus Program will ensure continued quality acquisition by allowing higher paid employees to accept retirement incentives with the opportunity to retain a presence in the acquisition community. The program will be beneficial during manpower reductions as program managers, engineers, and other skilled acquisition professionals accept retirement and return to provide a continuing source of corporate knowledge and valuable on-the-job training or mentoring to less experienced employees.

To be accepted into the Voluntary Emeritus Program, a volunteer must be recommended to the decision-making authority by one or more acquisition managers. No one who applies is entitled to an emeritus position. The decision-making authority must document the decision process for each applicant (whether accepted or rejected) and retain the documentation throughout the assignment. Documentation of rejections will be maintained for two years.

To ensure success and encourage participation, the volunteer's Federal retirement pay (whether military or civilian) will not be affected while the volunteer is serving in emeritus status. Retired or separated Federal employees may accept an emeritus position without a ''break in service'' or mandatory waiting period.

Voluntary Emeritus Program volunteers will not be permitted to monitor contracts on behalf of the Government but may participate on any contract if no conflict of interest exists. The volunteer may be required to submit a financial disclosure form annually and will not be permitted to participate on any contracts where a conflict of interest exists. The same rules that currently apply to source selection members will apply to volunteers.

An agreement will be established among the volunteer, the decision-making authority, and the Civilian Personnel/Human Resources Office. The agreement must be finalized before the assumption of duties and shall include:

(a) a statement that the service provided is gratuitous, does not constitute an appointment in the Civil Service, is without compensation or other benefits except as provided for in the agreement itself, and that, except as provided in the agreement regarding work-related injury compensation, any and all claims against the Government because of the service are waived by the volunteer;

(b) a statement that the volunteer will be considered a Federal employee for the purposes of:

(i) Subchapter I of Chapter 81 of title 5, U.S.C. (using the formula established in 10 U.S.C. §§ 1588 for determination of compensation) (work-related injury compensation);

(ii) Chapter 171 of title 28, U.S.C. (tort claims procedure);

(iii) Section 552a of title 5, U.S.C. (records maintained on individuals); and

(iv) Chapter 11 of title 18, U.S.C. (conflicts of interest).

(c) the volunteer's work schedule;

(d) length of agreement (defined by length of project or time defined by weeks, months, or years);

(e) support provided by the activity (travel, administrative, office space, supplies, etc.);

(f) a one-page statement of duties and experience;

(g) a statement specifying that no additional time will be added to a volunteer's service credit for such purposes as retirement, severance pay, and leave as a result of being a member of the Voluntary Emeritus Program;

(h) a provision allowing either party to void the agreement with ten days' written notice; and

(i) the level of security access required.

4. Extended Probationary Period

For employees in the Business Management and Technical Management Professional career path, the current one-year probationary period does not always provide managers the time needed to properly assess the contribution and conduct of new hires in the acquisition environment. Often new hires are required to attend extensive training and/or educational assignments away from their normal work site and outside the review of their supervisors. A means of extending the opportunity for management to review and evaluate the contribution and potential of new hires so assigned is needed. Expansion of the current one-year probationary period will afford management better control over the quality of employees required to meet mission needs and provide sufficient opportunity to evaluate contribution during the beginning of an acquisition career.

All newly hired permanent career-conditional employees in the Business Management and Technical Management Professional career path may be subject to an extension of their probationary period equal to the length of any educational/training assignment that places the employee outside normal supervisory review. The extended probationary period applies to non-status hires, i.e., new hires or those who do not have reemployment or reinstatement eligibility. An employee appointed prior to the implementation date of the demonstration project will not be affected. Aside from extending the probationary period, all other features of the current probationary period are retained.

Probationary employees will be terminated when they fail to demonstrate proper conduct, technical competency, and/or adequate contribution for continued employment. When a supervisor decides to terminate an employee serving a probationary period because his/her work contribution or conduct during that period fails to demonstrate fitness or qualifications for continued employment, the supervisor shall terminate the employee's services by written notification of the reasons for separation and the effective date of the action. The information in the notice as to why the employee is being terminated shall, as a minimum, consist of the supervisor's conclusions as to the inadequacies of the employee's contribution or conduct.

Service under a modified term appointment, with no break in service before a permanent appointment made under this demonstration project, shall count toward the probationary period requirements, provided that the contribution is adequate and the permanent position is in the same career path as the modified term appointment.

B. Broadbanding

1. Broadband Levels

The broadbanding system will replace the current General Schedule (GS) structure. Currently, the 15 grades of the General Schedule are used to classify positions and, therefore, to set pay. The General Schedule covers all white-collar work—administrative, technical, clerical, and professional. The system will cover only those positions designated by the Defense Acquisition Workforce Improvement Act (DAWIA) in the Department of Defense Acquisition workforce and those positions that support the acquisition workforce.

Occupations with similar characteristics will be grouped together into three career paths with broadband levels designed to facilitate pay progression and to allow for more competitive recruitment of quality candidates at differing rates. Career paths are designated by NH, NJ, or NK; see chart below. Competitive promotions will be less frequent, and movement through the broadband levels will be a more seamless process than under current procedures. Like the broadband systems used at the Department of the Navy (China Lake) and the National Institute of Standards and Technology (NIST) permanent demonstration projects, advancement within the system is contingent on merit.

There will be four broadband levels in the demonstration project, labeled I, II, III, and IV. Levels I through IV will include the current grades of GS–01 through GS–15. These are the grades in which the DoD acquisition workforce employees are currently found. Comparison to the GS grades was used in setting the upper and lower dollar limits of the broadband levels; however, once the employees are moved into the demonstration project, GS grades will no longer apply.

The three career paths and their associated broadband levels are as follows:

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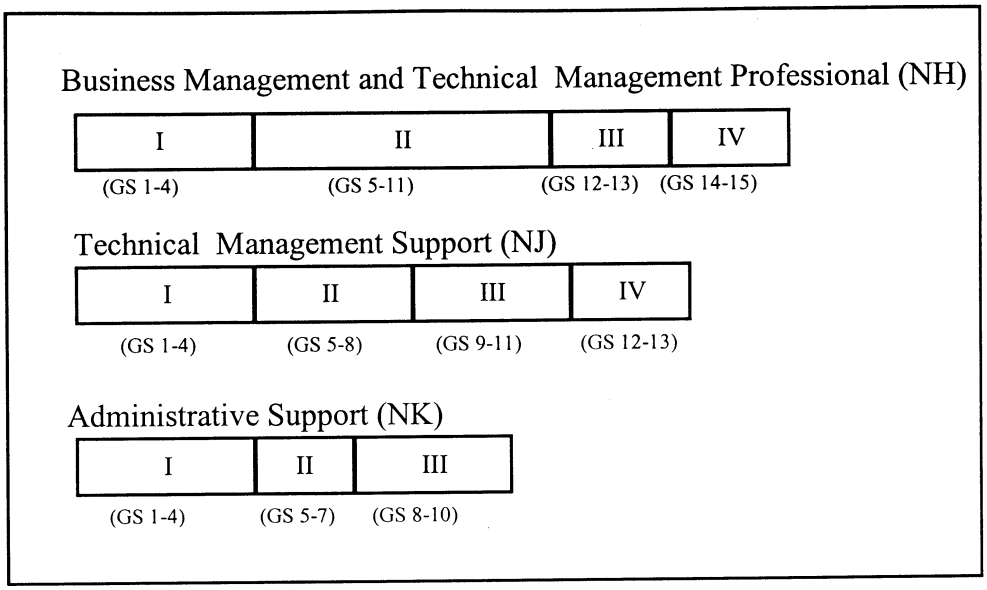

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Generally, employees will be converted into the broadband level that includes their permanent GS grade of record. Each employee is assured an initial place in the system without loss of pay. As the rates of the General Schedule are increased due to General Schedule pay increases, the minimum and maximum rates of the broadband levels will also move up. Individual employees receive pay increases based on their appraisals under the Contribution-based Compensation and Appraisal System (CCAS). Since pay progression through the levels depends on contribution, there will be no scheduled within-grade increases (WGIs) or scheduled General Schedule increases for employees once the broadbanding system is in place. Special salary rates will no longer be applicable to demonstration project employees. Employees will be eligible for the locality pay of their geographical area (see section V, paragraph A, ''Conversion to the Demonstration Project'') with the exception of those employees stationed at an overseas location.

Newly hired personnel entering the system will be employed at a level consistent with the expected basic qualifications for the level, as determined by rating against qualifications standards. The hiring official will determine the starting salary based upon available labor market considerations relative to special qualifications requirements, scarcity of qualified applicants, programmatic urgency, and education/experience of the new candidates.

The use of broadbanding provides a stronger link between pay and contribution to the mission of the organization. It is simpler, less time consuming, and less costly to maintain. In addition, such a system is more easily understood by managers and employees, is easily delegated to managers, coincides with recognized career paths, and complements the other personnel management aspects of the demonstration project.

2. Simplified Assignment Process

Today's environment of downsizing and workforce transition mandates that the organization have maximum flexibility to assign individuals. Broadbanding enables the organization to have the maximum flexibility to assign an employee within broad descriptions, consistent with the needs of the organization and the individual's qualifications. Assignments may be accomplished as realignments and do not constitute a position change. For instance, a technical expert can be assigned to any project, task, or function requiring similar technical expertise. Likewise, a manager could be assigned to manage any similar function or organization consistent with that individual's qualifications. This flexibility allows broader latitude in assignments and further streamlines the administrative process and system.

C. Classification

1. Occupational Series

The present General Schedule classification system has 434 occupational series that are divided into 22 occupational groups. The acquisition personnel demonstration project currently covers numerous series in the 22 occupational groups, and these occupational series will be maintained throughout the demonstration project.

2. Classification Standards

The present system of OPM classification standards will be used for identification of proper series and occupational titles of positions within the demonstration project. References in the position classification standards to grade criteria will not be used as part of the demonstration project. Rather, the CCAS broadband level descriptors, as aligned in the three career paths, will be used for the purpose of broadband level determination. These descriptors are derived from the OPM Primary Classification Standard. Under the demonstration project, each broadband level is represented by a set of descriptors. This eliminates the need for the use of grading criteria in OPM classification standards. The broadband level descriptors can be found in section D.

3. Classification Authority

Under the demonstration, commanders (or equivalent) will have delegated classification authority and may re-delegate this authority to subordinate management levels. Re-delegated classification approval must be exercised at least one management level above the first-line supervisor of the position under review, except in the case of those employees reporting directly to the commander or equivalent. First-line supervisors will provide classification recommendations. Personnel specialists will provide on-going consultation and guidance to

managers and supervisors throughout the classification process.

4. Position Requirements Document

Under the demonstration project's classification system, a new position requirements document (PRD) will replace the current agency-developed position description form. The PRD will combine the position information, staffing requirements, and contribution expectations into a single document. The new PRD will include a description of job-specific information, reference the CCAS broadband level descriptors for the assigned broadband level, and provide other information pertinent to the job. Supervisors may use a computer-assisted process to produce the PRD. The objectives in developing the new PRD are to: (a) simplify the descriptions and the preparation process through automation; (b) provide more flexibility in work assignments; and (c) provide a more useful tool for other functions of personnel management, e.g., recruitment, assessment of contribution, employee development, and reduction in force.

5. Fair Labor Standards Act

Fair Labor Standards Act (FLSA) exemption or non-exemption determinations will be made consistent with criteria found in 5 CFR (Code of Federal Regulations) Part 551.

All employees are covered by the FLSA unless they meet criteria for exemption. Positions will be evaluated as needed by comparing the duties and responsibilities assigned, the broadband level descriptors for each broadband level, and the 5 CFR part 551 FLSA criteria.

6. Classification Appeals

An employee may appeal the occupational series, title, or broadband level of his or her own position at any time. An employee must formally raise the areas of concern to supervisors in the immediate chain of command, either verbally or in writing. If an employee is not satisfied with the supervisory response, he or she may then appeal to the DoD appellate level. If an employee is not satisfied with the DoD response, he or she may appeal to the Office of Personnel Management only after DoD has rendered a decision under the provisions of the demonstration project. Appellate decisions from OPM are final and binding on all administrative, certifying, payroll, disbursing, and accounting officials of the Government. Time periods for case processing under 5 CFR 511.605 apply.

An employee may not appeal the accuracy of the position requirements document, the demonstration project classification criteria, or the pay-setting criteria; the propriety of a salary schedule; or matters grievable under an administrative or negotiated grievance procedure or an alternative dispute resolution procedure.

The evaluation of classification appeals under this demonstration project is based upon the demonstration project classification criteria. Case files will be forwarded for adjudication through the civilian personnel/human resources office providing personnel service and will include copies of appropriate demonstration project criteria.

D. Contribution-Based Compensation and Appraisal System

1. Overview

The purpose of the Contribution-based Compensation and Appraisal System (CCAS) is to provide an equitable and flexible method for appraising and compensating the DoD acquisition workforce. It is central to the objectives of the Defense Acquisition Workforce Improvement Act (DAWIA) and the National Performance Review, and will correlate individual compensation to organizational mission contribution. CCAS allows for more employee involvement in the performance appraisal process, increases communication between supervisors and employees, promotes a clear accountability of contribution by each employee, facilitates employee progression tied to organizational contribution, and provides an understandable basis for salary changes. Most of the funds previously allocated for performance-based awards will be reserved for distribution under the CCAS system, based on employee contribution.

CCAS is a contribution-based appraisal system that goes beyond a performance-based rating system. That is, it measures the employee's contribution to the mission and goals of the organization, rather than how well the employee performed a job as defined by a performance plan. Past experience with the existing civilian performance appraisal system indicates that performance plans are often tailored to the individual's level of previous performance. Hence, an employee may have been rewarded by salary step increases for accomplishing a satisfactory level of performance against a diminishing set of responsibilities. CCAS promotes salary adjustment decisions made on the basis of an individual's overall annual contribution when compared to all other employees and level of compensation. Therefore, larger than average salary increases are possible for employees who are determined to be ''inappropriately compensated—below the rails (B)'' and smaller than average increases are permitted for employees who are deemed to be ''inappropriately compensated—above the rails (A)'' in relation to their organizational contributions.

An employee's performance is a component of contribution that influences the ultimate overall contribution score (OCS). Contribution is measured by using a set of factors, discriminators, and descriptors, each of which is relevant to the success of a DoD acquisition organization. Taken together, these factors, discriminators, and descriptors capture the critical content of jobs in each career path. The factors, discriminators, and descriptors may not be modified or supplemented. These factors, discriminators, and descriptors are the same as those used to classify a position at the appropriate broadband level.

