Commissary Agency
NSN(s)—Product Name(s):
3990–00–NSH–0075—Pallet, Demolition Testing, 24″ x 48″
Contracting Activity: W4MM USA JOINT MUNITIONS CMD, ROCK ISLAND, IL

Service(s)

Service Type: Administrative/General Support Services
Mandatory for: GSA, Southwest Supply Center: 819 Taylor Street, Fort Worth, TX
Designated Source of Supply: Beacon Lighthouse, Inc., Wichita Falls, TX
Contracting Activity: GENERAL SERVICES ADMINISTRATION, FPDS AGENCY COORDINATOR

Service Type: Reproduction Service
Mandatory for: Fort Ord, Fort Ord, CA
Designated Source of Supply: Beacon Lighthouse, Inc., Wichita Falls, TX
Contracting Activity: DEPT OF THE ARMY, W40M RHCO–ATLANTIC USAHCA

Service Type: Data Entry
Mandatory for: U.S. Department of Housing and Urban Development: 40 Marietta Street NW, 14th Floor, Atlanta, GA
Designated Source of Supply: Vision Rehabilitation Services of Georgia, Inc., Smyrna, GA
Contracting Activity: HOUSING AND URBAN DEVELOPMENT, DEPARTMENT OF, DEPT OF HOUSING AND URBAN DEVELOPMENT

Michael R. Jurkowski,
Deputy Director, Business & PL Operations.

[FR Doc. 2021–05210 Filed 3–11–21; 8:45 am]

BILLING CODE 6353–01–P

CORPORATION FOR NATIONAL AND COMMUNITY SERVICE

Notice of Tribal Consultation Meeting

AGENCY: Corporation for National and Community Service.

ACTION: Notice of meeting.

SUMMARY: The Corporation for National and Community Service (operating as AmeriCorps) gives notice of a closed Tribal Consultation Meeting.

DATES: Friday, April 9, 2021 from 3:00–4:00 p.m. (EDT)

ADDRESSES: The meeting will be held virtually, via Zoom. Tribal leaders may register to participate through *https://americorps.zoomgov.com/webinar/register/WN_fMs_ZQS9Qay-a32vHXtYig* and receive the Zoom link. Tribal communities can also submit written comments to *yshaheenmcconnell@cns.gov* with the subject line: ''Comments for April 9, 2021 AmeriCorps Tribal Consultation Meeting.'' Comments must be sent by April 7, 2021.

FOR FURTHER INFORMATION CONTACT: Yasmeen Shaheen-McConnell, Strategic Advisor for Native American Affairs, phone: 202–967–5646, or by email to *yshaheenmcconnell@cns.gov.*

Reasonable Accommodation: AmeriCorps provides reasonable accommodation where appropriate. Anyone who needs an interpreter or other accommodation should email Yasmeen Shaheen-McConnell, Strategic Advisor for Native American Affairs, at *yshaheenmcconnell@cns.gov,* or by phone at 202–967–5646 by 5:00 p.m. (EDT) on March 31, 2021.

SUPPLEMENTARY INFORMATION: In alignment with the January 26, 2021 Presidential Memorandum on Tribal Consultation and Strengthening Nation-to-Nation Relationships and Executive Order 13175, AmeriCorps invites Tribal leaders to discuss their needs and concerns related to AmeriCorps resources and AmeriCorps' Tribal Consultation policy in this meeting. AmeriCorps plans to consider this input for incorporation into our Tribal Consultation policy and support we provide to Tribal communities across the U.S. The meeting agenda will be:

1. Input on AmeriCorps' Tribal Consultation policy.

2. Barriers for tribal communities to access AmeriCorps resources.

a. Ways AmeriCorps can support COVID response and recovery.

b. Ways AmeriCorps can support veterans and military families.

3. Barriers for tribal community members to serve with AmeriCorps.

a. Ways AmeriCorps can support members of tribal communities to serve or continue to serve in our programs

4. Barriers for tribal grantees to achieve compliance with grant requirements

a. Ways to reduce administrative burden and further support tribal grantees to successfully comply with financial and programmatic requirements, including National Service Criminal History Checks.

Dated: March 8, 2021.

Lisa Guccione,
Deputy Chief of Staff.

[FR Doc. 2021–05140 Filed 3–11–21; 8:45 am]

BILLING CODE 6050–28–P

DEPARTMENT OF DEFENSE

Office of the Secretary

Department of Defense Science and Technology Reinvention Laboratory Personnel Demonstration Project in the Naval Facilities Engineering Command, Engineering and Expeditionary Warfare Center (NAVFAC EXWC)

AGENCY: Under Secretary of Defense for Research and Engineering (USD(R&E)), Department of Defense (DoD).

ACTION: Personnel demonstration project notice.

SUMMARY: This **Federal Register** Notice (FRN) serves as notice of the adoption of an existing STRL Personnel Management Demonstration Project by the Naval Facilities Engineering Command, Engineering and Expeditionary Warfare Center (NAVFAC EXWC). NAVFAC EXWC adopts, with some modifications, the STRL Personnel Demonstration Project implemented at the: Naval Air Systems Command (NAVAIR) Naval Warfare Center, Aircraft Division, Naval Air Warfare Center, Weapons Division; Naval Information Warfare Centers Atlantic and Pacific (NIWC Atlantic and Pacific) (previously designated as the Space and Naval Warfare Systems Command, Space and Naval Warfare Systems Centers Atlantic and Pacific), Naval Sea Systems Command Warfare Centers (NAVSEA), and the Combat Capabilities Development Command (CCDC) Army Research Laboratory (ARL) (previously designated as ARL).

DATES: Implementation of this demonstration project will begin no earlier than March 12, 2021.

FOR FURTHER INFORMATION CONTACT:
NAVFAC EXWC: Ms. Carol Frash, 1000 23rd Avenue, Port Hueneme, CA 93043 (805) 982–2422, or *reinventnavfacexwc@navy.mil.*
DoD: Dr. Jagadeesh Pamulapati, Director, Laboratories and Personnel Office, 4800 Mark Center Drive, Alexandria, VA 22350, (571) 372–6372, *jagadeesh.pamulapati.civ@mail.mil.*

SUPPLEMENTARY INFORMATION: Section 342(b) of the National Defense Authorization Act (NDAA) for Fiscal Year (FY) 1995, Public Law (Pub. L.) 103–337; as amended, authorizes the Secretary of Defense (SECDEF), through the USD(R&E), to conduct personnel demonstration projects at DoD laboratories designated as STRLs. All STRLs authorized by section 1105(a) of the NDAA for FY 2010, Public Law 111–84, as well as any newly designated STRLs authorized by SECDEF, or future

legislation, may use the provisions described in this FRN.

1. Background

Many studies have been conducted since 1966 on the quality of the laboratories and personnel. Most of the studies recommended improvements in civilian personnel policy, organization, and management. Pursuant to the authority provided in section 342(b) of Public Law 103–337, as amended, a number of DoD STRL personnel demonstration projects were approved. The demonstration projects are ''generally similar in nature'' to the Department of Navy's China Lake Personnel Demonstration Project. The terminology, ''generally similar in nature,'' does not imply an emulation of various features, but rather implies a similar opportunity and authority to develop personnel flexibilities that significantly increase the decision authority of laboratory commanders and/or directors.

2. Overview

DoD published notice on November 22, 2019 in 84 FR 64495 that NAVFAC EXWC will implement an STRL Personnel Demonstration Project. NAVFAC EXWC will adopt, with some modifications, flexibilities from the following approved STRL personnel demonstration projects:

(1) Department of the Navy, NAVAIR—76 FR 8530, February 14, 2011;

(2) Department of the Navy, NIWC Atlantic and Pacific—76 FR 1924, January 11, 2011;

(3) Department of the Navy, NAVSEA—62 FR 64050, December 3, 1997; and

(4) Department of the Army, CCDC ARL—63 FR 10679, March 4, 1998.

3. Access to Flexibilities of Other STRLs

Flexibilities published in this FRN will be available for use by the STRLs enumerated in section 1105(a) of the NDAA for FY 2010, Public Law 111–84 as amended, if they wish to adopt them in accordance with DoD Instruction 1400.37, ''Science and Technology Reinvention Laboratory (STRL) Personnel Demonstration Projects'' (available at *https://www.esd.whs.mil/Portals/54/Documents/DD/issuances/dodi/140037p.pdf*) (including revised or superseded instructions) and after the fulfillment of any collective bargaining obligations.

4. Summary of Comments

Eight commenters provided comments electronically via the Federal eRulemaking Portal regarding the Science and Technology Reinvention Laboratory (STRL) Personnel Demonstration Project in the Naval Facilities Engineering Command, Engineering and Expeditionary Warfare Center (NAVFAC EXWC), 84 FR 64495, dated November 22, 2019.

(A) Editorial and General Comments

Comment: A commenter noted inconsistencies throughout the document in the use of the term Technical Director (*i.e.,* Technical Director, Laboratory Director, NAVFAC EXWC Director, Director, and NAVFAC EXWC Technical Director).

Response: Concur with commenter. The terms ''Laboratory Director'' and ''NAVFAC EXWC Director'' have been changed to ''NAVFAC EXWC Technical Director'' or ''Technical Director''.

Comment: A commenter noted inconsistencies throughout the document referring to NAVFAC EXWC as the ''Center'' and the ''Technical Center''.

Response: Concur with commenter. The terms ''Center'' and ''Technical Center'' have been changed to NAVFAC EXWC.

Comment: A commenter noted inconsistencies throughout the document referring to ''salary points'' and ''control points''.

Response: Concur with commenter. The term ''salary points'' has been changed to ''control points.''

(B) Introduction

1. Purpose

Comment: One commenter requested clarification as to who can be the NAVFAC EXWC Technical Director's designee and must they be within EXWC.

Response: To clarify the sentence under Purpose (section II.A) the following sentence has been added: ''Unless specifically stated otherwise, the NAVFAC EXWC Technical Director may delegate authority within NAVFAC EXWC to effectively implement the provisions of this notice.''

Comment: Three commenters requested clarification on the authorities granted to the NAVFAC EXWC Technical Director and one commenter recommended rewording the entire section of II.A paragraph two to clarify.

Response: Concur with commenters and have amended section II.A to adopt the following revision: ''The NAVFAC EXWC Technical Director (hereinafter referred to as the ''Technical Director'') has overall oversight and management of these authorities and any other authorities granted to an STRL, which includes but is not limited to, managing the workforce strength, structure, positions, and compensation (including pay pools) without regard to any limitation on appointment, positions, or funding with respect to STRL, and will be carried out in a manner consistent within the STRL budget. Also, NAVFAC EXWC's Technical Director has those authorities equivalent to a Technical Director Senior Executive Service (SES) position within a STRL. Unless specifically stated otherwise, the Technical Director of NAVFAC EXWC may delegate authority within NAVFAC EXWC to effectively implement the provisions of this notice.'' NAVFAC EXWC Internal Operating Procedures (IOPs) will document any delegation, including details of implementation.'' In addition, section III.C.8 has been revised to state that ''The Technical Director is specifically authorized to use recruitment, retention, and relocation incentives which are further described in NAVFAC EXWC IOPs. The authority in 5 CFR part 575, is further expanded to allow NAVFAC EXWC to offer retention counteroffers to high performing employees with critical scientific or technical skills who present evidence of an alternate employment opportunity with higher compensation. Such employees may be provided increased base pay (up to ceiling of the pay band) and/or a one-time cash payment that does not exceed 50 percent of one year of base pay. Retention counteroffers, either in the form of a base pay increase and/or a bonus, count toward the aggregate limitation on pay consistent with 5 U.S.C. 5307 and 5 CFR part 530, subpart B, except as waived in section IX of this plan.''

(C) Personnel System Changes

1. Qualifications

Comment: Three comments were received asking if there are any further qualification standards and/or applicable waivers other than those stated in the FRN?

Response: The verbiage for Qualifications under section III.A.1 'Personnel System Changes' identifies the minimum qualification standards. No additional applicable waivers are necessary.

2. Science and Engineering Direct Hiring Authorities

Comment: One commenter requested clarification in regard to the use of STRL Direct Hiring Authorities for current federal employees and employees already employed at NAVFAC EXWC.

Response: NAVFAC EXWC may utilize all available direct hiring

authorities to consider and appoint qualified candidates, which may include current federal employees. Section III.A.2.a has been revised as follows: ''NAVFAC EXWC may utilize all available direct hiring authorities to consider and appoint qualified candidates, which may include current federal employees. This applies to all STRL direct hire authorities, including but not limited to, those listed under Section III. 2.a (including sections 1106 and 1121 of the NDAA FY2017) and any other applicable direct hire authorities enacted under the Office of Personnel Management (OPM), DoD, or Department of Navy (DoN) or amended after the effective date of this demonstration project, except as waived in Section IX of this plan.''

3. Delegation of Classification Authority

Comment: Two commenters requested clarification on delegated classification authority and recommended rewording the entire section of III.B.1 to clarify.

Response: Concur with commenters and have amended section III.B.1 as follows: ''The Technical Director has overall oversight, management, and delegated classification and position management authority for all STRL positions covered under the NAVFAC EXWC Personnel Demonstration Project. Classification authority will be delegated as follows: The NAVFAC EXWC Technical Director may delegate classification authority to the NAVFAC EXWC Human Resources Office (HRO) Director. The NAVFAC EXWC HRO Director may further delegate classification authority to the NAVFAC EXWC Human Resource professionals. If so delegated, the NAVFAC EXWC HRO Director will exercise oversight to ensure consistency throughout NAVFAC EXWC. Managers will provide input to classification requests as a means of increasing managerial effectiveness and expediting the classification function. Administration and management of Delegated Classification Authority will be outlined in the NAVFAC EXWC IOPs.''

4. Classification

Comment: One commenter asked if a modified version of the Position Designation Record (PDR) and a modified version of the Defense Acquisition Workforce Improvement Act (DAWIA) Coding Sheet could be utilized to streamline the classification process and allow for automated classification systems.

Response: We will not be using a modified version of the Position Designation Record or the Defense Acquisition Workforce Improvement Act (DAWIA) coding sheet.

5. Pay Band Structure

Comments: Two comments expressed concern that categories 1 and 2 contained in the NT–III and NT–IV pay bands are confusing, especially as to the proper placement of employees within the pay band, and recommended using control points to manage positions within these pay bands that do not support movement to the top of the pay band.

Response: To avoid confusion and difficulty differentiating between the proper placement of employees within a pay band, categories 1 and 2 have been eliminated from the NT–III and NT–IV pay bands. The NT–II pay band has been expanded to encompass the GS–05 to GS–11 grade equivalent and the NT–III pay band has been modified to include the GS–12 to GS–13 grade equivalent. The following language was inserted to explain the new configuration: ''A key feature is the overlap in Science and Engineering (ND) career path between bands III and IV. ND–III begins at GS–12, step 1, and ends at GS–14, step 10. ND–IV begins at GS–14, step 1, and ends at GS–15, step 10. Control points will be applied as outlined in the NAVFAC EXWC IOPs.'' Additionally, Figure 1, ''Career Paths and Pay Band Structure'' was updated.

6. Senior Scientific Technical Managers (SSTM)

Comment: One commenter questioned whether SSTM positions would be evaluated by a performance management system versus a contribution management system as stated in the FRN.

Response: Section III.B.7 has been revised to read: ''All SSTM positions within NAVFAC EXWC will report to and be evaluated by the NAVFAC EXWC Technical Director (non-delegable). SSTMs will be evaluated by the STRL Performance Management System as outlined in NAVFAC EXWC's IOPs.''