The six (6) factors are: (1) Problem Solving, (2) Teamwork/Cooperation, (3) Customer Relations, (4) Leadership/Supervision, (5) Communication, and (6) Resource Management. These factors were chosen for evaluating the yearly contribution of DoD acquisition personnel in the three career paths: (1) Business Management & Technical Management Professional, (2) Technical Management Support, and (3) Administrative Support. Each factor has multiple levels of increasing contribution corresponding to the broadband levels. Each factor contains descriptors for each respective level within the relevant career path.

CAREER PATH: (1) BUSINESS MANAGEMENT & TECHNICAL MANAGEMENT PROFESSIONAL

FACTOR: 1.—PROBLEM SOLVING

FACTOR DESCRIPTION

This factor describes/captures personal and organizational problem-solving results. EXPECTED PERFORMANCE CRITERIA (Applicable to all contributions at all levels): Work is timely, efficient, and of acceptable quality. Completed

work meets projects/programs objectives. Flexibility, adaptability, and decisiveness are exercised appropriately. Descriptors indicate the type of contribution appropriate for the high end of each level. Descriptors are not to be used individually to assess contributions, but rather are to be taken as a group to derive a single evaluation of the factor.

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LEVEL DESCRIPTORS	DISCRIMINATORS
Level I • Performs activities on a task; assists supervisor or other appropriate personnel. • Resolves routine problems within established guidelines. • Independently performs assigned tasks within area of responsibility; refers situations to supervisor or other appropriate personnel when existing guidelines do not apply. • Takes initiative in determining and implementing appropriate procedures.	Scope/Impact Complexity/Difficulty Independence Creativity
Level II • Plans and conducts functional technical activities for projects/programs. • Identifies, analyzes, and resolves complex/difficult problems. • Independently identifies and resolves conventional problems which may require deviations from accepted policies or instructions. • Adapts existing plans and techniques to accomplish complex projects/programs. Recommends improvements to the design or operation of systems, equipment, or processes.	Scope/Impact Complexity/Difficulty Independence Creativity
Level III • Independently defines, directs, or leads highly challenging projects/programs. Identifies and resolves highly complex problems not susceptible to treatment by accepted methods. • Develops, integrates, and implements solutions to diverse, highly complex problems across multiple areas and disciplines. • Anticipates problems, develops sound solutions and action plans to ensure program/mission accomplishment. • Develops plans and techniques to fit new situations to improve overall program and policies. Establishes precedents in application of problem-solving techniques to enhance existing processes.	Scope/Impact Complexity/Difficulty Independence Creativity

Level IV	
• Defines, establishes, and directs organizational focus (on challenging and highly complex project / programs). Identifies and resolves highly complex problems that cross organizational boundaries and promulgates solutions. Resolution of problems requires mastery of the field to develop new hypotheses or fundamental new concepts.	Scope/Impact
• Assesses and provides strategic direction for resolution of mission critical problems, policies, and procedures.	Complexity/Difficulty
• Works at senior level to define, integrate, and implement strategic direction for vital programs with long-term impact on large numbers of people. Initiates actions to resolve major organizational issues. Promulgates innovative solutions and methodologies.	Independence
• Works with senior management to establish new fundamental concepts and criteria and stimulate the development of new policies, methodologies, and techniques. Converts strategic goals into programs or policies.	Creativity

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FACTOR: 2.—TEAMWORK/COOPERATION

FACTOR DESCRIPTION

This factor, applicable to all teams, describes/captures individual and organizational teamwork and cooperation.

EXPECTED PERFORMANCE CRITERIA (Applicable to all contributions at all levels): Work is timely, efficient, and of acceptable quality. Personal and organizational interactions exhibit and foster cooperation and teamwork. Flexibility, adaptability, and decisiveness are exercised appropriately.

Descriptors indicate the type of contribution appropriate for the high end of each level. Descriptors are not to be used individually to assess contributions, but rather are to be taken as a group to derive a single evaluation of the factor.

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LEVEL DESCRIPTORS	DISCRIMINATORS
Level I	
• Works with others to accomplish routine tasks.	Scope of Team Effort
• Contributes ideas in own area of expertise. Interacts cooperatively with others.	Contribution to Team
• Regularly completes assignments in support of team goals.	Effectiveness

Level II • Works with others to accomplish projects/programs. • Uses varied approaches to resolve or collaborate on projects/programs issues. Facilitates cooperative interactions with others. • Guides/supports others in executing team assignments. Proactively functions as an integral part of the team.	Scope of Team Effort Contribution to Team Effectiveness
Level III • Works with others to accomplish complex projects/programs. • Applies innovative approaches to resolve unusual/difficult issues significantly impacting important policies or programs. Promotes and maintains environment for cooperation and teamwork. • Leads and guides others in formulating and executing team plans. Expertise is sought by peers.	Scope of Team Effort Contribution to Team Effectiveness
Level IV • Leads/guides/mentors workforce in dealing with complex problems. • Solves broad organizational issues. Implements strategic plans within and across organizational components. Ensures a cooperative teamwork environment. • Leads/guides workforce in achieving organizational goals. Participates on high-level teams. Is sought out for consultation.	Scope of Team Effort Contribution to Team Effectiveness

BILLING CODE 6325–01–C

FACTOR: 3.—CUSTOMER RELATIONS

FACTOR DESCRIPTION

This factor describes/captures the effectiveness of personal and organizational interactions with customers (anyone to whom services or products are provided), both internal (within an assigned organization) and external (outside an assigned organization).

EXPECTED PERFORMANCE CRITERIA (Applicable to all contributions at all levels): Work is timely, efficient, and of acceptable quality. Personal and organizational interactions enhance customer relations and actively promote rapport with customers. Flexibility, adaptability, and decisiveness are exercised appropriately.

Descriptors indicate the type of contribution appropriate for the high end of each level. Descriptors are not to be used individually to assess contributions, but rather are to be taken as a group to derive a single evaluation of the factor.

BILLING CODE 6325–01–P

LEVEL DESCRIPTORS	DISCRIMINATORS

Level I • Independently carries out routine customer requests. • Participates as a team member to meet customer needs. • Interacts with customers on routine issues with appropriate guidance.	Breadth of Influence Customer Needs Customer Interaction Level
Level II • Guides the technical/functional efforts of individuals or team members as they interact with customers. • Initiates meetings and interactions with customers to understand customer needs/expectations. • Interacts independently with customers to communicate information and coordinate actions.	Breadth of Influence Customer Needs Customer Interaction Level
Level III • Guides and integrates functional efforts of individuals or teams in support of customer interaction. Seeks innovative approaches to satisfy customers. • Establishes customer alliances, anticipates and fulfills customer needs, and translates customer needs to programs/projects. • Interacts independently and proactively with customers to identify and define complex/difficult problems and to develop and implement strategies or techniques for resolving program/project problems (e.g., determining priorities and resolving conflict among customers' requirements).	Breadth of Influence Customer Needs Customer Interaction Level
Level IV • Leads and manages the organizational interactions with customers from a strategic standpoint. • Works to assess and promulgate political, fiscal, and other factors affecting customer and program/project needs. Works with customer at management levels to resolve problems affecting programs / projects(e.g., problems that involve determining priorities and resolving conflicts among customers' requirements). • Works at senior level to stimulate customer alliances for program/project support. Stimulates, organizes, and leads overall customer interactions.	Breadth of Influence Customer Needs Customer Interaction Level

BILLING CODE 6325–01–C

FACTOR: 4.—LEADERSHIP/SUPERVISION

FACTOR DESCRIPTION

This factor describes/captures individual and organizational leadership and/or supervision to include that leaders/supervisors will recruit, develop, motivate, and retain quality team members in accordance with EEO/AA and merit principles. Takes timely/appropriate personnel actions, communicates mission and organizational goals; by example, creates a positive, safe, and challenging work environment; distributes work and empowers team members.

EXPECTED PERFORMANCE CRITERIA (Applicable to all contributions at all levels): Work is timely, efficient, and of acceptable quality. Leadership and/or supervision effectively promotes commitment to mission accomplishment. Flexibility, adaptability, and decisiveness are exercised appropriately.

Descriptors indicate the type of contribution appropriate for the high end of each level. Descriptors are not to be used individually to assess contributions, but rather are to be taken as a group to derive a single evaluation of the factor.

BILLING CODE 6325–01–P

LEVEL DESCRIPTORS	DISCRIMINATORS
LEVEL I • Takes initiative in accomplishing assigned tasks. • Provides inputs to others in own technical/functional area. • Seeks and takes advantage of developmental opportunities.	Leadership Role Breadth of Influence Mentoring/Employee Development
LEVEL II • Actively contributes as a team member/leader; provides insight and recommends changes or solutions to problems. • Proactively guides, coordinates, and consults with others to accomplish projects. • Identifies and pursues individual/team development opportunities.	Leadership Role Breadth of Influence Mentoring/Employee Development
Level III • Provides guidance to individuals/teams; resolves conflicts. Considered a functional/technical expert by others in the organization; is regularly sought out by others for advice and assistance. • Defines, organizes, and assigns activities to accomplish projects/programs goals. Guides, motivates, and oversees the activities of individuals and teams with focus on projects/programs issues. • Fosters individual/team development by mentoring. Pursues or creates training development programs for self and others.	Leadership Role Breadth of Influence Mentoring/Employee Development
LEVEL IV • Establishes and/or leads teams to carry out complex projects or programs. Resolves conflicts. Creates climate where empowerment and creativity thrive. Recognized as a technical/functional authority on specific issues. • Leads, defines, manages, and integrates efforts of several groups or teams. Ensures organizational mission and program success. • Fosters the development of other team members by providing guidance or sharing expertise. Directs assignments to encourage employee development and cross-functional growth to meet organizational needs. Pursues personal professional development.	Leadership Role Breadth of Influence Mentoring/Employee Development

BILLING CODE 6325–01–C

FACTOR: 5.—COMMUNICATION

FACTOR DESCRIPTION

This factor describes/captures the effectiveness of oral/written communications. EXPECTED PERFORMANCE CRITERIA (Applicable to all contributions at all levels): Work is timely, efficient, and of acceptable quality. Communications are clear, concise, and at appropriate level. Flexibility, adaptability, and decisiveness are exercised appropriately. Descriptors indicate the type of contribution appropriate for the high end of each level. Descriptors are not to be used individually to assess contributions, but rather are to be taken as a group to derive a single evaluation of the factor.

BILLING CODE 6325–01–P

LEVEL DESCRIPTORS	DISCRIMINATORS
LEVEL I • Communicates routine task status/results as required. • Provides timely data and written analyses for input to management/technical reports or contractual documents. • Explains status/results of assigned tasks.	Level of Interaction (Audience) Written Oral
LEVEL II • Communicates team or group tasking results, internally and externally, at peer levels. • Writes, or is a major contributor to, management/technical reports or contractual documents. • Presents informational briefings.	Level of Interaction (Audience) Written Oral
LEVEL III • Communicates project or program results to all levels, internally and externally. • Reviews and approves, or is a major contributor to/ lead author of, management reports or contractual documents for external distribution. Provides inputs to policies. • Presents briefings to obtain consensus/approval.	Level of Interaction (Audience) Written Oral
LEVEL IV • Determines and communicates organizational positions on major projects or policies to senior level. • Prepares, reviews, and approves major reports or policies of organization for internal and external distribution. Resolves diverse viewpoints/controversial issues. • Presents organizational briefings to convey strategic vision or organizational policies.	Level of Interaction (Audience) Written Oral

BILLING CODE 6325–01–C

FACTOR: 6.—RESOURCE MANAGEMENT

FACTOR DESCRIPTION

This factor describes/captures personal and organizational utilization of resources to accomplish the mission. (Resources include, but are not limited to, personal time, equipment and facilities, human resources, and funds.)

EXPECTED PERFORMANCE CRITERIA (Applicable to all contributions at all levels): Work is timely, efficient, and of acceptable quality. Resources are utilized effectively to accomplish mission. Flexibility, adaptability, and decisiveness are exercised appropriately. Descriptors indicate the type of contribution appropriate for the high end of each level. Descriptors are not to be used individually to assess contributions, but rather are to be taken as a group to derive a single evaluation of the factor.

BILLING CODE 6325–01–P

LEVEL DESCRIPTORS	DISCRIMINATORS
LEVEL I • Uses assigned resources needed to accomplish tasks. • Plans individual time and assigned resources to accomplish tasks. • Effectively accomplishes assigned tasks.	Scope of Responsibility Planning/Budgeting Execution/Efficiency
LEVEL II • Plans and utilizes appropriate resources to accomplish project goals. • Optimizes resources to accomplish projects/programs within established schedules. • Effectively accomplishes projects/programs goals within established resource guidelines.	Scope of Responsibility Planning/Budgeting Execution/Efficiency
LEVEL III • Plans and allocates resources to accomplish multiple projects/programs. • Identifies and optimizes resources to accomplish multiple projects/programs goals. • Effectively accomplishes multiple projects/programs goals within established guidelines.	Scope of Responsibility Planning/Budgeting Execution/Efficiency
LEVEL IV • Develops, acquires, and allocates resources to accomplish mission goals and strategic objectives. • Formulates organizational strategies, tactics, and budget/action plan to acquire and allocate resources. • Optimizes, controls, and manages all resources across projects/programs. Develops and integrates innovative approaches to attain goals and minimize expenditures.	Scope of Responsibility Planning/Budgeting Execution/Efficiency

BILLING CODE 6325–01–C

CAREER PATH: (2) TECHNICAL MANAGEMENT SUPPORT

FACTOR: 1.—PROBLEM SOLVING

FACTOR DESCRIPTION

This factor describes/captures personal and organizational problem-solving.

EXPECTED PERFORMANCE CRITERIA (Applicable to all contributions at all levels):

Work is timely, efficient, and of acceptable quality. Completed work meets projects/programs objectives. Flexibility, adaptability, and decisiveness are exercised appropriately.

Descriptors indicate the type of contribution appropriate for the high end of each level. Descriptors are not to be used individually to assess contributions, but rather are to be taken as a group to derive a single evaluation of the factor.

BILLING CODE 6325–01–P

LEVEL DESCRIPTORS	DISCRIMINATORS
LEVEL I	
• Conducts activities on a task; assists supervisors or other appropriate personnel.	Scope/Impact
• Resolves routine problems within established guidelines.	Complexity/Difficulty
• Works with others in solving problems with appropriate guidance.	Independence
• Takes initiative in selecting and implementing appropriate procedures.	reativity
LEVEL II	
• Plans and conducts technical activities for projects.	Scope/Impact
• Identifies and resolves non-routine technical problems utilizing established patterns and methods.	Complexity/Difficulty
• Identifies and resolves problems; adapts accepted policies, procedures, or methods with moderate guidance.	Independence
• Adapts existing plans and techniques to accomplish projects.	Creativity
LEVEL III	
• Plans and conducts challenging and difficult technical activities for projects/programs.	Scope/Impact
• Develops, integrates, and implements solutions to complex problems on projects/programs.	Complexity/Difficulty
• Identifies problems; develops solutions and action plans with minimal guidance.	Independence
• Develops plans and techniques to fit new situations.	Creativity

LEVEL IV • Identifies and resolves complex problems that may cross functional/technical boundaries and promulgates solutions. • Develops, integrates/implements solutions to diverse, complex problems which may cross multiple projects/programs or functional/technical areas. • Independently resolves and coordinates technical problems involving multiple projects/programs. • Develops plans and techniques to fit new situations and/or to address issues that cross technical/functional areas.	Scope/Impact Complexity/Difficulty Independence Creativity

BILLING CODE 6325–01–C

FACTOR: 2.—TEAMWORK/COOPERATION

FACTOR DESCRIPTION

This factor describes/captures individual and organizational teamwork and cooperation.