7. Professional Licensure Designations for Architectural and Engineering Positions

Comment: One commenter expressed concern regarding the professional engineering license policy and requested that the process further explained.

Response: The description of the professional engineering license policy was reviewed and determined to be appropriate.

8. Pay Setting for Appointment

Comment: One commenter expressed concern about the absence of specified pay setting provisions and recommended waiving pay rounding rules in accordance with 5 CFR part 531 subpart F.

Response: Pay setting is appropriately addressed in the FRN. Additional procedures will be provided in supporting IOPs. As stated in section III.C.1, initial pay setting is based on base pay, not total adjusted salary. To allow for more streamlined pay setting calculations, we have added a waiver of the rounding rules found in 5 CFR 531.604(b)(4).

Comment: One commenter asked if 5 CFR part 531 subpart F was waived in its entirety.

Response: No. A waiver of 5 CFR part 531, subpart F is made to allow for the provisions of the demonstration project as described in this FRN. This waiver has been updated to also waive the section of 5 CFR part 531 subpart F [5 CFR 531.604(b)(4)] that pertains to the rounding rules.

9. Promotion

Comment: One commenter raised a concern that 6% or the minimum base pay of the new pay band was insufficient for promotions.

Response: Upon review, we removed the 6% or the minimum base pay of the new pay band and replaced it with language stating that ''a promotion may be accompanied by a pay increase.'' Specific guidelines regarding promotions will be documented in NAVFAC EXWC IOPs.

Comment: One commenter asked to clarify the definition of ''mission success'' for the rating of record under the promotion section.

Response: To clarify this section, ''mission success'' was removed and the sentence was revised as follows: ''To be promoted competitively or non-competitively, from one pay band to the next, an employee must meet the minimum qualifications for the job and have a current rating of record of 2 or above (acceptable performance rating) or an equivalent under a different appraisal system. Other specific guidelines regarding promotions will be documented in NAVFAC EXWC IOPs.

An additional clarification was also added under III.E.4, which now states: ''Employees with an acceptable rating of record, two or above, for each mission aligned objective will receive the equivalent of the authorized GS general pay increase (GPI).''

10. Staffing Supplements

Comment: One commenter suggested that a special salary rate under the Staffing Supplements section was inconsistent with the provisions outlined under the Conversion section and questioned whether NAVFAC EXWC would be using special salary rates, staffing supplements, or both. Additionally, the commenter asked whether additional waivers of Chapter 53, section 5305 and 5 CFR part 530, subpart C were needed.

Response: Upon review, we found no inconsistencies concerning special salary rates and staffing supplements. Under the demonstration project, special salary rates do not apply. Upon conversion into the demonstration project, employees who are receiving a special salary rate will be provided a staffing supplement. Retained pay provisions apply. Upon further review, the FRN was updated to waive 5 U.S.C. 5305 in its entirety because special pay provisions no longer apply. 5 CFR part 530, subpart C was already waived in its entirety.

11. Pay Differential for Supervisory Positions

Comment: One commenter expressed concern that supervisory pay differentials could not be applied to official limited and team lead positions.

Response: The commenter's concern was considered and NAVFAC EXWC expanded eligibility for supervisory pay differentials by adding at III.C.10: ''NAVFAC EXWC will establish a pay differential to be provided at the discretion of the Technical Director (or designee) to incentivize and reward personnel in a Supervisory, Supervisor Civil Service Reform Act (CSRA) position, [(position that meets the definition of Supervisor in 5 U.S.C. section 7301(a)(10)], but does not constitute a major duty occupying at least 25% of the position's time) and Team Leader positions (position is titled with the prefix ''Lead'' and meets the minimum requirements for application of the General Schedule Team Leader Grade-Evaluation Guide).''

12. Expanded Development Opportunities Program

Comment: One commenter suggested that the Technical Director have the ability to delegate final selection/approval for participation in the Expanded Development Opportunities Program.

Response: The Technical Director can delegate this responsibility based on the provision as noted in II.A.2.

13. Performance Management

Comments: Two commentors expressed concern regarding the need for a 90-day minimum rating period and requested clarification concerning the following: Why is 90-days the minimum rating period? Why is there a presumptive rating for employees who do not meet the 90-day minimum requirement? What is a presumptive rating and why is it needed? What is a normal rating?

Response: NAVFAC EXWC has previously used and is currently using a 90-day minimum rating period, which has been determined to be an appropriate period of time to evaluate an employee's performance. A normal rating is a rating of record based on an employee's actual performance over at least a 90 calendar day period, within the current annual appraisal period. After further review, and in recognition of the demonstration project's foundation for providing performance ratings based on an evaluation of an employee's accomplishments and performance, presumptive ratings will not be provided to employees who do not meet the 90 day minimum requirement. However, specially situated employees (as described below), who do not meet the 90-day minimum requirement, may receive the same performance rating as the employee's last performance rating of record or a modal performance rating, whichever is most advantageous to the employee, as documented in NAVFAC EXWC's IOPs. However, when the most recent rating of record is unacceptable, only that rating of record will be considered for purposes of a performance rating. Section III.E.1 has been updated to state the following: ''The minimum rating period is 90-days. Employees who do not meet the 90-day minimum requirement will not be eligible for a STRL performance rating of record. However, specially situated employees, who do not meet the 90-day minimum requirement, may receive the same performance rating as the employee's last performance rating of record or a modal performance rating, whichever is most advantageous to the employee, as documented in NAVFAC EXWC's IOPs. However, when the most recent rating of record is unacceptable, only that rating of record will be considered for purposes of a performance rating. A modal performance rating is the most frequently received rating of record assigned to employees within a particular pay pool for a particular rating cycle. Specially situated employees include those employees who are absent from a STRL position for military service, employees on a prolonged absence resulting from a work-related injury approved for workers compensation pursuant to an Office of Worker's Compensation Program, and those employees in a STRL position, who have less than 90 calendar days under a STRL performance plan due to being temporarily assigned to a non-STRL position. Those employees who do not meet the 90-day minimum requirement, except for specifically situated employees, may receive only the general pay increase and they may also receive Title 5 cash awards, if appropriate.''

Comment: One commenter expressed concern about the ability to assign 10 individual mission objectives and recommended modifying it to 5–7 objectives.

Response: Upon review, 3–10 mission objectives, as stated, provides maximum flexibility for supervisors.

14. Rating Benchmarks

Comment: One commenter requested that Appendix B remove example benchmarks and include actual NAVFAC EXWC established benchmarks.

Response: The comment has been considered; however, an actual NAVFAC EXWC benchmark has not been included to allow for the ability to revise benchmarks in the future; Appendix B has been updated to include an example of a notional NAVFAC EXWC benchmark.

15. Performance Feedback and Formal Ratings

Comment: One commenter requested clarification as to who appoints pay pool managers and pay pool panel members.

Response: The comment has been considered and to provide clarification, Section III.E.5 has been revised as follows: ''The Technical Director (or designee) of NAVFAC EXWC will establish pay pools, and appoint pay pool panels and Pay Pool Managers.''

16. Transition Equity

Comment: One commenter expressed concern about the transition allowance of 12 months to adjust pay upon conversion, which would negatively impact employees on career ladder positions.

Response: The concern about the transition equity of current employees under career ladder positions has been resolved by adding section IV.A.3: ''An employee on a career ladder position at the time of conversion may maintain the same salary trajectory and full

performance level as covered under the general schedule pay system. Additionally, they may be considered for accelerated compensation identified under the Accelerated Compensation for Developmental Positions (ACDP) of this FRN. Once an employee reaches the full performance pay band, control points will apply as outlined in NAVFAC EXWC IOPs.'' Clarifying language was added in section III.D.3: ''The Technical Director may authorize an increase to basic pay for employees participating in training programs, internships, or other development capacities. This may include positions that cross bands within a career path (formally known as career ladder positions), or developmental positions within a band. ACDP will be used to recognize development of job related competencies as evidenced by successful performance within NAVFAC EXWC. Additional guidance will be published in an IOP''.

17. Initial Probationary Period

Comment: One commenter recommended removing ''DoD'' from ''Employees who are still serving an initial probationary period upon conversion to the demonstration plan will receive credit for probationary service to date; however, they must serve any remaining probationary time to complete the full two-year DoD probationary period'' in order to maintain the two-year probationary period independent of DoD policy.

Response: Concur with Commenter. Section IV.A.6 has been revised to the following: ''Employees who have completed an initial probationary period prior to conversion to the NAVFAC EXWC personnel demonstration project plan will not be required to serve another probationary period. NAVFAC EXWC will have a two-year probationary period. Employees who are still serving an initial probationary period upon conversion from GS to the demonstration project will receive credit for probationary service to date; however, they must serve any remaining probationary time to complete a full two-year probationary period.''

Table of Contents

I. Executive Summary
II. Introduction
A. Purpose
B. Problems with the Present System
C. Expected Benefits
D. Participating Organizations, Employees and Union Representation
E. Project Design
F. Executive STRL Policy Board
G. Funding Level
III. Personnel System Changes
A. Hiring, Appointment, and Related Authorities
B. Classification, Career Paths and Pay Banding
C. Pay and Compensation
D. Employee Development and Awards
E. Performance Management
F. Workforce Shaping
IV. Conversion
A. Initial Conversion or Movement Into the Demonstration Project
B. Movement Out of the Demonstration Project
C. Implementation Training
V. Project Duration
VI. Evaluation Plan
A. Overview
B. Data Collection To Support Evaluation
VII. Demonstration Project Costs
VIII. Management and Oversight
A. Project Management With Automation
B. Oversight
IX. Required Waivers to Laws and Regulations
A. Waivers to Title 5, United States Code
B. Waivers to Title 5, Code of Federal Regulations
Appendix A: Career Paths and Occupational Series
Appendix B: Rating Benchmark Examples

I. Executive Summary

NAVFAC EXWC is a Warfare Center and distinguished DoD Laboratory established in 2012. NAVFAC EXWC's dedicated workforce provides specialized facilities engineering, technology solutions, and life-cycle management of expeditionary equipment to the Navy, Marine Corps, Federal agencies, and other DoD customers. A majority of NAVFAC EXWC's civilian employees were hired in the General Schedule (GS) classification and pay system. The GS classification and pay system does not offer the same flexibilities and tools to attract, retain, motivate and fully compensate staff as the NAVFAC EXWC personnel demonstration project.

Through this project, NAVFAC EXWC competes with the private sector for the best talent by making timely job offers with attractive compensation packages that land high-quality employees. Once these employees are hired, NAVFAC EXWC incentivizes performance and rewards innovation and motivation through compensation directly linked to individual performance. Linking compensation to performance increases job satisfaction and retention of high performing employees and encourages continued performance because reduced performance will draw less reward.

NAVFAC EXWC's personnel demonstration project takes advantage of flexibilities to simplify and speed classification and staffing actions for employees, such as direct hire authorities, expanded details, temporary promotions, and modified/flexible term appointments.

II. Introduction

A. Purpose

The purpose of the project is to demonstrate that the effectiveness of DoD laboratories can be enhanced by greater managerial control over personnel functions and to expand the opportunities available to employees through a more responsive and flexible personnel system.

The NAVFAC EXWC personnel demonstration project will incorporate legal authorities and adopt practices from other STRLs to meet the specific needs of this Command. These tools will enable NAVFAC EXWC to dynamically shape the mix of technical skills and expertise in the laboratory workforce. As the Navy's leader in specialized facilities engineering, technology solutions, and life-cycle management of expeditionary equipment, NAVFAC EXWC must have the flexibility needed to quickly respond to changes in mission, organizational constraints, workload, and market conditions.

The NAVFAC EXWC Technical Director (hereinafter referred to as the (''Technical Director'') has overall oversight and management of these authorities and any other authorities granted to a STRL, which includes but is not limited to, managing the workforce strength, structure, positions, and compensation (including pay pools) without regard to any limitation on appointment, positions, or funding with respect to STRL, and will be carried out in a manner consistent within the STRL budget. Also, NAVFAC EXWC's Technical Director has those authorities equivalent to a Technical Director SES position within a STRL. Unless specifically stated otherwise, the NAVFAC EXWC Technical Director may delegate authority within NAVFAC EXWC to effectively implement the provisions of this notice. NAVFAC EXWC IOPs will document any delegation, including details of implementation.

Many aspects of a demonstration project are experimental. Modifications may be made from time to time as experience is gained, results analyzed r, and conclusions reached on how the system is working. The provisions of Department of Defense Instruction (''DoDI'') 1400.37, ''Science and Technology Reinvention Laboratory (STRL) Personnel Demonstration Projects'' (including subsequently issued or superseding instructions) will be followed to modify, supplement

through adoption, or otherwise change this demonstration project plan.

B. Problems With the Present System

The current Federal personnel system is incompatible with NAVFAC EXWC's need for a highly specialized, quality workforce to support the DoD and the Department of the Navy's overall strategic objectives. The characteristics of the current GS system have remained unchanged since its inception many years ago. Under the current GS system, work is classified into 15 grades with 10 interim steps within each grade. The GS system is rigidly defined by occupational series and grades with precise qualifications for each position. The GS system does not enable management to respond quickly to new ways of designing work or changes in the work itself. It does not offer flexibilities to accurately capture employee performance or to quickly adjust management expectations for critical scientific, engineering, acquisition support and other professional positions, including skilled technicians. The current GS hiring system's inability to provide job offers in a timely manner also hampers the NAVFAC EXWC's ability to attract high quality candidates.

C. Expected Benefits

To remain the Department of the Navy's leader in supporting combatant capabilities and sustainable facilities, NAVFAC EXWC must compete with the private sector for the most talented, technically proficient candidates. NAVFAC EXWC must have a human resource system that fosters employee development, enhances performance and experience, and provides a strong retention incentive. This personnel demonstration project is expected to enable and enhance:

(1) Recruitment of highly qualified scientific, technical, business, and support employees in today's competitive environment;

(2) Selection of candidates and extension of job offers in a timely and efficient manner, with compensation sufficient to attract high quality, in-demand employees;

(3) Employee satisfaction with pay setting and adjustment, recognition, and career advancement opportunities;

(4) A quality workforce that rapidly adjusts to evolving requirements for the future;

(5) Retention of high-level performers; and

(6) Simple and cost-effective HR management processes.

To effectively meet the above expectations, this notice identifies and establishes those features and flexibilities this demonstration project will use to achieve these objectives. The demonstration project primarily emphasizes streamlined hiring, a more flexible performance-based compensation system, talent acquisition and retention, and professional human capital planning and execution. Those features and flexibilities alone, however, will not ensure success. Delivering that vision requires a human resources service model that is highly proactive, expertly skilled in analytical tools, and fully engaged as a strategic partner and a trusted agent of this modern multi-faceted defense laboratory.

D. Participating Organizations, Employees and Union Representation

NAVFAC EXWC has major facilities in three geographic locations: Port Hueneme, California, Gulfport, Mississippi, and Washington, DC. Additionally, the organization employs personnel at more than ten sites worldwide. These sites are diverse in employment profiles and size and have bargaining unit populations. The organization operates throughout the full spectrum of research, development, test and evaluation, engineering and fleet support delivered by five business lines and six support lines. Wage Grade positions will not be included in this personnel demonstration project; however, NAVFAC EXWC will continue to evaluate possible future inclusion. Prior to including bargaining unit employees in the personnel demonstration project, NAVFAC EXWC will fulfill its obligation to consult and/or negotiate with the labor organizations in accordance with 5 U.S.C. 4703(f) and 7117, as appropriate.