EXPECTED PERFORMANCE CRITERIA (Applicable to all contributions at all levels):

Work is timely, efficient, and of acceptable quality. Personal and organizational interactions exhibit and foster cooperation and teamwork. Flexibility, adaptability, and decisiveness are exercised appropriately.

Descriptors indicate the type of contribution appropriate for the high end of each level. Descriptors are not to be used individually to assess contributions, but rather are to be taken as a group to derive a single evaluation of the factor.

BILLING CODE 6325–01–P

LEVEL DESCRIPTORS	DISCRIMINATORS
LEVEL I • Works with others to accomplish routine tasks. • Contributes ideas in own area of expertise. Interacts cooperatively with others. • Regularly completes assignments in support of team goals.	Scope of Team Effort Contribution to Team Effectiveness
LEVEL II • Works with others in accomplishing projects. • Contributes ideas in own area of expertise. Facilitates cooperative interactions with others. • Supports others in executing team assignments. Proactively functions as an integral part of the team.	Scope of Team Effort Contribution to Team Effectiveness
LEVEL III • Works with others to accomplish complex projects/programs. • Guides others to resolve or collaborate on complex projects/programs issues. Promotes cooperative interactions with others. • Integrates technical expertise and guides activities to support team accomplishment.	Scope of Team Effort Contribution to Team Effectiveness

LEVEL IV • Leads others to accomplish complex projects and programs. • Applies innovative approaches to resolve unusual/difficult technical/management issues. Promotes and maintains environment for cooperation and teamwork. • Leads and guides others in formulating and executing team plans. Expertise is sought by others.	Scope of Team Effort Contribution to Team Effectiveness

BILLING CODE 6325–01–C

FACTOR: 3.—CUSTOMER RELATIONS

FACTOR DESCRIPTION

This factor describes/captures the effectiveness of personal and organizational interactions with customers (anyone to whom services or products are provided), both internal (within an assigned organization) and external (outside an assigned organization).

EXPECTED PERFORMANCE CRITERIA (Applicable to all contributions at all levels):

Work is timely, efficient, and of acceptable quality. Personal and organizational interactions enhance customer relations and actively promote rapport with customers. Flexibility, adaptability, and decisiveness are exercised appropriately.

Descriptors indicate the type of contribution appropriate for the high end of each level. Descriptors are not to be used individually to assess contributions, but rather are to be taken as a group to derive a single evaluation of the factor.

BILLING CODE 6325–01–P

LEVEL DESCRIPTORS	DISCRIMINATORS
LEVEL I • Assists customer support activities. • Participates as a team member to meet customer needs. • Interacts with customers on routine issues with appropriate guidance.	Breadth of Influence Customer Needs Customer Interaction Level
LEVEL II • Actively participates with others to satisfy customer requests. • Interacts with customers to respond to customer needs/expectations. • Interacts with customers to communicate information and coordinate action.	Breadth of Influence Customer Needs Customer Interaction Level

LEVEL III • Guides the technical efforts of individuals or teams as they relate with customers. Deviates from standard approaches when necessary. • Initiates meetings and interactions with customers to understand customer needs/expectations. • Interacts independently and proactively with customers to identify/define problems and to implement solutions.	Breadth of Influence Customer Needs Customer Interaction Level
LEVEL IV • Leads and coordinates technical efforts of individuals or teams in support of customer interactions. Develops innovative approaches to satisfy customers. • Establishes customer alliances; anticipates and fulfills customer needs and translates customer needs to projects/programs. Organizes and leads customer interactions. • Interacts proactively with customers to identify and define complex/controversial problems and to develop and implement strategies or techniques for resolving projects/programs issues.	Breadth of Influence Customer Needs Customer Interaction Level

BILLING CODE 6325–01–C

FACTOR: 4.—LEADERSHIP/SUPERVISION

FACTOR DESCRIPTION

This factor describes/captures individual and organizational leadership and/or supervision to include that leaders/supervisors will recruit, develop, motivate, and retain quality team members in accordance with EEO/AA and merit principles. Takes timely/appropriate personnel actions, communicates mission and organizational goals; by example, creates a positive, safe, and challenging work environment; distributes work and empowers team members.

EXPECTED PERFORMANCE CRITERIA (Applicable to all contributions at all levels):

Work is timely, efficient, and of acceptable quality. Leadership and/or supervision effectively promotes commitment to mission accomplishment. Flexibility, adaptability, and decisiveness are exercised appropriately.

Descriptors indicate the type of contribution appropriate for the high end of each level. Descriptors are not to be used individually to assess contributions, but rather are to be taken as a group to derive a single evaluation of the factor.

BILLING CODE 6325–01–P

LEVEL DESCRIPTORS	DISCRIMINATORS
LEVEL I • Takes initiative in accomplishing assigned tasks. Asks for assistance as appropriate. • Provides input to others in technical/functional area. • Seeks and takes advantage of developmental opportunities.	Leadership Role Breadth of Influence Mentoring/Employee Development
LEVEL II • Actively contributes as team member; takes initiative to accomplish assigned projects. • Consults and coordinates with others to complete projects within established guidelines. • Identifies and pursues individual/team developmental opportunities.	Leadership Role Breadth of Influence Mentoring/Employee Development
LEVEL III • Actively contributes as team member or leader. Recognized for functional/technical expertise. • Defines, organizes, and assigns activities to accomplish goals. Guides, motivates and oversees others in accomplishing projects/programs. • Promotes developmental opportunities for self and team. Advises others to seek specific training.	Leadership Role Breadth of Influence Mentoring/Employee Development
LEVEL IV • Provides guidance to individuals/teams; resolves conflicts. Serves as subject matter expert. • Guides, motivates, and oversees multiple complex projects/programs. • Directs assignments to encourage employee development and cross-technical/functional growth to meet organizational needs. Pursues self-development.	Leadership Role Breadth of Influence Mentoring/Employee Development

BILLING CODE 6325–01–C

FACTOR: 5.—COMMUNICATION

FACTOR DESCRIPTION

This factor describes/captures the effectiveness of oral/written communications.

EXPECTED PERFORMANCE CRITERIA (Applicable to all contributions at all levels):

Work is timely, efficient, and of acceptable quality. Communications are clear, concise, and at appropriate level. Flexibility, adaptability, and decisiveness are exercised appropriately.

Descriptors indicate the type of contribution appropriate for the high end of each level. Descriptors are not to be used individually to assess contributions, but rather are to be taken as a group to derive a single evaluation of the factor.

BILLING CODE 6325–01–P

LEVEL DESCRIPTORS	DISCRIMINATORS
LEVEL I • Communicates routine task/status/results as required. • Provides data and accurate draft documentation of assigned tasks for input to reports or documents. • Explains status/results of assigned tasks.	Level of Interaction (Audience) Written Oral
LEVEL II • Communicates team or group project status/results at equivalent levels within the agency. • Writes segments of management/technical reports or documents. • Communicates group/team results.	Level of Interaction (Audience) Written Oral
LEVEL III • Communicates projects/programs status/results to management. • Consolidates input and writes management/technical reports/documents for projects/programs. • Presents projects/programs briefings.	Level of Interaction (Audience) Written Oral
LEVEL IV • Determines and communicates projects/programs positions at senior levels. • Prepares, reviews, and approves management/technical reports for internal and external distribution. • Presents projects/programs briefings to obtain consensus/approval. Represents the organization as technical subject matter expert.	Level of Interaction (Audience) Written Oral

BILLING CODE 6325–01–C

FACTOR: 6.—RESOURCE MANAGEMENT

FACTOR DESCRIPTION

This factor describes/captures personal and organizational utilization of resources to accomplish the mission.

EXPECTED PERFORMANCE CRITERIA (Applicable to all contributions at all levels):

Work is timely, efficient, and of acceptable quality. Resources are utilized effectively to accomplish mission. Flexibility, adaptability, and decisiveness are exercised appropriately.

Descriptors indicate the type of contribution appropriate for the high end of each level. Descriptors are not to be used individually to assess contributions, but rather are to be taken as a group to derive a single evaluation of the factor.

BILLING CODE 6325–01–P

LEVEL DESCRIPTORS	DISCRIMINATORS

LEVEL I • Uses assigned resources to accomplish tasks. • Plans individual time to accomplish tasks. • Effectively accomplishes assigned tasks with appropriate guidance.	Scope of Responsibility Planning/Budgeting Execution/Efficiency
LEVEL II • Identifies and uses resources appropriately to accomplish projects. • Plans resources to achieve task schedules. • Independently accomplishes assigned tasks.	Scope of Responsibility Planning/Budgeting Execution/Efficiency
LEVEL III • Plans and utilizes appropriate resources to accomplish projects/programs. • Optimizes resources to accomplish projects within established milestones. • Effectively accomplishes projects/programs within established resource guidelines.	Scope of Responsibility Planning/Budgeting Execution/Efficiency
LEVEL IV • Plans and allocates resources to accomplish multiple projects/programs goals. • Identifies and optimizes resources to accomplish multiple projects/programs goals. • Effectively accomplishes multiple projects/programs goals within established thresholds. Develops innovative approaches to attain goals and minimize resource expenditures.	Scope of Responsibility Planning/Budgeting Execution/Efficiency

BILLING CODE 6325–01–C

CAREER PATH: (3) ADMINISTRATIVE SUPPORT

FACTOR: 1.—PROBLEM SOLVING

FACTOR DESCRIPTION

This factor describes/captures personal and organizational problem solving.

EXPECTED PERFORMANCE CRITERIA (Applicable to all contributions at all levels):

Work is timely, efficient, and of acceptable quality. Completed work meets projects/programs objectives. Flexibility, adaptability, and decisiveness are exercised appropriately.

Descriptors indicate the type of contribution appropriate for the high end of each level. Descriptors are not to be used individually to assess contributions, but rather are to be taken as a group to derive a single evaluation of the factor.

BILLING CODE 6325–01–P

LEVEL DESCRIPTORS	DISCRIMINATORS

LEVEL I • Conducts activities on a segment of a task. Assists supervisor or other appropriate personnel. • Applies standard rules, procedures, or operations to resolve routine problems. • Independently carries out routine tasks. • Takes initiative in selecting and implementing appropriate procedures.	Scope/Impact Complexity/Difficulty Independence Creativity
LEVEL II • Plans and conducts administrative activities for projects. • Develops, modifies, and/or applies rules, procedures, or operations to resolve problems of moderate complexity/difficulty. • Independently plans and executes assignments; resolves problems and handles deviations. • Identifies and adapts guidelines for new or unusual situations.	Scope/Impact Complexity/Difficulty Independence Creativity
LEVEL III • Plans and conducts complex administrative activities. • Develops rules, procedures, or operations for complex/difficult organizational tasks. • Identifies issues and determines approaches and methods to accomplish tasks. Initiates effective actions and resolves related conflicts. • Identifies issues requiring new procedures and develops appropriate guidelines.	Scope/Impact Complexity/Difficulty Independence Creativity

BILLING CODE 6325–01–C

FACTOR: 2.—TEAMWORK/COOPERATION

FACTOR DESCRIPTION

This factor describes/captures individual and organizational teamwork and cooperation.

EXPECTED PERFORMANCE CRITERIA (Applicable to all contributions at all levels):

Work is timely, efficient, and of acceptable quality. Personal and organizational interactions exhibit and foster cooperation and teamwork. Flexibility, adaptability, and decisiveness are exercised appropriately.

Descriptors indicate the type of contribution appropriate for the high end of each level. Descriptors are not to be used individually to assess contributions, but rather are to be taken as a group to derive a single evaluation of the factor.

BILLING CODE 6325–01–P

LEVEL DESCRIPTORS	DISCRIMINATORS

LEVEL I • Works with others to accomplish routine tasks. • Contributes ideas on routine procedures. Interacts cooperatively with others. • Regularly completes tasks in support of team goals.	Scope of Team Effort Contribution to Team Effectiveness
LEVEL II • Works with others to accomplish tasks. • Resolves administrative problems; facilitates cooperative interactions with others. • Guides others and coordinates activities in support of team goals. Proactively functions as an integral part of the team.	Scope of Team Effort Contribution to Team Effectiveness
LEVEL III • Works with others on complex issues/problems that may cross functional areas. • Applies expertise in resolving complex administrative issues. Promotes and maintains environment for cooperation/teamwork. Sets tone for internal/external cooperation. • Leads and guides others in formulating and executing plans in support of team goals.	Scope of Team Effort Contribution to Team Effectiveness

BILLING CODE 6325–01–C

FACTOR: 3.—CUSTOMER RELATIONS

FACTOR DESCRIPTION

This factor describes/captures the effectiveness of personal and organizational interactions with customers (anyone to whom services or products are provided), both internal (within an assigned organization) and external (outside an assigned organization).

EXPECTED PERFORMANCE CRITERIA (Applicable to all contributions at all levels):

Work is timely, efficient, and of acceptable quality. Personal and organizational interactions enhance customer relations and actively promote rapport with customers. Flexibility, adaptability, and decisiveness are exercised appropriately.

Descriptors indicate the type of contribution appropriate for the high end of each level. Descriptors are not to be used individually to assess contributions, but rather are to be taken as a group to derive a single evaluation of the factor.

BILLING CODE 6325–01–P

LEVEL DESCRIPTORS	DISCRIMINATORS

LEVEL I • Assists customer support activities. • Meets routine customer needs. • Interacts with customers on routine issues within specific guidelines.	Breadth of Influence Customer Needs Customer Interaction Level
LEVEL II • Guides the administrative efforts of individuals or team members as they interact with customers. • Independently interacts with customers to understand customer needs/expectations. • Interacts independently with customers to communicate information and coordinate actions.	Breadth of Influence Customer Needs Customer Interaction Level
LEVEL III • Identifies, defines, and guides administrative efforts in support of customer interactions; coordinates and focuses activities to support multiple customers. • Establishes customer alliances and translates needs to customer service. • Works independently with customers at all levels to define services and resolve non-routine problems.	Breadth of Influence Customer Needs Customer Interaction Level

BILLING CODE 6325–01–C

FACTOR: 4.—LEADERSHIP/SUPERVISION

FACTOR DESCRIPTION

This factor describes/captures individual and organizational leadership and/or supervision to include that leaders/supervisors will recruit, develop, motivate, and retain quality team members in accordance with EEO/AA and merit principles. Takes timely/appropriate personnel actions, communicates mission and organizational goals; by example, creates a positive, safe, and challenging work environment; distributes work and empowers team members.