NAVFAC EXWC is predominantly a Navy Working Capital Fund (NWCF) activity. Over 60 percent of the employees to be initially included in the personnel demonstration project are funded by NWCF. Under NWCF, the cost of business and operations is built into the Stabilized Billing Rate (SBR) paid by customers for work performed; by maximizing management flexibility, NAVFAC EXWC can remain cost competitive.

E. Project Design

There are four fundamental elements of this personnel demonstration project:

(1) Hiring and staffing flexibilities;

(2) Simplified classification;

(3) Pay Banding; and

(4) Performance-based compensation and assessment.

The hiring and staffing flexibilities will help to better recruit, hire, and retain the most capable, qualified, and competent workforce in the job market today. Simplified classification will streamline the job classification process, reduce the effect of administrative processes on personnel, and allow for more flexibility in making job reassignments. The pay banding structure will create four career paths with multiple pay bands within each career path representing the phases of career progression that are typical for the respective career paths. This banding structure will enable managers to more appropriately reward and retain a diverse workforce using principles of pay equity and career progression. The performance-based compensation system is characterized by an assessment of an employee's performance and an appropriate pay allocation predicated on the assessed level of performance.

F. Executive STRL Policy Board

The Executive STRL Policy Board (ESPB) will oversee and monitor the fair, equitable, and consistent implementation of the provisions of the demonstration project to include establishment of internal controls and accountability. Members of the ESPB will be appointed by the Technical Director. Ad hoc members may serve in an advisory capacity to the ESPB. The ESPB duties will include the following:

(1) Establish policies and issue guidance on composition of pay pools in accordance with the guidelines of this proposal and internal procedures;

(2) Review pay pool operation and resolve pay pool disputes;

(3) Establish policies and issue guidance concerning the civilian pay budget, pay administration, awards and performance-based pay increases;

(4) Establish policies and issue guidance to ensure in-house budget discipline and implement workforce staffing and budget plans; and

(5) Develop policies and procedures for administering Developmental Opportunity Programs; ensure all employees are treated in a fair, equitable manner.

G. Funding Level

The Under Secretary of Defense (Personnel & Readiness) may, at his/her discretion, adjust the minimum funding levels to take into account factors such as the Department's fiscal condition, guidance from the Office of Management and Budget and equity in circumstances when funding is reduced or eliminated for GS pay raises or awards.

III. Personnel System Changes

A. Hiring, Appointment, and Related Authorities

1. Qualifications

OPM ''Qualification Standards for General Schedule Positions,'' with minor modifications to address application of OPM qualifications in a pay banding environment, are used to determine qualifications for personnel demonstration project positions. ''Band'' is substituted for ''Grade'' where appropriate and time in grade requirements are eliminated.

Since the pay bands are anchored to the GS grade levels, the minimum qualification requirements for a position will be the requirements corresponding to the lowest GS grade incorporated into that pay band. For example, for a position in the Science and Engineering (S&E) career path Pay Band II, individuals must meet the basic requirements for a GS–5 as specified in the OPM ''Qualification Standard for Professional and Scientific Positions.''

Selective factors may be established for a position in accordance with the OPM's ''Operating Manual: Qualifications Standards for General Schedule Positions,'' when determined to be critical to successful job performance. These factors may become part of the minimum requirements for the position, and applicants must meet them in order to be eligible. If used, selective factors will be stated as part of the qualification requirements in vacancy announcements and recruiting bulletins.

2. Science and Engineering Direct Hire Authorities

A. NAVFAC EXWC, will use the direct hire authorities authorized in section 1108 of the NDAA for FY 2009, as amended by section 1103 of the NDAA FY 2012 and the direct hire authorities authorized in 10 U.S.C. 2358a and published in 79 FR 43722 and 82 FR 29280, as modified, to appoint the following:

Candidates with advanced degrees to scientific and engineering positions;

(1) Candidates with bachelor's degrees to scientific and engineering positions; Veteran candidates to Scientific, Technical, Engineering, and Mathematics positions (STEM), including technician positions;

Student candidates enrolled in a program of instruction leading to a bachelors or advanced degree in a STEM discipline; and

(2) STEM Student Employment Program (SSEP).

B. NAVFAC EXWC will use this direct hire authority for students in a STEM course of study at an accredited institution of higher education. The purpose of this direct hire authority is to provide a streamlined and accelerated hiring process that allows NAVFAC EXWC to compete successfully with private industry for high quality scientific, technical, engineering, or mathematics students for filling scientific and engineering positions. Students appointed under the SSEP are afforded an opportunity for non-competitive conversion to a permanent scientific or engineering position upon graduation from an accredited institution of higher education. Use of this authority will be consistent with the merit system principles. The SSEP student employment standards will be similar to the Pathways qualification standards, which will allow students appointed under this authority to be aligned to a pay band commensurate with the highest level of education completed and/or prior experience. SSEP students will remain on a term appointment until the completion of their educational program.

C. NAVFAC EXWC may utilize all available direct hiring authorities to consider and appoint qualified candidates, which may include current federal employees. This applies to all STRL direct hire authorities including but not limited to those listed under Section III.2.a (including 82 FR 29280 and sections 1106 and 1121 of the NDAA FY2017) and any other applicable direct hire authorities enacted under OPM, DoD, or DoN or amended after the effective date of this demonstration project, except as waived in Section IX of this plan.

3. Distinguished Scholastic Achievement Appointments (DSAA)

NAVFAC EXWC will use the Distinguished Scholastic Achievement Appointment Authority (DSAA) for pay banded positions. The DSAA uses an alternative examining process which provides the authority to appoint candidates possessing a bachelor's degree or higher to positions up to the equivalent of GS–12 for positions in the Science and Engineering (S&E) pay bands. This enables NAVFAC EXWC to respond quickly to hiring needs for eminently qualified candidates possessing distinguished scholastic achievements.

The alternative examining process specifies that candidates may be appointed provided they meet the minimum standards for the position as published in OPM's operating manual, ''Qualification Standards for General Schedule Positions,'' plus any selective placement factors stated in the vacancy announcement; the occupation has a positive education requirement; and the candidate has a cumulative grade point average (GPA) of 3.5 (on a 4.0 scale) or better in their field of study (or other equivalent score) or are within the top 10 percent in their field of study in a graduate program.

4. Reemployment of Annuitants

NAVFAC EXWC will use the authorities provided by 5 U.S.C. 9902(g) and 82 FR 43339 to appoint reemployed annuitants, as appropriate. The Technical Director may approve the appointment of reemployed annuitants and determine the salary, to include whether the annuitant's salary will be reduced by any portion of the annuity received, up to the amount of the full annuity as a condition of employment. Use of this authority will be consistent with merit system principles.

5. Volunteer Emeritus Program (VEP)

The Technical Director will have the authority to offer former Federal employees who have retired or separated from the Federal service, voluntary assignments in NAVFAC EXWC. Volunteer Emeritus Program assignments are not considered ''employment'' by the Federal government. Thus, such assignments do not affect an employee's entitlement to buyouts or severance payments based on an earlier separation from Federal service. The Volunteer Emeritus Program will ensure continued quality research while reducing the overall salary line by allowing higher paid individuals to accept retirement incentives with the opportunity to retain a presence in the scientific community. The program will be of most benefit during manpower reductions as senior employees could accept retirement and return to provide valuable on-the-job training or mentoring to less experienced employees. Volunteer service will not be used to replace any employee, or interfere with career opportunities of employees. The Volunteer Emeritus Program may not be used to replace or substitute for work performed by civilian employees occupying regular positions required to perform the NAVFAC EXWC mission.

To be accepted into the Volunteer Emeritus Program, a candidate must be recommended by a NAVFAC EXWC manager to the Technical Director. Everyone who applies is not entitled to participate in the program. The Technical Director will document the decision process for each candidate and retain selection and non-selection documentation for the duration of the

assignment or two years, whichever is longer.