EXPECTED PERFORMANCE CRITERIA (Applicable to all contributions at all levels):

Work is timely, efficient, and of acceptable quality. Leadership and/or supervision effectively promotes commitment to mission accomplishment. Flexibility, adaptability, and decisiveness are exercised appropriately.

Descriptors indicate the type of contribution appropriate for the high end of each level. Descriptors are not to be used individually to assess contributions, but rather are to be taken as a group to derive a single evaluation of the factor.

BILLING CODE 6325–01–P

LEVEL DESCRIPTORS	DISCRIMINATORS
LEVEL I • Takes initiative in accomplishing assigned tasks. Asks for assistance as appropriate. • Provides input in administrative/functional area. • Seeks and takes advantage of developmental opportunities.	Leadership Role Breadth of Influence Mentoring/Employee Development
LEVEL II • Actively contributes as team member or leader; takes initiative to accomplish assigned projects. • Guides others in accomplishing projects. • Identifies and pursues individual/team developmental opportunities.	Leadership Role Breadth of Influence Mentoring/Employee Development
LEVEL III • Provides guidance to individuals/teams; resolves conflicts. Expertise solicited by others. • Guides and accounts for results or activities of individuals, teams, or projects. • Promotes individual/team development; leads development of training programs for self and others.	Leadership Role Breadth of Influence Mentoring/Employee Development

BILLING CODE 6325–01–C

FACTOR: 5.—COMMUNICATION

FACTOR DESCRIPTION

This factor describes/captures the effectiveness of oral/written communications.

EXPECTED PERFORMANCE CRITERIA (Applicable to all contributions at all levels):

Work is timely, efficient, and of acceptable quality. Communications are clear, concise, and at appropriate level. Flexibility, adaptability, and decisiveness are exercised appropriately.

Descriptors indicate the type of contribution appropriate for the high end of each level. Descriptors are not to be used individually to assess contributions, but rather are to be taken as a group to derive a single evaluation of the factor.

BILLING CODE 6325–01–P

LEVEL DESCRIPTORS	DISCRIMINATORS
LEVEL I • Communicates routine task/status results as required. • Writes timely and accurate draft documentation. • Explains status/results of assigned tasks.	Level of Interaction (Audience) Written Oral

LEVEL II • Interprets and communicates administrative procedures within immediate organization. • Prepares, coordinates, and consolidates documents, reports, or briefings. • Communicates/presents internal administrative/functional procedures and tasks internally and externally.	Level of Interaction (Audience) Written Oral
LEVEL III • Develops and advises on administrative procedures and communicates them to all levels, both internally and externally. • Prepares, reviews, and/or approves documents, reports, or briefings. • Explains and/or communicates administrative/functional procedures at all levels.	Level of Interaction (Audience) Written Oral

BILLING CODE 6325–01–C

FACTOR: 6.—RESOURCE MANAGEMENT

FACTOR DESCRIPTION

This factor describes/captures personal and organizational utilization of resources to accomplish the mission. (Resources include, but are not limited to, personal time, equipment and facilities, human resources, and funds.)

EXPECTED PERFORMANCE CRITERIA (Applicable to all contributions at all levels):

Work is timely, efficient, and of acceptable quality. Available resources are utilized effectively to accomplish mission. Flexibility, adaptability, and decisiveness are exercised appropriately.

Descriptors indicate the type of contribution appropriate for the high end of each level. Descriptors are not to be used individually to assess contributions, but rather are to be taken as a group to derive a single evaluation of the factor.

BILLING CODE 6325–01–P

LEVEL DESCRIPTORS	DISCRIMINATORS
LEVEL I • Uses assigned resources to accomplish tasks. • Plans individual time and assigned resources to accomplish tasks. • Effectively accomplishes assigned tasks.	Scope of Responsibility Planning/Budgeting Execution/Efficiency
LEVEL II • Identifies and uses resources to accomplish projects. • Plans resources to achieve project schedules. • Effectively accomplishes projects within established resource guidelines.	Scope of Responsibility Planning/Budgeting Execution/Efficiency

LEVEL III • Plans, acquires, and allocates resources to accomplish objectives. • Coordinates resources across projects. • Optimizes resource utilization across projects.	 Scope of Responsibility Planning/Budgeting Execution/Efficiency

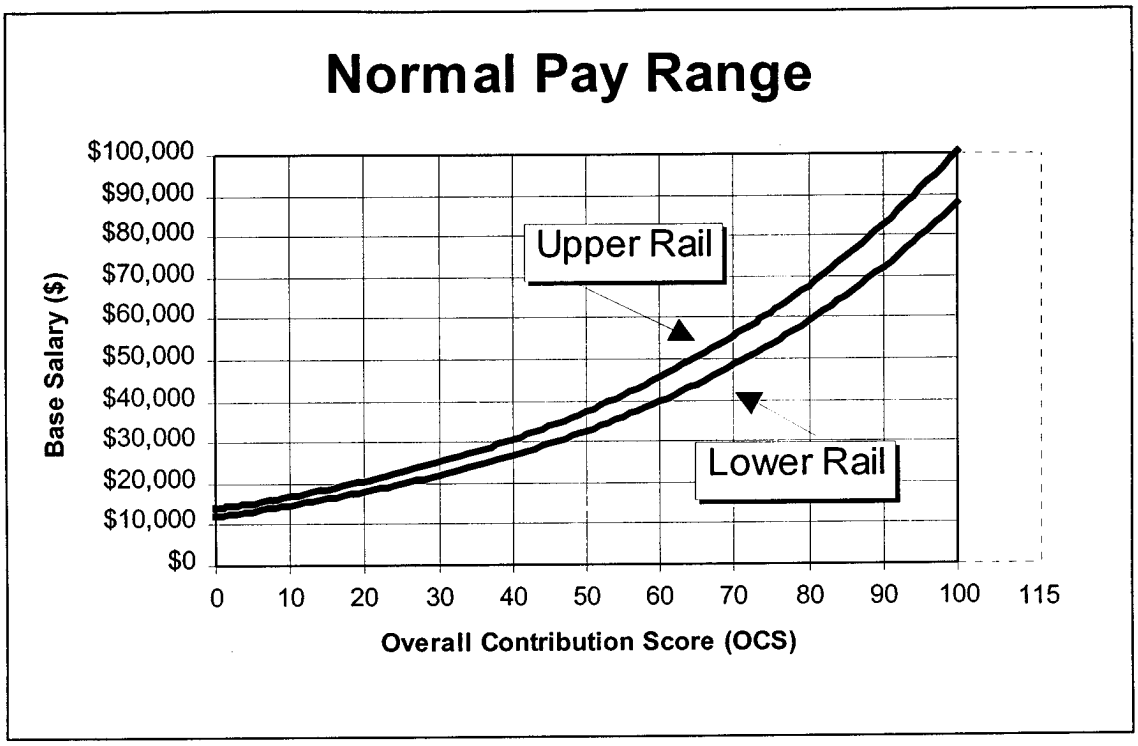
BILLING CODE 6325–01–C

2. Normal Pay Range (NPR)

The Contribution-based Compensation and Appraisal System (CCAS) integrated pay schedule provides a direct link between increasing levels of contribution and increasing salary. This is shown by the graph in Figure 1. The horizontal axis spans from 0 to the maximum contribution score of 100, with a notional ''very high'' score of 115 for those employees who are capped at the top of their broadband level. The vertical axis spans from zero dollars to the dollar equivalent of GS–15, step 10. This encompasses the full salary range (excluding locality pay) paid under this demonstration; GS–1, step 1 through GS–15, step 10 for Calendar Year 1998 (CY98). (Note: Figure 1 currently depicts CY98. Each year the rails for the NPR are adjusted based on the General Schedule pay increase under 5 U.S.C. 5303.) The area between the upper and lower rail is considered the normal pay range; employees whose annual overall contribution score (OCS) plotted against their base salary falls on or within the rails are considered ''appropriately compensated.'' Employees whose salaries fall below the NPR for their assessed contribution score are considered ''inappropriately compensated—below the rail (B),'' and those falling above the NPR are considered ''inappropriately compensated—above the rails (A).'' The goal of CCAS is to make pay consistent with employees' contributions to the mission of the organization.

BILLING CODE 6325–01–P

Figure 1. Normal Pay Range



BILLING CODE 6325–01–C

The NPR was established using the following parameters:

1. The lowest possible score is an OCS of 0, which equates to the lowest base salary paid under this demonstration, GS–1, step 1.

2. The OCS of 100 equates to the highest base salary paid under this demonstration, GS–15, step 10. A ''very high'' score of 115 may be awarded for employees in the Business Management and Technical Management Professional career path. When a level IV individual in this career path is performing above the high level (79–100) in a specific

factor, 115 points may be awarded. There is not a point range in the ''very high'' category; 115 points are awarded or the individual is not rated ''very high''. The same is true for the other two career paths: Technical Support with a ''very high'' score of 95, Administrative Support with a ''very high'' score of 70.

3. Changes in OCS correspond to a constant percentage change in salary along the rails.

4. The upper and lower rails encompass an area of +/-4.0 OCS points, or +/-8.0 percent in terms of salary, relative to the points established in parameters 1 and 2, above.

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Given these constraints, the formulae for the rails found in Figure 1 are:

Salary upper rail = (GS–1 Step 1) * (1.0800)* (1.020043) OCS

Salary lower rail = (GS–1 Step 1) * (0.9200)* (1.020043) OCS

The integrated pay schedule and the NPR are the same for all the career paths. What varies among the career paths are the beginnings and endings of the broadband levels. The minimum and maximum numerical OCS values and associated base salaries for each broadband level by career path are provided in Table 4. These minimum and maximum breakpoints represent the lowest and highest General Schedule (GS) salary rate for the grades banded together and, therefore, the minimum and maximum salaries possible for each level. Each year, the rails for the NPR are adjusted based on the General Schedule pay increase granted to the Federal workforce. Locality salary adjustments are not included in the NPR but are incorporated in the demonstration participants' pay.

Employees will enter the demonstration project without a loss of pay (see section V) and without a CCAS score. The first CCAS score will result from the first annual CCAS assessment process. Until then, no employee is inappropriately compensated. Employees, however, may determine their expected contribution range by locating the intersection of their salary with the rails of the NPR. Future CCAS assessments may alter an employee's position relative to these rails.

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TABLE 4 - OCS AND SALARY RANGES BY BROADBAND LEVEL

Business Management & Technical Management Professional			
Broadband Level	GS Grades	Normal OCS Range	Salary Range
I	1 - 4	0 - 29	$13,362 - $23,918

II	5 - 11	22 - 66	$20,588 - $49,066
III	12 - 13	61 - 83	$45,236 - $69,930
IV	14 - 15	79 - 100 (115)	$63,567 - $97,201

Technical Management Support

Broadband Level	GS Grades	Normal OCS Range	Salary Range
I	1 - 4	0 - 29	$13,362 - $23,918
II	5 - 8	22 - 51	$20,588 - $36,711
III	9 - 11	43 - 66	$31,195 - $49,066
IV	12 - 13	61 - 83 (95)	$45,236 - $69,930

Administrative Support

Broadband Level	GS Grades	Normal OCS Range	Salary Range
I	1 - 4	0 - 29	$13,362 - $23,918
II	5 - 7	22 - 46	$20,588 - $33,151
III	8 - 10	38 - 61 (70)	$28,242 - $44,658

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3. CCAS Appraisal Process

The annual appraisal cycle begins on October 1 and ends on September 30 of the following year. At the beginning of the annual appraisal period, the broadband level descriptors will be provided to employees so that they know the basis on which their contribution will be assessed for their pay pool. (A pay pool is a group of employees among whom the CCAS dollars are distributed. This might be all the employees in a division or directorate. The local commander determines the pay pool structure.) At that time, employees will be advised that all factors are critical and weights will be established, if appropriate. Key terms such as ''team'' and ''customer'' will be defined or clarified. Supervisor and employee discussion of specific work assignments, standards, objectives, and the employee's contributions within the CCAS framework should be conducted on an ongoing basis.

At the end of the annual appraisal period, the immediate supervisor (rating official) meets with his/her employees, requesting them to summarize their contributions for each factor. From employees' inputs and his/her own knowledge, the rating official identifies for each employee the appropriate contribution level (1, 2, 3, or 4) for each factor. The rating officials (including second-level supervisor) meet to ensure consistency and equity of the contribution ratings. Then the rating officials calculate the overall contribution scores (OCS).

To determine the OCS, numerical values are assigned based on the contribution levels of individuals, using the ranges shown in Table 5. Generally, the OCS is calculated by averaging the numerical values assigned for each of the six factors. (All OCSs will be rounded to the nearest whole number.) However, at the discretion of the pay pool manager, different weights may be applied to the factors to produce a weighted average, provided that the weights are applied uniformly across the pay pool and employees are advised in advance, i.e., at the beginning of the rating period. Weighting may not result in any factor becoming zero.

The rating officials (including second-level supervisor) meet again to review the OCS for all employees, correcting any inconsistencies identified and making the appropriate adjustments in the factor ratings, and placing the employees in rank order.

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TABLE 5. CONTRIBUTION SCORE RANGES BY CAREER PATH

		Business and Technical Professional	Technical Support	Administrative Support
Broadband Levels		Point Range	Point Range	Point Range
	Very High	115	95	70
	High	96-100	79-83	
IV	Med	84-95	67-78	
	Low	79-83	61-66	
	High	79-83	62-66	57-61
III	Med	67-78	52-61	47-56
	Low	61-66	43-51	38-46
	High	62-66	47-51	42-46
	MH	51-61	41-46	
II	Med	41-50	36-40	30-41
	ML	30-40	30-35	

		Business and Technical Professional	Technical Support	Administrative Support
	Low	22-29	22-29	22-29
	High	24-29	24-29	24-29
I	Med	6-23	6-23	6-23
	Low	0-5	0-5	0-5

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The pay pool panel (pay pool manager and the rating officials in the pay pool who report directly to him/her) conducts a final review of the OCS and the recommended compensation adjustments for the pay pool members. The pay pool panel has the authority to make OCS adjustments, after discussion with the initial rating officials, to ensure equity and consistency in the ranking of all employees. Final approval of OCS rests with the pay pool manager, the individual within the organization responsible for managing the CCAS process. The OCS, as approved by the pay pool manager, becomes the rating of record. Rating officials will communicate the factor scores and OCS to each employee and discuss the results.