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

Volunteers will not be permitted to monitor contracts on behalf of the government or to participate on any contracts or solicitations 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 between the volunteer and the Technical Director. The agreement will be reviewed by the servicing legal office. The agreement must be finalized before the assumption of duties and will include:

(A) A statement that the service provided is gratuitous, that the volunteer assignment does not constitute an appointment in the civil service and 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 (stemming from or in connection with the volunteer assignment) are waived by the volunteer.

(B) A statement that the volunteer will be considered a federal employee for the purpose of:

(1) 18 U.S.C. 201, 203, 205, 207, 208, 209, 603, 606, 607, 643, 654, 1905, and 1913;

(2) 31 U.S.C. 1343, 1344, and 1349(b);

(3) 5 U.S.C. chapters 73 and 81;

(4) The Ethics in Government Act of 1978;

(5) 41 U.S.C. chapter 21;

(6) 28 U.S.C. chapter 171 (tort claims procedure), and any other Federal tort liability statute;

(7) 5 U.S.C. 552a (records maintained on individuals);

(8) The volunteer's work schedule; and

(9) The length of agreement (defined by length of project or time defined by weeks, months, or years).

(C) The support to be provided by the NAVFAC EXWC (travel, administrative, office space, supplies).

(1) The volunteer's duties.

(D) A provision that states 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 participant in the Volunteer Emeritus Program.

(1) A provision allowing either party to void the agreement with 10 working days written notice;

(2) The level of security access required (any security clearance required by the assignment will be managed by the NAVFAC EXWC while the volunteer is a participant in the Volunteer Emeritus Program);

(3) A provision that any written products prepared for publication that are related to Volunteer Emeritus Program participation will be submitted to the Technical Director for review and must be approved prior to publication;

(4) A statement that the volunteer accepts accountability for loss or damage to Government property occasioned by the volunteer's negligence or willful action;

(5) A statement that the volunteer's activities on the premises will conform to the NAVFAC EXWC regulations and requirements;

(6) A statement that the volunteer will not improperly use or disclose any non-public information, to include any pre-decisional or draft deliberative information related to DoD programming, budgeting, resourcing, acquisition, procurement or other matter, for the benefit or advantage of the Volunteer Emeritus Program participant or any non-Federal entities. Volunteer Emeritus Program participants will handle all non-public information in a manner that reduces the possibility of improper disclosure.

(7) A statement that the volunteer agrees to disclose any inventions made in the course of work performed at NAVFAC EXWC. The Technical Director will have the option to obtain title to any such invention on behalf of the U.S. Government. Should the Technical Director elect not to take title, NAVFAC EXWC will retain a non-exclusive, irrevocable, paid up, royalty-free license to practice or have practiced the invention worldwide on behalf of the U.S. Government.

(8) A statement that the Volunteer Emeritus Program participant must complete either a Confidential or Public Financial Disclosure Report, whichever applies, and ethics training in accordance with office of Government Ethics regulations prior to implementation of the agreement.

(9) A statement that the Volunteer Emeritus Program participant must receive post-government employment advice from a DoD ethics counselor at the conclusion of program participation. Volunteer Emeritus Program participants are deemed Federal employees for purposes of post-government employment restrictions.

6. Expanded Detail Authority and Temporary Promotions

NAVFAC EXWC will have an Expanded Detail and Temporary Promotion Authority providing the ability to:

(1) Effect details for up to one year to specified positions at the same or similar level (positions in a pay band with the same maximum salary) without the current 120-day renewal requirement specified at 5 U.S.C. 3341.

(2) Effect details or temporary promotions to a higher-level position up to 1 year within a 24-month period without competition. Details to higher-level positions beyond one year in a 24-month period require approval of the Technical Director and are subject to competitive procedures. The specifics of these authorities will be stipulated by NAVFAC EXWC IOPs.

7. Flexible Length and Renewable Term Technical Appointments

NAVFAC EXWC may use the Flexible Length and Renewable Term Technical Appointments workforce shaping tool temporarily authorized by section 1109(b) of the NDAA for FY 2016, as amended by section 1112(b) of the NDAA for FY 2019. Further details on the implementation of this authority are contained in 82 FR 43339. Until this authority expires or is rescinded, it may be used to appoint qualified candidates who are not currently DoD civilian employees, or DoD employees on term appointments into any STEM positions, including technicians, for a period of more than one year but not more than six years. The appointment of any individual under this authority may be extended without limit in up to six-year increments at any time during any term of service under conditions set forth by the Technical Director. The Technical Director, or designee, will establish implementing guidance and procedures on the use of this authority.

B. Classification, Career Paths and Pay Banding

1. Delegation of Classification Authority

The Technical Director has overall oversight, management, and delegated classification and position management authority for all STRL positions covered under the NAVFAC EXWC Personnel Demonstration Project. Classification authority will be delegated as follows: The NAVFAC EXWC Technical Director may delegate classification authority to the NAVFAC EXWC Human Resources Office (HRO) Director. The NAVFAC EXWC HRO Director may further delegate classification authority to the NAVFAC EXWC Human Resource

professionals. If so delegated, the NAVFAC EXWC HRO Director will exercise oversight to ensure consistency throughout NAVFAC EXWC. Managers will provide input to classification requests as a means of increasing managerial effectiveness and expediting the classification function. Administration and management of Delegated Classification Authority will be outlined in the NAVFAC EXWC IOPs.

2. Classification

The present system of OPM classification standards will be used for the identification of the proper occupational series of positions and certain occupational titles within the NAVFAC EXWC demonstration project. Current OPM position classification standards will not be used to grade positions in this project. However, the grading criteria in those standards will be used as a framework to develop new and simplified standards for the purpose of pay band determinations. The classification standard for each pay band will serve as an important component in the creation of Standard Level Descriptors (SLDs) that record the essential criteria for each pay band within each career path by stating the characteristics of the work, the responsibilities of the position, and the competencies required. SLDs will replace current position descriptions. SLDs combined with the Position Requirements Document will include position specific information such as Fair Labor Standards Act (FLSA) coverage; selective placement factors or specialized knowledge, skills and abilities; degree requirements or other professional certification requirements; staffing requirements; and other data element information pertinent to the position.

3. Simplified Assignment Process

Today's environment of rapid technology development and workforce transition mandates that the organization have maximum flexibility to assign individuals. Pay banding may be used to address these needs. As a result of the assignment to a particular pay band descriptor, the organization will have maximum flexibility to assign an employee within pay band descriptors consistent with the needs of the organization, the individual's qualifications and rank, and pay band. Subsequent assignments to projects, tasks, or functions anywhere within the organization requiring the same area of expertise and qualifications would not constitute an assignment outside the scope or coverage of the employee's pay band descriptor.

4. Career Paths

A fundamental element of the NAVFAC EXWC personnel demonstration project is a simplified classification and pay component. Like other STRL demonstration projects, the proposed pay banding approach is tied to the 15 GS grade levels and the above GS–15 grade level. Career paths at NAVFAC EXWC are grouped by four career paths based on similarities in the type of work and customary requirements for formal education, training and credentials. Common patterns of advancement within the occupations as practiced at NAVFAC EXWC were considered. Current occupations and grades were examined and their characteristics and distribution were used to develop the career paths described below:

(1) *Science and Engineering (ND Pay Plan):* This career path includes technical professional positions, such as engineers, physicists, chemists, mathematicians, operations analysts, and computer scientists. Specific course work or educational degrees are required for these occupations.

(2) *Science and Engineering Technician (NR Pay Plan):* This career path includes technician positions such as engineering technicians, electronics technicians, and physical science technicians. These occupations require practical expertise in scientific or engineering support but specific course work or educational degrees are not required for these occupations.

(3) *Administrative/Professional (NT Pay Plan):* This career path includes positions such as attorneys, IT specialists, paralegals, program managers, accountants, budget analysts, administrative officers, human resources specialists, and management analysts. Employees in these positions may or may not require specific course work or educational degrees.