If on October 1, the employee has served under CCAS for less than six months, the rating official will wait for the subsequent annual cycle to assess the employee. The first CCAS appraisal must be rendered within 18 months after entering the demonstration project.

When an employee cannot be evaluated readily by the normal CCAS appraisal process due to special circumstances that take the individual away from normal duties or duty station (e.g., long-term full-time training, active military duty, extended sick leave, leave without pay, etc.), the rating official will document the special circumstances on the appraisal form. The rating official will then determine which of the following options to use:

(a) re-certify the employee's last contribution appraisal; or

(b) presume the employee is contributing consistently with his/her pay level and will be given the full general increase.

Pay adjustments will be made on the basis of the CCAS appraisal or substitute determination and the employee's rate of basic pay. Pay adjustments are subject to pay-out rules discussed in section III D 5. Final pay determinations will be made at the pay pool manager's level. CCAS scores can only be adjusted after discussion with the rating official.

Pay adjustments will be documented by SF–50, Notification of Personnel Action. For historical and analytical purposes, the effective date of CCAS assessments, actual appraisal scores, actual salary increases, amounts contributed to the pay pool, and applicable "bonus" amounts will be maintained for each demonstration project employee.

4. Pay Pools

The pay pool structure and allocated funds are under the authority of the local commander or equivalent. The following minimal guidelines will apply: (a) a pay pool is based on the organizational structure and should include a range of salaries and contribution levels; (b) a pay pool should be large enough to constitute a reasonable statistical sample, i.e., not less than 35 individuals (when possible) or more than 300 individuals; (c) a pay pool must be large enough to include a second level of supervision, since the CCAS process uses a group of supervisors in the pay pool to determine

OCS and recommended salary adjustments; and (d) neither the pay pool manager nor the supervisors within a pay pool will recommend or set their own individual pay levels.

The amount of money available within a pay pool is determined by the general pay increase and the money that would have been available for quality step increases, within-grade increases, awards (performance-based awards as defined in 5 U.S.C. 4505(a)), promotions between grades encompassed in the same broadband level, and other appropriate factors (reference section VIII B). However, the awards money portion cannot be used for increments to salary. The dollars to be included in the pay pool will be computed based on the salaries of the employees in the pay pool as of September 30 each year.

5. Salary Adjustment Guidelines

After the initial assignment into the CCAS, employees' yearly contributions will be determined by the CCAS process described above, and their overall contribution scores versus their current rate of basic pay will be plotted on a graph along with the NPR (see Figure 2).

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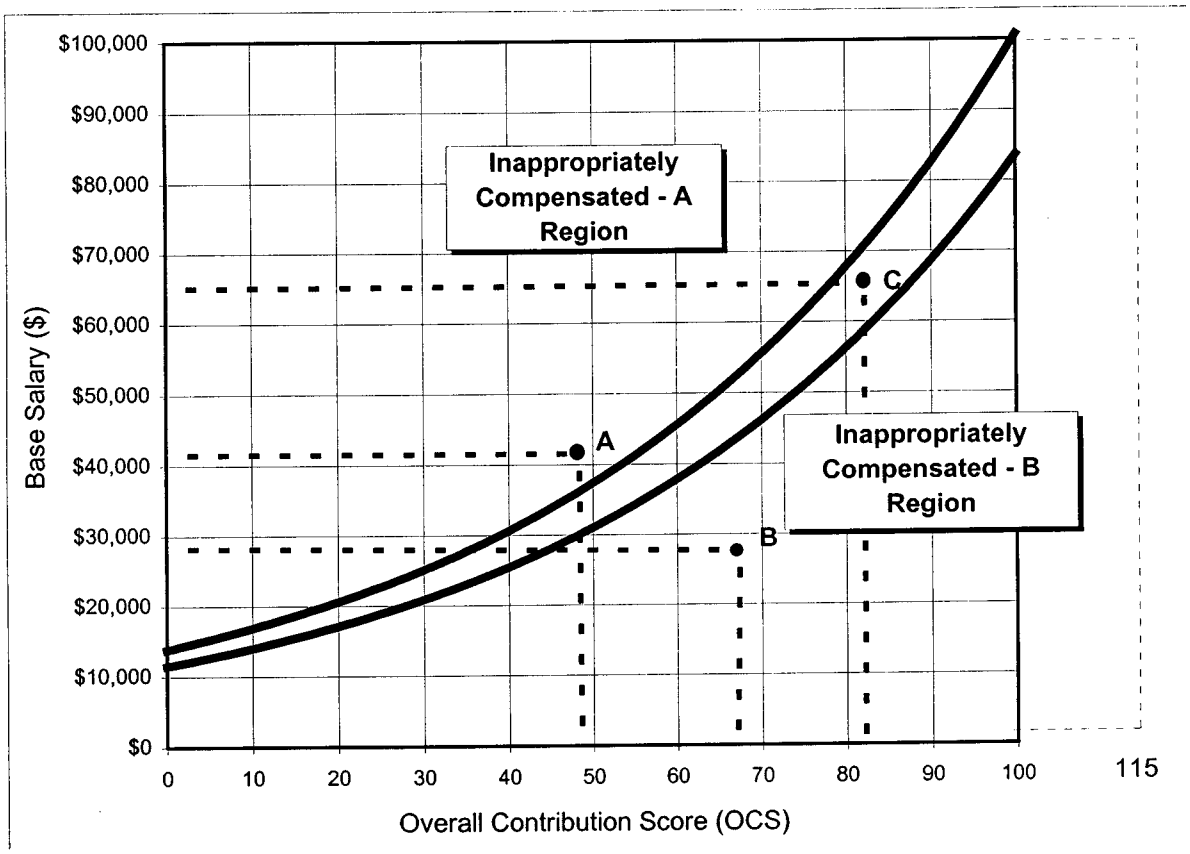

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Figure 2. CCAS Compensation Categories

The position of those points relative to the upper and lower rails of the NPR gives a relative measure of the compensation (salary) versus contribution (OCS). Employees fall into one of three categories: inappropriately compensated—above the rails (A), appropriately compensated (C), or inappropriately compensated—below the rails (B). Depending on the category into which each employee falls, he/she is eligible for up to three forms of additional compensation. The pay pool panel has the option of awarding the employee up to the full General Schedule pay increase (as authorized by Congress and the President), a contribution rating increase (an increase in base salary), and/or a contribution award (a lump-sum payment that does not affect base salary). Employees on retained rate in the demonstration plan will receive pay adjustments in accordance with 5 U.S.C. 5363 and 5 CFR Part 536. An employee receiving a retained rate is not eligible for a contribution rating increase, since such increases are limited by the maximum salary rate for the employee's broadband level. An outline of compensation eligibility by contribution category is given in Table 6.

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TABLE 6.—COMPENSATION ELIGIBILITY CHART

Category	General Pay Increase	Contribution Rating Increase	Contribution Award	[1]Locality Pay
Inappropriately Compensated - A	Could be reduced or denied	NO	NO	YES
Appropriately Compensated	YES	YES[2] - Up to 6%	YES[5]	YES
Inappropriately Compensated - B	YES	YES[3,4]- Up to 20%	YES	YES

[1] Basic pay plus locality pay may not exceed Executive Level IV basic pay.
[2] May not exceed upper rail of NPR for employee's OCS or maximum salary for current broadband level.
[3] Over 20% requires local commander's approval.
[4] May not exceed 6% above the lower rail or the maximum salary for current broadband level.
[5] Pay pool manager approves up to $10,000. Amounts exceeding $10,000 require local commander's approval.

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In general, those employees who fall in the inappropriately compensated—B (below the rails) category of the NPR should expect to receive greater percentage salary increases than those who fall in the inappropriately compensated—A (above the rails) category. Over time, people will migrate closer to the normal pay range and receive a salary appropriate for their level of contribution.

Employees whose OCS would result in awarding a contribution rating increase such that the salary exceeds the maximum salary for their current broadband level may receive a contribution award equaling the difference.

The contribution rating increase fund includes what are now within-grade increases, quality step increases, and promotions between grades encompassed in the same broadband level. The fund will be set at not less than two percent of the activity's total salary budget (2.4 percent for the first year). This figure will be adjusted as necessary to maintain cost discipline over the life of the demonstration project. The amount of money available to each pay pool is determined annually by the local commander. The general pay increase fund and the contribution rating increase fund may be transferred to another category, but the contribution award fund may not be transferred.

The contribution award fund includes what were formerly performance awards and will be used for awards given under the CCAS process. The fund will be set at not less than one percent of the activity's total salary budget. This fund will not exceed 90 percent of the total awards budget so as to allow for other awards not related to the CCAS process, e.g., on-the-spot awards and group awards, which will continue to be encouraged by management to promote excellence in acquisition and attainment of organizational goals. For the first year this fund will be set at 1.3 percent.

Each pay pool manager will set the necessary guidelines for pay adjustments in the pay pool. Decisions will be consistent within the pay pool, reflect cost discipline over the life of the demonstration project, and be subject to command review. The maximum available pay rate under this demonstration project will be the rate for a GS–15, step 10. Notwithstanding any other provision of this demonstration project, if General Schedule employees receive an increase under 5 U.S.C. 5303 that exceeds the amount otherwise required by that section on the date of this notice, the excess portion of such increase shall be paid to demonstration project employees in the same manner as to General Schedule employees. The excess portion of such increase shall not be distributed through the pay pool process.

6. Movement Between Broadband Levels

It is the intent of the demonstration project to have career growth accomplished through the broadband levels. Movement within a broadband level will be determined by contribution and salary following the CCAS pay-out calculation. Movement to a higher broadband level is normally a competitive action, based on Office of Personnel Management qualifications standards. Movement to a lower broadband level may be voluntary or involuntary.

Broadband levels were derived from salaries of the banded GS grades. The lowest salary of any given broadband level is that for step 1 of the lowest GS grade in that broadband level. Likewise, the highest salary of any given broadband level is that for step 10 of the highest GS grade in that broadband level. There is a natural overlap in salaries in the GS grades that also occurs in the broadband system. Since the OCS is directly related to salaries, there is also an overlap between OCS across broadband levels.

Under the demonstration project, managers are provided greater flexibility in assigning duties by moving employees between positions within their broadband level. If there are vacancies at higher levels, employees may be considered for promotion to those positions in accordance with competitive selection procedures. Noncompetitive promotion capabilities in the current system will remain viable in the demonstration.

Under the approved competitive selection procedures, the selecting official may consider candidates from any source based on viable and supportable job-related, merit-based methodology. Similarly, if there is sufficient cause, an employee may be demoted to a lower broadband level position according to the contribution-based reduction-in-pay or removal procedures discussed in section III E 2.

7. Implementation Schedule

The 1998 employee annual appraisal will be done according to Component performance plan rules in effect at the time of the 1998 close-out. Employees will be moved by personnel action into the demonstration project and into the appropriate broadband level by

February 9, 1999, or as specified in the organization's implementation plan approved by DoD and OPM. It is acknowledged that implementation will be staggered and organizations will join as they successfully finalize negotiated agreements. Employees will receive base pay adjustments for accrued within-grade increases and/or career ladder promotions at the time they are reassigned into the demonstration project. All employees under the demonstration project will receive the January 1999 general pay increase.

8. CCAS Grievance Procedures

Bargaining unit employees who are covered under a collective bargaining agreement may grieve CCAS pay determinations under the grievance-arbitration provisions of the agreement. Other employees not included in a bargaining unit may utilize the appropriate administrative grievance procedures to raise a grievance against CCAS pay (5 CFR Part 771), with supplemental instructions as described below.

An employee may grieve the OCS (rating of record). If an employee is covered by a negotiated grievance procedure that includes grievances over appraisal scores, then the employee must resolve a grievance over an appraisal score under that procedure (i.e., that procedure is the sole and exclusive procedure for resolving such grievances). If an employee is not in a bargaining unit, or is in a bargaining unit but grievances over appraisal scores are not covered under a negotiated grievance procedure, then the employee may use the administrative grievance procedure (5 CFR Part 771) with supplemental instructions described in the following paragraph.

The employee will submit the grievance first to the rating official, who will submit a recommendation to the pay pool panel. The pay pool panel may accept the rating official's recommendation or reach an independent decision. In the event that the pay pool panel's decision is different from the rating official's recommendation, appropriate justification will be provided. The pay pool panel's decision is final unless the employee requests reconsideration by the next higher official to the pay pool manager. That official would then render the final decision on the grievance.

9. Using the CCAS Rating as Additional Years of Retention Service Credit During Reduction in Force

Table 7 illustrates the years of retention service credit associated with appraisal results:

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TABLE 7.—RETENTION SERVICE CREDIT ASSOCIATED WITH APPRAISAL RESULTS

BUSINESS MANAGEMENT AND TECHNICAL MANAGEMENT PROFESSIONAL

Broadband	OCS	OCS Range			
		Years of Retention Service Credit			
Level	Normal Range	20	16	12	0
I	0 - 29	21 or above	11 - 20	1 - 10	0
II	22 - 66	56 or above	39 - 55	22 - 38	21 or lower
III	61 - 83	76 or above	69 - 75	61 - 68	60 or lower
IV	79 - 100	95 or above	87 - 94	79 - 86	78 or lower

Technical Management Support

Broadband	OCS	OCS Range			
		Years of Retention Service Credit			
Level	Normal Range	20	16	12	0
I	0 - 29	21 or above	11 - 20	1 - 10	0
II	22 - 51	42 or above	32 - 41	22 - 31	21 or lower
III	43 - 66	59 or above	51 - 58	43 - 50	42 or lower

IV	61 - 83	76 or above	69 - 75	61 - 68	60 or lower

Administrative Support

Broadband	OCS	OCS Range			
		Years of Retention Service Credit			
Level	Normal Range	20	16	12	0
I	0 - 29	21 or above	11 - 20	1 - 10	0
II	22 - 46	39 or above	30 - 38	22 - 29	21 or lower
III	38 - 61	54 or above	46 - 53	38 - 45	37 or lower

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E. Special Situations Related to Pay

1. Change in Assignment

The CCAS concept, using the broadbanding structure, provides flexibility in making assignments. In many cases an employee can be assigned, without change in their rate of basic pay, within broad descriptions, and, at the same time, consistent with the needs of the organization and commensurate with the individual's qualifications. Subsequent organizational assignments to projects, tasks, or functions requiring the same level and area of expertise and the same qualifications would not constitute an assignment outside the scope or coverage of the current level descriptors. In most cases, such assignments would be within the factor descriptors and could be accomplished without the need to process a personnel action. Assignment resulting in series change, broadband level change, or change to KSAs shall be accomplished by official personnel action. Thus, this approach allows for broader latitude in organizational assignments and streamlines the administrative process. Rules for specific types of assignments under CCAS follow.