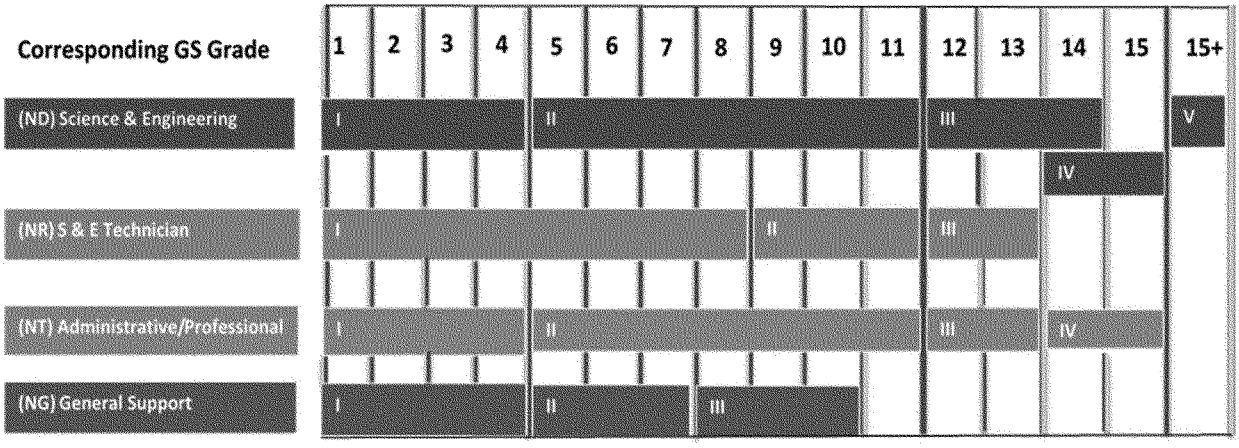
(4) *General Support (NG Pay Plan):* This career path includes the clerical and administrative support positions providing support in such fields as finance, supply, and human resources; positions applying typing, clerical or secretarial knowledge and skills; and student positions for training in these disciplines.

Each career path is composed of discrete pay bands (levels) corresponding to recognized advancement within these occupations. These pay bands replace grades and are not the same for all career paths. Each career path is divided into three to five pay bands; each pay band covering the same pay range formerly covered by one or more GS grades. The salary range of each band begins with step 1 of the lowest grade in that pay band and ends with step 10 of the highest grade in the pay band. The grouping of GS grades into a particular band was based on a careful examination of NAVFAC EXWC's occupations, grade levels, and career development practices. Career paths and the associated classification occupational series for each are provided in Appendix A. The distribution of the occupational series to career paths reflects only those occupational series that currently exist within NAVFAC EXWC. Additional occupational series may be added as a result of changes in mission requirements or OPM-recognized occupations. These additional occupational series will be placed in the appropriate career path consistent with the established career path definitions.

5. Pay Band Structure

The pay bands and their relation to the current GS framework are shown in Figure 1. This pay band structure allows significant flexibility to define and classify work assignments and to reward performance. A key feature is the overlap in (ND) career path between bands III and IV. ND–III begins at GS–12, step 1, and ends at GS–14, step 10. ND–IV begins at GS–14, step 1, and ends at GS–15, step 10. Control points will be applied as outlined in the NAVFAC EXWC IOPs.

Figure 1. Career Paths and Pay Band Structure



6. Fair Labor Standards Act

Fair Labor Standards Act (FLSA) exemption and nonexempt determinations will be made consistent with criteria found in 5 CFR part 551. Generally, employees will be converted to the demonstration project with the same FLSA status they had previously. All employees are covered by the FLSA unless they meet the criteria for exemption. The duties and responsibilities outlined in the classification standards for each pay band will be compared to the FLSA criteria.

7. Senior Scientific Technical Managers (SSTM)

The SSTM program will be managed and administered by the Technical Director, consistent with the provisions 10 U.S.C. 2358a, 79 FR 43722, and NAVFAC EXWC IOPs. The primary function of these positions is to engage in research and development in the physical, biological, medical, or engineering sciences, or another field closely related to the NAVFAC EXWC mission and to carry out technical supervisory responsibilities. The number of such positions may not exceed 2 percent of the number of scientists and engineers employed at NAVFAC EXWC, unless changed by future legislation, as of the close of the last fiscal year before the fiscal year in which any appointments subject to the numerical limitation are made. This authority is expected to provide an opportunity for career development and expansion of a pool of experienced, prominent technical candidates meeting the levels of proficiency and leadership essential to create and maintain a DoD state-of-the-art scientific, engineering and technological facility. The minimum basic pay for SSTM positions is 120 percent of the minimum rate of basic pay for GS–15. Maximum SSTM basic pay with locality pay is limited to Executive Level III (EX–III), and maximum salary without locality pay may not exceed EX–IV. All SSTM positions within NAVFAC EXWC will report to and be evaluated by the NAVFAC EXWC Technical Director (non-delegable). SSTMs will be evaluated by the STRL Performance Management System as outlined in NAVFAC EXWC's IOPs. Pay retention may be provided to SSTM, under criteria required by NAVFAC EXWC IOPs for those impacted by a reduction in force, work realignment or other planned management action that would necessitate moving the incumbent to a position in a lower pay band within the STRL for other than cause (performance or conduct).

8. Professional Licensure Designations for Architectural and Engineering Positions

The Technical Director and the NAVFAC EXWC Chief Engineer have non-delegable authority to designate those positions within NAVFAC EXWC requiring professional licensure. Engineering and Architectural positions requiring professional licensure will be monitored by the NAVFAC EXWC Chief Engineer. It is the policy of NAVFAC EXWC to recruit, hire, professionally develop, and maintain a professional workforce of the highest caliber. Professional licensing is required for any position, regardless of pay band, in responsible charge of engineering/architectural work, whether performed in-house or by contract. The specific guidelines will be documented in NAVFAC EXWC's IOPs. However, the Technical Director has final authority regarding professional licensure requirements.

9. Classification Appeals

Employees have the right to appeal the classification of their position at any time. A classification complaint is an employee's request for a review, at the activity level, of the pay plan, occupational series, position title and pay band of their position. The employee must formally make a complaint to their immediate supervisor to initiate the classification complaint review process. The HRO will review the complaint and issue a determination. If the employee is dissatisfied with the outcome of the classification complaint review, the employee may appeal the classification of the position to the Technical Director. If the employee is dissatisfied with the decision rendered by the Technical Director, the employee may initiate a formal classification appeal to the DoD appellate level. Appeal decisions rendered by DoD will be final and binding on all administrative, certifying, payroll, disbursing, and accounting officials of the government. Classification appeals are not accepted on positions that exceed the equivalent of a GS–15 level. An employee may not appeal the accuracy of the position description, the demonstration project classification criteria, or the pay-setting criteria; the assignment of occupational series to the career path; the propriety of a pay schedule; command developed position titles; or matters covered by an administrative or negotiated grievance procedure or an alternative dispute resolution procedure. The evaluations of classification appeal are based upon the demonstration project classification criteria. Additional guidance will be documented in NAVFAC EXWC IOPs.

C. Pay and Compensation

Pay administration policies are established by the ESPB. The following definitions and policies will apply to the pay setting of new hires, movement of employees within the demonstration project from one career path or pay band to another, as well as any other pay action outside the performance-based assessment system.

1. Pay Setting for Appointment

For initial appointments to the Federal service, base pay may be set anywhere within the pay band consistent with the special qualifications of the individual and the unique requirements of the position. These special qualifications may be in the form of education, training, and/or experience. Unique position requirements may include scarcity of qualified candidates, labor market considerations, programmatic urgency, or any combination thereof that is pertinent to the position in which the employee is being placed. Initial pay setting is based on base pay, not total adjusted salary. Specific guidelines for application of pay setting for appointments will be contained in NAVFAC EXWC IOPs.