(a) Competitive, Noncompetitive, and Temporary Promotions. When an employee is promoted to a higher broadband level, the salary upon promotion will be at least six percent, but not more than 20 percent, greater than the employee's current salary. However, if the minimum rate of the new broadband level is more than 20 percent greater than the employee's current salary, then the minimum rate of the new broadband level is the new salary. The employee's salary may not exceed the salary range of the new broadband level. When an employee receiving a retained rate is promoted to a higher broadband level, at a minimum, the employee's salary upon promotion will be set in the higher broadband level (1) at six percent higher than the maximum rate of the employee's existing broadband level; or (2) at the employee's existing retained rate, whichever is greater.

(b) Competitive Selection for a Position with Higher Potential Salary. When an employee is competitively selected for a position with a higher target broadband level than previously held (e.g., Upward Mobility), upon movement to the new position the employee will receive the salary corresponding to the minimum of the new broadband level or the existing salary, whichever is greater.

(c) Voluntary Change to Lower Broadband Level/Change in Career Path (except RIF). When an employee accepts a voluntary change to lower broadband level or different career path, salary may be set at any point within the broadband level to which appointed, except that the new salary will not exceed the employee's current salary or the maximum salary of the broadband level to which assigned, whichever is lower.

(d) Involuntary Change to Lower Broadband Level Without Reduction in Pay Due to Contribution-based Action. Due to inadequate contribution, an employee's salary may fall below the minimum rate of basic pay for the broadband level to which he/she is assigned. When an employee is changed to a lower broadband level due to such a situation, this movement is not considered an adverse action.

(e) Involuntary Reduction in Pay, to Include Change to Lower Broadband Level and/or Change in Career Path Due to Adverse Action. An employee may receive a reduction in pay within his/her existing broadband level and career path; be changed to a lower broadband level; and/or be moved to a new position in a different career path due to an adverse action. In these situations, the employee's salary will be reduced by at least 6 percent, but will be set no lower than the minimum salary of the broadband level to which assigned. Employees placed into a lower broadband due to adverse action are not entitled to pay retention.

(f) Reduction-in-Force (RIF) Action (including employees who are offered and accept a vacancy at a lower broadband level or in a different career path). The employee is entitled to pay retention if all title 5 conditions are met.

(g) Return to Limited or Light Duty from a Disability as a Result of Occupational Injury to a Position in a Lower Broadband Level or to a Career Path with Lower Salary Potential than Held Prior to the Injury. The employee is entitled indefinitely to the salary held prior to the injury and will receive full general and locality pay increases.

2. Contribution-Based Reduction-in-Pay or Removal Actions

CCAS is a contribution-based appraisal system that goes beyond a performance-based rating system. Contribution is measured against six critical factors corresponding to the three career paths, each having multiple levels of increasing contribution. (For the purposes of this section, critical

factors are synonymous with critical elements as referenced in 5 U.S.C. Chapter 43.) This section applies to reduction in pay or removal of demonstration project employees based solely on inadequate contribution. Inadequate contribution in any one factor at any time during the appraisal period is considered grounds for initiation of reduction-in-pay or removal action. The following procedures replace those established in 5 U.S.C. 4303 pertaining to reductions in grade or removal for unacceptable performance except with respect to appeals of such actions. 5 U.S.C. 4303(e) provides the statutory authority for appeals of contribution-based actions. As is currently the situation for performance-based actions taken under 5 U.S.C. 4303, contribution-based actions shall be sustained if the decision is supported by substantial evidence and the Merit Systems Protection Board shall not have mitigation authority with respect to such actions. The separate statutory authority to take contribution-based actions under 5 U.S.C. 75, as modified in the waiver section of this notice (section IX), remains unchanged by these procedures.

When an employee's contribution in any factor is at or less than the mid-point of the next lower broadband level (or a factor score of zero for broadband level I employees), the employee is considered to be contributing inadequately. In this case, the supervisor must inform the employee, in writing, that unless the contribution increases to a score above the midpoint of this next lower broadband level (thereby meeting the standards for adequate contribution) and is sustained at this level, the employee may be reduced in pay or removed. For broadband level I employees, a factor score that increases to and is sustained above zero is determined to be adequate.

This written notification will include a contribution improvement plan (CIP) which outlines specific areas in which the employee is inadequately contributing. Additionally, the CIP must include standards for adequate contribution, actions required of the employee, and the time in which they must be accomplished, to increase and sustain the employee's contribution at an adequate level.

Additionally, when an employee's contribution plots in the area above the upper rail of the normal pay range, the employee is considered to be contributing inadequately. In this case, the supervisor has two options. The first is to take no action but to document this decision in a memorandum for the record. A copy of this memorandum will be provided to the employee and to higher levels of management. The second option is to inform the employee, in writing, that unless the contribution increases to, and is sustained at, a higher level, the employee may be reduced in pay or removed.

These provisions also apply to an employee whose contribution deteriorates during the year. In such instances, the group of supervisors who meet during the CCAS assessment process may reconvene any time during the year to review the circumstances warranting the recommendation to take further action on the employee.

When the rating official informs the employee that the employee may be reduced in pay or removed, the rating official will afford the employee a reasonable opportunity (a minimum of 60 days) to demonstrate acceptable contribution with regard to identifiable factors. As part of the employee's opportunity to demonstrate adequate contribution, he or she will be placed on a CIP. The CIP will state how the employee's contribution is inadequate, what improvements are required, recommendations on how to achieve adequate contribution, assistance that the agency shall offer to the employee in improving inadequate contribution, and consequences of failure to improve.

Once an employee has been afforded a reasonable opportunity to demonstrate adequate contribution but fails to do so, a reduction-in-pay (which may include a change to a lower broadband level and/or reassignment) or removal action may be proposed. If the employee's contribution increases to an acceptable level and is again determined to deteriorate in any factor within two years from the beginning of the opportunity period, actions may be initiated to effect reduction in pay or removal with no additional opportunity to improve. If an employee has contributed acceptably for two years from the beginning of an opportunity period, and the employee's overall contribution once again declines to an inadequate level, the employee will be afforded an additional opportunity to demonstrate adequate contribution before it is determined whether or not to propose a reduction in pay or removal.

An employee whose reduction in pay or removal is proposed is entitled to a 30-day advance notice of the proposed action that identifies specific instances of inadequate contribution by the employee on which the action is based. The employee will be afforded a reasonable time to answer the notice of proposed action orally and/or in writing.

A decision to reduce in pay or remove an employee for inadequate contribution may be based only on those instances of inadequate contribution that occurred during the two-year period ending on the date of issuance of the proposed action. The employee will be issued written notice at or before the time the action will be effective. Such notice will specify the instances of inadequate contribution by the employee on which the action is based and will inform the employee of any applicable appeal or grievance rights.

All relevant documentation concerning a reduction in pay or removal that is based on inadequate contribution will be preserved and made available for review by the affected employee or a designated representative. At a minimum, the records will consist of a copy of the notice of proposed action; the written answer of the employee or a summary when the employee makes an oral reply; and the written notice of decision and the reasons thereof, along with any supporting material including documentation regarding the opportunity afforded the employee to demonstrate adequate contribution.

F. Revised Reduction-In-Force (RIF) Procedures

RIF shall be conducted according to the provisions of 5 CFR 351, except as otherwise specified below.

Displacement means the movement via RIF procedures of an employee into a position held by an employee of lower retention standing.

All positions participating in the demonstration project within a given Component and located within the same commuting area may be considered a separate competitive area. Alternatively, Components may establish all or part of the Component at a given geographic location as a competitive area. In any event, employees under this demonstration shall be placed in a different competitive area from employees who are not covered.

Employees are entitled to additional years of retention service credit in RIF, based on appraisal results. This credit will be based on the employee's three most recent annual overall contribution scores (OCSs) of record received during the four-year period prior to the issuance of RIF notices. However, if at the time RIF notices are issued, three CCAS cycles have not yet been completed, the annual performance rating of record under the previous performance management system will be substituted for one or more OCSs, as

appropriate. An employee who has received at least one but fewer than three previous ratings of record shall receive credit for performance on the basis of the value of the actual rating(s) of record divided by the number of actual ratings received. Employees with three OCS or performance ratings shall receive credit for performance on the basis of the value of the actual ratings of record divided by three. In cases where an individual employee has no annual OCS or performance rating of record, an average OCS or performance rating will be assigned and used to determine the additional service credit for that individual. (This average rating is derived from the current ratings of record for the employees in that individual's career path and broadband level within the competitive area affected by a given RIF.) See Table 7, Retention Service Credit Associated with Appraisal Results.

When a competing employee is to be released from his/her position, the activity shall establish separate master retention lists for the competitive and excepted services, by type of work schedule and (for excepted service master retention lists) appointing authority.

Within the above groups, competing employees shall be listed on the master retention list in descending retention standing order as defined by their tenure, veterans' preference, and length of service as determined by their adjusted service computation date. Employees will be listed as follows: By tenure group I, group II, group III; within each group by veterans' preference subgroup AD (preference eligible employees with a compensable service-connected disability of 30 percent or more), subgroup A (other preference eligible employees), subgroup B (non-preference eligible employees); and, within each group, by length of service as determined by the adjusted service computation date, beginning with the earliest service date.

Employees will be ranked in order of their retention standing, beginning with the most senior employee. This employee may displace an employee of lower retention standing occupying a position that is at the same or lower broadband level and that is in a series for which the senior employee is fully qualified, to include a series in a different career path. The undue interruption standard of 5 CFR 351.403(a)(1) shall serve as the criterion to determine if an employee is fully qualified. In addition, to be fully qualified, the employee must meet DAWIA statutory requirements for the position, if applicable. (However, statutory waivers shall continue to apply.) The displaced employee must be appointed under the same authority, if excepted service, and in the same work schedule. Offer of assignment shall be to the position that requires no reduction or the least possible reduction in broadband. Where more than one such position exists, the employee must be offered the position encumbered by the employee with the lowest retention standing.

Displacement rights are normally limited to one broadband level below the employee's present position. However, a preference-eligible employee with a compensable service-connected disability of 30 percent or more may displace up to the two broadband levels below the employee's present position (or the equivalent of five General Schedule grades) below the employee's present level.

Employees covered by the demonstration are not eligible for grade retention. Pay retention will be granted to employees downgraded by reduction in force whose rate of basic pay exceeds the maximum salary range of the broadband level to which assigned. Such employees will be entitled to retain the rate of basic pay received immediately before the reduction, not to exceed 150% of the maximum salary of the lower broadband level.

Under the demonstration project, all employees affected by a reduction-in-force action, other than a reassignment, maintain the right to appeal to the Merit Systems Protection Board (MSPB) if they believe the process/procedures were not properly applied.

Prior to RIF, employees may be offered a vacant position in the same broadband as the highest broadband available by displacement. Employees may also be offered placement into vacant positions for which management has waived the qualifications requirements. If the employee is not placed into a vacant position and cannot be made an offer of assignment via displacement, the employee shall be separated.

G. Academic Degree and Certificate Training

Trained and educated personnel are a critical resource in an acquisition organization. This demonstration recognizes that training and development programs are essential to improving the performance of individuals in the acquisition workforce, and thereby raising the overall level of performance of the acquisition workforce, and that a well-developed training program is a valuable tool for recruiting and retaining motivated employees. Currently, DAWIA authorizes degree and certificate training for acquisition-coded positions through the year 2001. This demonstration extends that authority for the duration of this demonstration and expands its coverage to the acquisition support positions identified in this demonstration project. It also provides authorization at the local level to administer and pay for these degree and certificate training programs. This authorization will facilitate continuous acquisition of advanced, specialized knowledge essential to the acquisition workforce, and provide a capability to assist in the recruiting and retaining of personnel critical to the present and future requirements of the acquisition workforce. Funding for this training, while potentially available from numerous sources (including DAWIA for employees in acquisition-coded positions), is the responsibility of the participating organization.

H. Sabbaticals

Organizations participating in the acquisition demonstration project will have the authority to grant sabbaticals without application to higher levels of authority. These sabbaticals will permit employees to engage in study or work experience that contributes to their development and effectiveness. The sabbatical provides opportunities for employees to acquire knowledge and expertise that cannot be acquired in the standard working environment. These opportunities should result in enhanced employee contribution. The spectrum of available activities under this program is limited only by the constraint that the activity contribute to the organization's mission and to the employee's development. The program can be used for training with industry or on-the-job work experience with public, private, or nonprofit organizations. It enables an employee to spend time in an academic or industrial environment or to take advantage of the opportunity to devote full-time effort to technical or managerial research.

The acquisition demonstration project sabbatical program will be available to all demonstration project employees who have seven or more years of Federal service. Each sabbatical will be of three to twelve months' duration and must result in a product, service, report, or study that will benefit the acquisition community as well as increase the employee's individual effectiveness. Requests for a sabbatical must be made by the employee through the chain of command to the employee's installation Executive Director or equivalent, who has final approval authority and who

must ensure that the program benefits both the acquisition workforce and the individual employee. Funding for the employee's salary and other expenses of the sabbatical is the responsibility of the participating organization.

IV. Training

The key to the success or failure of the proposed demonstration project will be the training provided for all involved. This training will provide not only the necessary knowledge and skills to carry out the proposed changes, but will also lead to participant commitment to the program.

Training at the beginning of implementation and throughout the demonstration will be provided to supervisors, employees, and the administrative staff responsible for assisting managers in effecting the changeover and operation of the new system.

The elements to be covered in the orientation portion of this training will include: (1) a description of the personnel system; (2) how employees are converted into and out of the system; (3) the pay adjustment and/or bonus process; (4) the new position requirements document; (5) the new classification system; and (6) the contribution-based compensation and appraisal system.

In conjunction with the education, training, and career development assets of the Military Services and DoD Agencies, the demonstration project team will train, orient, and keep informed all supervisors and employees covered by the demonstration project and administrative staff responsible for implementing and administering the human resource program changes.

A. Supervisors

The focus of this project on management-centered personnel administration, with increased supervisory and managerial personnel management authority and accountability, demands thorough training of supervisors and managers in the knowledge and skills that will prepare them for their new responsibilities. Training will include detailed information on the policies and procedures of the demonstration project, as well as skills training in using the classification system, position requirements document, and contribution evaluation software.

B. Administrative Staff

The administrative staff, general personnel specialists, technicians, and administrative officers will play a key role in advising, training, and coaching supervisors and employees in implementing the demonstration project. This staff will receive training in the procedural and technical aspects of the project.

C. Employees

In the months prior to implementation, the demonstration project team and Military Service and DoD Agency training and career development offices will provide all employees covered under the demonstration project training through various media. This training is intended to fully inform all affected employees of all significant project decisions, procedures, and processes.

V. Conversion

A. Conversion to the Demonstration Project

Initial entry into the demonstration project for covered employees will be accomplished through a full employee-protection approach that ensures each employee's initial placement into a broadband level without loss of pay. Automatic conversion from the permanent GS grade and step of record at time of conversion into the new broadband system will be accomplished. Adjustments to the employee's base salary for step increase and non-competitive career ladder promotion will be computed based on the current value of the step or promotion increase and a prorated share based upon the number of weeks an employee has completed towards the next higher step or grade, per paragraph VIII A. This conversion process, i.e. ''buy-in,'' is applicable to employees only at the initial entry of their organization into the demonstration project in accordance with their approved implementation plan.

Special salary rates will no longer be applicable to demonstration project employees. Employees on special salary rates at the time of conversion will receive a new basic rate of pay computed by dividing their highest adjusted rate of basic pay (i.e., special pay rate, or if higher, the locality rate) by the locality pay factor for their area. All employees will be eligible for the future locality pay increases of their geographic area. When conversion into the demonstration project is accompanied by a simultaneous geographic move, the employee's GS pay entitlements (including any locality or special rate) in the new area will be determined before converting the employee's pay to the demonstration project pay system. A full locality adjustment will then be added to the new basic pay rate.

Adverse action and pay retention provisions will not apply to the conversion process, as there will be no change in total salary. If the employee's rate of basic pay exceeds the maximum rate of basic pay for the broadband level corresponding to the employee's GS grade, the employee will remain at that broadband level and will receive a retained rate. Employees who enter the demonstration project later by lateral reassignment or transfer will enter at their current basic pay with no loss or gain due to transfer, and will not receive the ''buy-in'' applied during the initial conversion process of their organization into the demonstration project.

B. Conversion Back to the Former System

If a demonstration project employee is moving to a General Schedule (GS) position not under the demonstration project, or if the project ends and each project employee must be converted back to the GS system, the following procedure will be used to convert the employee's project pay band to a GS grade and the employee's demonstration rate of pay to a GS rate of pay. The converted GS grade and GS rate of pay must be determined before movement or conversion out of the demonstration project and any accompanying geographic movement, promotion, or other simultaneous action. For conversions upon termination of the project and for lateral assignments, the converted GS grade and rate will become the employee's actual GS grade and rate after leaving the demonstration project (before any other action). For transfers, promotions, and other actions, the converted GS grade and rate will be used in applying any GS pay administration rules applicable in connection with the employee's movement out of the project (e.g., promotion rules, highest previous rate rules, pay retention rules) as if the GS-converted grade and rate were actually in effect immediately before the employee left the demonstration project.

1. Grade-Setting Provisions

An employee is converted to one of the grades in their current broadband level according to the following rules:

(i) The employee's adjusted rate of pay under the demonstration project (including any locality payment) is compared with the step 4 rate in the highest applicable GS rate range. (For this purpose, a GS rate range includes a rate range in (1) the GS base schedule, (2) the locality rate schedule for the locality pay area in which the position

is located, or (3) the appropriate special rate schedule for the employee's occupational series, as applicable.) If the series is a two-grade-interval series, only odd-numbered grades are considered below GS–11.

(ii) If the employee's adjusted demonstration project rate equals or exceeds the applicable step 4 rate of the highest GS grade in the band, the employee is converted to that grade.

(iii) If the employee's adjusted demonstration project rate is lower than the applicable step 4 rate of the highest grade, the adjusted rate is compared with the step 4 rate of the second-highest grade in the employee's pay band. If the employee's adjusted rate equals or exceeds the step 4 rate of the second-highest grade, the employee is converted to that grade.

(iv) This process is repeated for each successively lower grade in the band until a grade is found in which the employee's adjusted demonstration project rate equals or exceeds the applicable step 4 rate of the grade. The employee is then converted at that grade. If the employee's adjusted rate is below the step 4 rate of the lowest grade in the band, the employee is converted to the lowest grade.

(v) Exception: If the employee's adjusted demonstration project rate exceeds the maximum rate of the grade assigned under the above-described step 4 rule but fits in the rate range for the next higher applicable grade (i.e., between step 1 and step 4), then the employee shall be converted to that next higher applicable grade.

(vi) Exception: An employee will not be converted to a lower grade than the grade held by the employee immediately preceding a conversion, lateral assignment, or lateral transfer into the demonstration project, unless since that time the employee has undergone a reduction in broadband level, reduction in pay based upon an adverse action, a contribution-based action, a reduction-in-force action, or a voluntary change to lower broadband level.

2. Pay-Setting Provisions

An employee's pay within the converted GS grade is set by converting the employee's demonstration project rate of pay to a GS rate of pay in accordance with the following rules:

(i) The pay conversion is done before any geographic movement or other pay-related action that coincides with the employee's movement or conversion out of the demonstration project.

(ii) An employee's adjusted rate of pay under the project (including any locality payment) is converted to a GS rate on the highest applicable rate range for the converted GS grade. (For this purpose, a GS rate range includes a rate range in (1) the GS base schedule, (2) an applicable locality rate schedule, or (3) an applicable special rate schedule.)

(iii) If the highest applicable GS rate range is a locality pay rate range, the employee's adjusted project rate is converted to a GS locality rate of pay. If this rate falls between two steps in the locality-adjusted schedule, the rate must be set at the higher step. The converted GS unadjusted rate of basic pay would be the GS base rate corresponding to the converted GS locality rate (i.e., same step position). If this employee is also covered by a special rate schedule as a GS employee, the converted special rate will be determined based on the GS step position. This underlying special rate will be basic pay for certain purposes for which the employee's higher locality rate is not basic pay.

(iv) If the highest applicable GS rate range is a special rate range, the employee's adjusted demonstration project rate is converted to a special rate. If this rate falls between two steps in the special rate schedule, the rate must be set at the higher step. The converted GS unadjusted rate of basic pay will be the GS rate corresponding to the converted special rate (i.e., same step position).

3. Employees Receiving a Retained Rate Under the Project

If an employee is receiving a retained rate under the demonstration project, the employee's GS-equivalent grade is the highest grade encompassed in his or her broadband level. The DUSD (AR) and the DASD (CPP) will coordinate with OPM to prescribe a procedure for determining GS-equivalent pay rates for employees receiving retained rates.

4. Years of Retention Service Credit and Appraisal Rating Provisions

Employees leaving the demonstration project will be assigned ratings of record that conform with pattern E of 5 CFR 430.208(d) based on the years of credit accumulated for the 3 most recent years during the last 4 years while under the demonstration project. Since the demonstration project does not make use of summary level designators (e.g., Outstanding, Level 5; Highly Successful, Level 4; Fully Successful, Level 3; or Unacceptable, Level 1) used in the appraisal system and programs constructed under 5 U.S.C. Chapter 43 and 5 CFR Part 430, the retention service credit that is based on the employee's OCS as shown in Table 7 will be translated to summary level designators as shown in Table 8 for use by the gaining agency.

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TABLE 8.—TRANSLATION OF RETENTION SERVICE CREDIT

RETENTION SERVICE CREDIT	APPRAISAL RATING LEVEL
20	Outstanding or equivalent, Level 5
16	Highly Successful or equivalent, Level 4
12	Fully Successful or equivalent, Level 3
0	Unsuccessful, Level 1

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5. Within-Grade Increase—Equivalent Increase Determinations

Service under the demonstration project is creditable for within-grade increase purposes upon conversion back to the GS pay system. CCAS base salary increases (including a zero increase) under the demonstration project are equivalent increases for the purpose of determining the commencement of a within-grade increase waiting period under 5 CFR 531.405(b).

VI. Project Duration

The project evaluation plan addresses how each intervention will be

comprehensively evaluated for at least the first five years of the demonstration project. Major changes and modifications to the interventions can be made through announcement in the **Federal Register**, with OPM approval. At the five-year point, the entire demonstration project will be reexamined for: (a) permanent implementation; (b) modification and additional testing; (c) extension of the test period; or (d) termination.

VII. Evaluation Plan

Demonstration-authorizing legislation (5 U.S.C. Chapter 47) mandates evaluation of the demonstration project to assess the effects of project features and outcomes. In addition, the project will be evaluated for the feasibility of application to other Federal Agencies. The overall evaluation will consist of three phases—baseline, formative, and summative evaluations. The evaluation for the participating agencies will be overseen by the Office of Merit Systems Oversight and Effectiveness, OPM; the Office of the Secretary of Defense (Acquisition & Technology); and the Office of the Deputy Assistant Secretary of Defense (Civilian Personnel Policy), DoD.

The main purpose of the evaluation is to determine the effectiveness of the personnel system changes to be undertaken. To the extent possible, strong direct or indirect relationships will be established between the demonstration project features, outcomes, and mission-related changes and personnel system effectiveness criteria. The evaluation approach uses an intervention impact model that specifies each personnel system change as an intervention, the expected effects of each intervention, the corresponding measures, and the data sources for obtaining the measures. Table 9 presents the intervention impact model to be used for this demonstration for initiatives affecting title 5.

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TABLE 9.—INTERVENTION IMPACT EVALUATION MODEL

INTERVENTIONS	EXPECTED EFFECTS	MEASURES	DATA SOURCES
1. Simplified Accelerated Hiring	A. Improved ease of hiring process	i. Perceived flexibility in authority to hire	a. Attitude survey
	B. Improved recruitment	i. Offer/accept ratios	a. Personnel office data
		ii. Percent declinations	a. Personnel office data
	C. Increased quality of new hires	i. Experience, education, skills	a. Personnel office data
	D. Reduced administrative workload/paperwork reduction	i. Actual/perceived skills	a. Personnel office data b. Attitude survey

2. Expanded Candidate Selection Process	A. Flexibility in recruitment	i. Perceived flexibility ii. Number/percentage of employees hired in the 3 groups: Superior, Highly Qualified, Basically Qualified	a. Attitude survey a. Workforce data
	B. Increased quality of new hires	i. Employee effectiveness ii. Experience education, skills	a. Workforce data a. Attitude survey b. Workforce data
3. Appointment Authority (Permanent, Modified Term, and Temporary Limited)	A. Increased capability to expand and contract workforce	i. Number/percentage of contingent employees ii. Number/percentage of conversions from modified term to permanent appointments iii. Average length of employment (contingent hires)	a. Workforce data a. Workforce data b. Personnel office data a. Workforce data b. Personnel office data
	B. Reduced administrative workload	i. Actual/perceived time savings	a. Attitude survey b. Personnel office data
4. Flexible Probationary Period	A. Expanded employee assessment period	i. Average conversion period to permanent status ii. Number/percentage of employees completing iii. Number of separations during probationary period	a. Workforce data b. Personnel office data a. Workforce data b. Personnel office data a. Workforce data

5. Contribution-based Compensation and Appraisal System			
I. Contribution-based pay progression	A. Increased pay-contribution link	i. Pay-contribution correlation	a. Attitude Survey b. CCAS data
		ii. Perceived pay-contribution link	a. Attitude Survey
		iii. Perceived fairness of ratings	a. Attitude Survey
		iv. Satisfaction with ratings	a. Attitude Survey
		v. Employees trust in supervisors	a. Attitude Survey
		vi. Pay progression by contribution assessment	a. Workforce data
	B. Improved contribution & performance feedback	i. Adequacy of contribution & performance feedback	a. Attitude Survey
	C. Increased retention of high contributors	i. Turnover by contribution assessment	a. Workforce data
	D. Increased turnover of low contributors	i. Turnover by contribution assessment	a. Workforce data
II. Cash Awards / bonuses	A. Reward contribution & performance	i. Amount & number of awards by career path, demographics performance	a. Workforce data b. Personnel office data
		ii. Perceived fairness of awards	a. Attitude Survey

6. Broadbanding	A. Increased organizational flexibility	i. Perceived flexibility	a. Attitude Survey
	B. Reduced administrative workload/paperwork reduction	i. Actual/perceived time savings	a. Personnel office data b. Attitude Survey
	C. Higher starting salaries	i. Starting salaries of banded vs. non-banded employees	a. Workforce data
	D. More gradual pay progression at entry level	i. Progression of new hires over time by band & career path	a. Workforce data
	E. Increased pay potential	i. Mean salaries by band, career path, demographics	a. Workforce data
	F. Higher average salary	i. Total payroll cost	a. Workforce data
	G. Increased satisfaction with advancement	i. Employees perception of advancement	a. Attitude Survey
	H. Increased pay satisfaction	i. Pay satisfaction, internal/external equity	a. Attitude Survey
7. Simplified Classification System	A. Simplified/automated classification procedures	i. Perceived flexibility ii. Fewer position requirements documents	a. Attitude Survey a. Workforce data b. Personnel office data
	B. Reduced administrative workload/paperwork reduction	i. Actual/perceived time savings	a. Personnel office data b. Attitude survey
8. Simplified Modified RIF	A. Prevent loss of high-performing employees with needed skills	i. Separate employees by demographics, performance ii. Satisfaction with RIF process	a. Workforce data b. Attitude survey/focus groups a. Personnel office data
	B. Contain cost and disruption	i. Number of employees affected by RIF ii. Time to conduct RIF iii. Number of appeals/reinstatements	a. Personnel office data a. Personnel office data a. Personnel office data
9. Academic Degree and Certificate Training	A. Increased employee career progression	i. Demographics of affected employees ii. Employee/management satisfaction	a. Workforce data a. Attitude survey
	B. Increased capability/flexibility for workforce shaping	i. Perceived flexibility	a. Attitude survey

10. Sabbaticals	A. Increase employee career progression	i. Demographics of affected employees	a. Workforce data
		ii. Employee/management satisfaction	a. Attitude survey
	B. Increased capability/flexibility for workforce shaping	i. Perceived flexibility	a. Attitude survey
11. Voluntary Emeritus Program	A. Encourages retirees to mentor junior professionals	i. Frequency of use	a. Workforce data

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The specific measures to be collected using the different methods are determined from the goals and objectives stated for each intervention. Both qualitative and quantitative measures will be obtained. Most of the potential measures can be grouped around three major effectiveness criteria: speed, cost, and quality. Collectively, the outcomes of the interventions are hypothesized to lead to agency personnel management improvements, as reflected by timeliness, cost effectiveness, and quality.

Baseline measures will be taken prior to project implementation. Then, repeated post-implementation measurements will be taken to allow longitudinal comparisons by intervention within and across DoD Components. A comparison group will be selected and compared to the demonstration project group to determine the effects and outcomes of the project.

The effectiveness of each intervention and of the demonstration project as a whole in meeting stated objectives will be addressed using a multi-approach method. Some methods will be unobtrusive in that they do not require reactions to inputs from employees or managers. These methods include analysis of archival workforce data and personnel office data, review of logs maintained by site historians documenting contextual events, and assessments of external economic and legislative changes. Other methods such as periodic attitude surveys, structured interviews, and focus groups will be used to assess the perceptions of employees, managers, supervisors, and personnel regarding the personnel system changes and the performance of their organizations in general. Evaluation activities will also take into account the unique nature of this project in terms of geographic and organizational diversity.

In addition to the intervention impact model, a general context model will be used to determine the effects of potential intervening variables (e.g., downsizing, regionalization of the personnel function, and the state of the economy in general). Potential unintended outcomes will also be monitored, and an attempt will be made by the evaluation team to link the outcomes or demonstration project interventions to organizational effectiveness. In addition to assessing the impact of the individual demonstration project features, the evaluation will also assess the impact of the project as a whole, along with possible context effects and effects of intervening variables. The evaluation will also monitor impact on veterans and EEO groups, adherence to the merit systems principles and avoidance of prohibited personnel practices. In addition, the evaluation will attempt to link the demonstration project effects and outcomes to organizational outcomes such as mission accomplishment and productivity.

The initial evaluation effort will consist of three main phases—baseline, formative, and summative evaluation covering five (5) years. Baseline will collect workforce data to determine the ''as-is'' state. The formative evaluation phase will include baseline data collection and analyses, implementation evaluation, and interim assessments. Periodic reports and annual summaries will be prepared to document the findings. The summative evaluation phase will focus on an overall assessment of the demonstration project outcomes, looking initially at the first four (4) years, with a follow-on report covering the first five (5) years. The rationale for summative evaluation after the first four years is to assess whether the demonstration will continue after the fifth year. If the analysis indicates that the interventions show a positive effect towards meeting the goals of the demonstration, then documentation will be generated to support a request that the demonstration progress further. If the analysis indicates that the interventions do not meet the stated objectives, or if the participating organizations do not wish to continue in the demonstration, then documentation and planning for conversion back to the existing personnel system must be prepared. The fifth-year summative evaluation, used in reporting to Congress, will provide overall assessment of all initiatives individually and as a whole. It will also provide recommendations on broader Federal Government application.

VIII. Demonstration Project Costs

A. Step and Promotion Buy-Ins

Under this demonstration project, implementation of the broadbanding pay structure eliminates the step increments of the current GS pay structure. To facilitate conversion to this system without loss of pay, employees will receive a basic pay increase for that portion of the next step corresponding to the time in-step they have completed up to the effective date of the employee conversion. As under the current system, supervisors will be able to withhold these partial increases (step) if the employee's performance has fallen below fully successful.

Rules governing within-grade increases (WGI) within each participating Military Service/DoD agency will remain in effect until the employee conversion date. Adjustments to employees' base salary for WGI equity will be computed effective the first pay period in which the employee is reassigned into the demonstration project. WGI equity shall be acknowledged by increasing base salaries by a prorated share based upon the actual number of weeks an employee has completed towards the

next higher step. Employees at step 10, or receiving retained pay at the time of conversion will not be eligible for this equity adjustment. For those employees in career-ladder promotion programs who are scheduled to be promoted to a higher grade and whose performance is at least fully successful, base pay will be increased by a prorated share of the current value of the next scheduled promotion increase based upon the actual number of weeks the employee has completed towards the next scheduled promotion. No WGI equity adjustment will be made if the employee's pay is adjusted for a promotion that would be effective before the next scheduled WGI.

For purposes of conversion into the demonstration, the January 1999 General Schedule increase to base pay will be given to all employees.

B. Out-Year Project Costs

The overall demonstration cost strategy will be to balance projected costs with benefits of the demonstration to bring about the projected improvements to the DoD Acquisition Workforce. The project evaluation results will be used to ensure that out-year project costs will not outweigh the derived benefits to the demonstration. A baseline will be established at the start of the project, and salary expenditures will be tracked yearly. Implementation costs, including the step and grade buy-in costs detailed above, will not be included in the cost evaluations, but will be accounted for separately.

The amount of money available for contribution increases in the out-years will be determined as part of the annual project evaluation process, starting with a review of the prior year's data for each individual participating site by the Personnel Policy Boards for that site, and then will be reported to the DoD Acquisition Workforce Demonstration Project Executive Steering Committee. The funds determination will be based on a balancing of appropriate factors, including the following: (1) Historical spending for WGI, quality step increases, and in-level career promotions; (2) labor market conditions and the need to recruit and retain a skilled workforce to meet the business needs of the organization; and (3) the fiscal condition of the organization. Given the implications of base pay increases for long-term pay and benefit costs, the compensation levels will be determined after cost analysis with documentation of the mission-driven rationale for the amount. As part of the evaluation of the project by Military Services, participating Defense Agencies, DoD, and OPM, the base pay costs (including average salaries) under the demonstration project will be tracked and compared to the base pay costs under similar demonstration projects and under a simulation model that replicates General Schedule spending. These evaluations will balance costs incurred against benefits gained, so that both fiscal responsibility and project success are given appropriate weight.

C. Personnel Policy Boards

It is envisioned that each participating DoD Component shall either establish a Personnel Policy Board for the demonstration project that will consist of the senior civilian in each Program Management Office and Directorate within the Component and be chaired by the Executive Director or modify the charter of an existing group. In either case, the board is tasked with the following:

(a) Overseeing the civilian pay budget;

(b) Addressing issues associated with two separate pay systems (CCAS and GS) during the first phase of the demonstration;

(c) Determining the composition of the CCAS pay pool in accordance with the established guidelines; and statutory constraints;

(d) Reviewing operation of the Component's CCAS pay pools;

(e) Providing guidance to pay pool managers;

(f) Administering funds to CCAS pay pool managers;

(g) Reviewing hiring and promotion salaries;

(h) Monitoring award pool distribution by organization and DAWIA vs. non-DAWIA; and

(i) Assessing the need for changes to demonstration project procedures and policies.

Should any participating Component elect not to establish a Personnel Policy Board, the charter of an existing group within that Component must be modified to include the duties detailed above.

D. Developmental Costs

Costs associated with the development of the demonstration system include software automation, training, and project evaluation. These costs are considered shared costs and will be funded by the Deputy Undersecretary of Defense for Acquisition Reform (DUSD (AR)) for the demonstration period. Site-specific costs for follow-on training, employee salary conversion, and any in-house software automation will be borne by the individual participating sites. The projected annual expenses for each area are summarized in Table 10. Project evaluation costs will continue for at least the first five (5) years and may continue beyond that point.

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TABLE 10.—PROJECTED DEVELOPMENTAL COST [THEN YEAR DOLLARS ($K)]

	FY97	FY98	FY99	FY00	F701	FY02	FY03
Training	285	3465	0	0	0	0	0
Project Evaluation	310	449	308	307	534	378	378
Automation	25	70	0	0	0	0	0
Data Systems	100	350	0	0	0	0	0
Total	720	4334	308	307	534	378	378

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IX. Required Waivers to Law and Regulations

A. Waivers to title 5, United States Code

Chapter 5, Section 552a: Records maintained on individuals. This section is waived only to the extent required to clarify that volunteers under the Voluntary Emeritus Program are considered employees of the Federal Government for purposes of this section.

Chapter 31, Section 3111: Acceptance of volunteer service. This section is waived only to the extent required to allow volunteer service under provisions of the voluntary emeritus program.

Chapter 33, Section 3308: Competitive service; examinations; educational requirements prohibited; exceptions (to

the extent necessary to accommodate the Scholastic Achievement Appointment's requirement for a college degree).

Chapter 33, Section 3317(a): Competitive service; certification from registers (insofar as ''rule of three'' is eliminated under the demonstration project).

Chapter 33, Section 3318(a): Insofar as ''rule of three'' is eliminated under the demonstration project. Veterans' preference provisions remain unchanged.

Chapter 41, Section 4107(a).

Chapter 43, Sections 4301–4305 except for 4303(e) and (f): Related to performance appraisal. In turn, 4303(e) and (f) are waived only to the extent necessary to (1) substitute ''broadband'' for ''grade'' and (2) provide that moving to a lower broadband as a result of not receiving the full amount of a general pay increase because of inadequate contribution is not an action covered by the provisions of section 4303.

Chapter 45, Sections 4502(a) and 4502(b).

Chapter 51, Sections 5101–5102 and Sections 5104–5107: Related to classification standards and grading.

Chapter 53, Sections 5301; 5302 (8) and (9); and 5303–5305 and 5331–5336: Related to special pay and pay rates and systems (Sections 5301, 5302 (8) and (9), and 5304 are waived only to the extent necessary to allow demonstration project employees to be treated as General Schedule employees and to allow basic rates of pay under the demonstration project to be treated as scheduled rates of basic pay).

Chapter 53, Section 5362: Grade retention.

Chapter 53, Section 5363: Pay retention. This waiver applies only to the extent necessary to: (1) allow demonstration project employees to be treated as General Schedule employees; (2) provide that pay retention provisions do not apply to conversions from General Schedule special rates to demonstration project pay, as long as total pay is not reduced; and (3) replace the term ''grade'' with ''broadband level.''

Chapter 53, Section 5371: Related to health care positions. (This waiver applies only to the extent necessary to allow demonstration project employees to hold positions subject to Chapter 51 of title 5.) Chapter 55, Section 5545 (d): Related to hazardous duty premium pay (only to the extent necessary to allow demonstration project employees to be treated as General Schedule employees).

Chapter 57, Sections 5753, 5754, and 5755: Related to recruitment, relocation, and retention payments, and supervisory differentials (only to the extent necessary to allow employees and positions under the demonstration project to be treated as employees and positions under the General Schedule).

Chapter 59, Section 5941: Allowances based on living costs and conditions of environment; employees stationed outside the continental United States or Alaska. (This waiver applies only to the extent necessary to provide that COLAs paid to employees under the demonstration project are paid in accordance with regulations prescribed by the President (as delegated to OPM)).

Chapter 59, Section 5948: Related to physicians comparability allowances (only to the extent necessary to treat employees under the demonstration project as General Schedule employees).

Chapter 71, to the extent its provisions (e.g., 5 U.S.C. 7103(a)(12) and 7116) would prohibit management or the union from unilaterally terminating negotiations over whether the project will apply to employees represented by the union.

Chapter 71, Section 7119: To the extent it gives the Federal Service Impasses Panel jurisdiction to resolve impasses referred to it by either party or both parties during or after implementation of the demonstration project.

Chapter 75, Sections 7512 (3): Related to adverse action (but only to the extent necessary to exclude reductions in broadband level not accompanied by a reduction in pay and replace ''grade'' with ''broadband level'') and 7512 (4): Related to adverse action (but only to the extent necessary to exclude conversions from a General Schedule special rate to demonstration project pay that do not result in a reduction in the employee's total rate of pay).

B. Waivers to title 5, Code of Federal Regulations

Part 300, Sections 300.601 through 300.605: Time-in-grade restrictions.

Part 308, Volunteer service: Waived to allow volunteer service under the provisions of the voluntary emeritus program.

Part 315, Sections 315.801 and 315.802: Probationary period.

Part 316, Section 316.301: Term appointment (to the extent that modified term appointments may cover a maximum period of 6 years).

Part 316, Section 316.303: Tenure of term employees (to the extent that term employees may compete for permanent status through local merit promotion plans).

Part 316, Section 316.305: Eligibility for within-grade increases.

Part 332, Section 332.402: ''Rule of three'' will not be used in the demonstration project.

Part 332, Section 332.404: Order of selection is not limited to highest three eligibles.

Part 351, Sections 351.402 through 351.403: Competitive Area and Competitive Levels; Section 351.504(a) and (c): Credit for Performance; and Section 351.601: Order of Release from Competitive Level.

Part 351, Section 351.701 (b) and (c): Assignment rights (bump and retreat): To the extent that the distinction between bump and retreat is eliminated and the placement of demonstration project employees is limited to one broadband level below the employee's present level, except that a preference-eligible employee with a compensable service-connected disability of 30 percent or more may displace up to the two broadband levels below the employee's present position (or the equivalent of five General Schedule grades) below the employee's present level.

Part 410, Section 410.308(a).

Part 430, Subpart A and Subpart B: Performance management; performance appraisal.

Part 432, Sections 432.101, 432.102, 432.106 and 432.107: (only to the extent necessary to (1) substitute ''broadband'' for ''grade'' and (2) provide that moving to a lower broadband as a result of not receiving the full amount of a general pay increase because of inadequate contribution is not an action covered by the provisions of section 4303).

Part 432, Sections 432.103 through 432.105: Performance-based reduction-in-grade and removal actions.

Part 451, Sections 451.106(b) and 451.107(b): Awards.

Part 511, Subpart A; Subpart B; Subpart F, Sections 511.601 through 511.612: Classification within the General Schedule; and Subpart G: Effective Dates of Position Classification Actions or Decisions.

Part 530, Subpart C: Special salary rates.

Part 531, Subpart B, Subpart D, Subpart E: Determining rate of pay; within-grade increases and quality step increases.

Part 531, Subpart F: Locality Payments (only to the extent necessary to allow demonstration project employees to be treated as General Schedule employees and to allow basic rates of pay under the demonstration project to be treated as scheduled rates of basic pay).

Part 536, Grade and Pay Retention (only to the extent necessary to eliminate grade retention and to provide

that, for the purposes of applying pay retention provisions: (1) demonstration project employees are to be treated as General Schedule employees; (2) ''grade'' is replaced by ''broadband level''; and (3) pay retention provisions do not apply to conversions from General Schedule special rates to demonstration project pay, as long as total pay is not reduced).

Part 550, Sections 550.703: Severance Pay, definition of ''reasonable offer'' (by replacing ''two grade or pay levels'' with ''one broadband level'' and ''grade or pay level'' with ''broadband level'') and 550.902: Hazard Pay, definition of ''employee'' (only to the extent necessary to allow demonstration project employees to be treated as General Schedule employees).

Part 575, Sections 575.102 (a)(1), 575.202 (a)(1), 575.302 (a)(1), and Subpart D: Recruitment and relocation bonuses, and retention allowances, and supervisory differentials (only to the extent necessary to allow employees and positions under the demonstration project to be treated as employees and positions under the General Schedule positions).

Part 591, Subpart B: Cost-of-Living Allowances and Post Differential-Nonforeign Areas. (This waiver applies only to the extent necessary to allow demonstration project employees to be treated as employees under the General Schedule for the purposes of these provisions.)

Part 752, Sections 752.401 (a)(3): Reduction in grade and pay (but only to the extent necessary to exclude reductions in broadband level not accompanied by a reduction in pay and to replace ''grade'' with ''broadband level'') and 752.401 (a)(4) (but only to the extent necessary to exclude conversions from a General Schedule special rate to demonstration project pay that do not result in a reduction in the employee's total rate of pay).

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