2. Promotion

A promotion is the movement of an employee to a higher pay band in the same career path or to a higher pay band in a different career path. It also includes movement of an employee currently covered by a non-demonstration project personnel system to a demonstration project position in a pay band with a higher level of work. Positions with a known promotion potential to a specific band will be identified when they are filled. Not all positions in a career path will have promotion potential to the same band. Promotion may be accompanied by a pay increase. Movement from one career path to another will depend upon individual competencies, and qualifications. Specific guidelines regarding promotions will be documented in NAVFAC EXWC IOPs.

Progression within a pay band is based upon performance-based pay increases and as such, these actions are not considered promotions and are not subject to provisions of this section. Promotions will follow Merit System Principles and basic Federal Merit Staffing policy that provides for competitive and non-competitive promotions. To be promoted competitively or non-competitively, from one pay band to the next, an employee must meet the minimum qualifications for the job and have a current rating of record of 2 or above (acceptable performance rating) or an equivalent under a different appraisal system. Other specific guidelines regarding promotions will be documented in NAVFAC EXWC IOPs.

3. Reassignment

A reassignment occurs when an employee moves, voluntarily or involuntarily, to a different position or set of duties within their pay band or to a position in a comparable pay band at a comparable level of work, or from a non-demonstration project position to a demonstration project position at a comparable level of work, on either a temporary or permanent basis. Under this system, employees may be eligible for an increase to base pay upon temporary or permanent reassignment. Such an increase is subject to the specific guidelines established by the ESPB and documented in NAVFAC EXWC IOPs.

4. Demotion or Change To Lower Pay Band

A demotion is the placement of an employee into a lower pay band or movement from a non-demonstration project position to a demonstration project position at a lower level of work. Demotions may be for cause (performance or conduct) or for reasons other than cause (*e.g.,* erosion of duties, reclassification of duties to a lower pay band, application under competitive announcements, at the employee's request, or placement actions resulting from Reduction-in-Force (RIF) procedures). In cases where change to a lower pay band is involuntary and accompanied by a reduction in pay, procedures under 5 CFR part 752 and 432 remain unchanged.

5. Locality Pay

Employees will be entitled to the locality pay authorized for their official duty station in accordance with 5 CFR part 531 subpart F, except as waived in Section IX of this plan. The locality adjusted pay of any employee may not exceed the rate for Executive Level IV. Geographic movement within the demonstration project will result in the employee's locality pay being recomputed using the newly applicable locality pay percentage which may result in a higher or lower locality payment.

6. Staffing Supplements

Employees assigned to occupational categories and geographic areas where GS special rates apply may be entitled to a staffing supplement if the maximum adjusted base pay rate for the demonstration band to which the employee is assigned is exceeded by a GS special rate for the employee's occupational category and geographic area. Employees receiving a staffing supplement remain entitled to an underlying locality rate, which may over time supersede the need for a staffing supplement. If OPM discontinues or decreases a special rate schedule, retained pay provisions will be applied. If at any time after establishment of the demonstration project, special salary rates (SSRs) are deemed necessary by NAVFAC EXWC leadership, they will be implemented via a staffing supplement, and also documented in NAVFAC EXWC IOPs.

7. Grade and Pay Retention

The project will eliminate retained grade under 5 CFR part 536. Pay retention will follow current law and regulations at 5 U.S.C. 5362 and 5363 and 5 CFR part 536, except as modified in the Staffing Supplements section and waived in Section IX of this plan. If an employee is receiving retained pay under the personnel demonstration project, the employee's GS-equivalent grade is the highest grade encompassed in their pay band level.

8. Recruitment, Retention, and Relocation Incentives

The project will continue to employ recruitment, retention, and relocation incentives as described in 5 CFR part 575, except as waived in section IX under this plan. The Technical Director is specifically authorized to use recruitment, retention, and relocation incentives, which are further described in NAVFAC EXWC IOPs. The authority in 5 CFR part 575, is further expanded to allow NAVFAC EXWC to offer retention counteroffers to high performing employees with critical scientific or technical skills who present evidence of an alternate employment opportunity with higher compensation. Such employees may be provided increased base pay (up to ceiling of the pay band) and/or a one-time cash payment that does not exceed 50 percent of one year of base pay. Retention counteroffers, either in the form of a base pay increase and/or a bonus, count toward the aggregate limitation on pay consistent with 5 U.S.C. 5307 and 5 CFR part 530, subpart B, except as waived in section IX of this plan.

9. Extraordinary Achievement Allowance (EAA)

NAVFAC EXWC will employ an Extraordinary Achievement Allowance

(EAA) designed to optimize organizational effectiveness. An EAA is defined as a temporary monetary allowance up to 25 percent of base pay, provided that an employee's total compensation does not exceed the rate of basic pay for Executive Level IV in effect at the end of such calendar year. It is paid on either a bi-weekly basis concurrent with normal pay days, or as a lump sum following completion of a designated contribution period, or combination of these, at the discretion of the Technical Director (or designee). It is not base pay for any purpose, *e.g.,* retirement, life insurance, severance pay, promotion, or any other payment or benefit calculated as a percentage of base pay. The EAA will be available to certain employees whose present contributions are worthy of a higher career level and whose level of achievement is expected to continue at the higher career level for at least one year as specified by the ESPB and outlined in NAVFAC EXWC IOPs.

10. Pay Differential for Supervisory, Supervisor (CSRA), and Team Leader Positions

NAVFAC EXWC will establish a pay differential to be provided at the discretion of the Technical Director (or designee) to incentivize and reward personnel in Supervisory positions, Supervisor Civil Service Reform Act (CSRA) positions (position meets definition of Supervisor in 5 U.S.C. 7301(a)(10) but does not constitute a major duty occupying at least 25 percent of the position's time), and Team Leader positions (position is titled with the prefix ''Lead'' and meets the minimum requirements for application of the General Schedule Team Leader Grade-Evaluation Guide). A pay differential is a cash incentive that may range up to 10 percent of the employee's base rate of pay. It is paid on a pay period basis and is not included as part of the employee's base rate of pay. The pay differential must be terminated if the employee is removed from the supervisory or team leader position (and is not placed in another supervisory or team leader position), regardless of cause. All personnel actions involving a pay differential will require a statement signed by the employee acknowledging that the differential is not part of base pay for any purpose and may be terminated or reduced as dictated by fiscal limitations, changes in assignment or scope of work, or by the Technical Director. Positions, titles, duties and responsibilities that are eligible for supervisory differential, as well as standards for differential awards, will be defined in an NAVFAC EXWC IOP. Any adjustment or termination of a supervisory pay differential will be in accordance with NAVFAC EXWC's IOPs and all applicable laws and regulations. The termination or reduction of the differential is not an adverse action and is not subject to appeal or grievance.

11. Educational Base Pay Adjustment

NAVFAC EXWC will establish an educational base pay adjustment that is separate from other incentive pay and may not exceed the top of the employee's assigned pay band. The educational base pay adjustment may be used to adjust the base pay of individuals who have acquired a level of mission-related education that would otherwise make the employee qualified for an appointment at a higher level and would be used in lieu of a new appointment. For example, this authority may be used to adjust the base pay of employees who are participating in a graduate level Student Educational Employment Program, or employees who have obtained an advanced degree, such as a Ph.D., in a field related to the work of their position or the mission of their organization.

D. Employee Development and Awards

1. Expanded Development Opportunities Program

NAVFAC EXWC will establish an Expanded Development Opportunities Program that will cover all demonstration project employees. Expanded development opportunities include:

(1) Long term training;

(2) One-year work experiences in an industrial setting via the Relations With Industry Program;

(3) One-year work experiences in laboratories of allied nations via the Science and Engineer Exchange Program;

(4) Rotational job assignments within NAVFAC EXWC;

(5) Developmental assignments in higher headquarters within the DoN and DoD;

(6) Self-directed study via correspondence courses and at colleges and universities;

(7) Details within NAVFAC EXWC and to other Federal agencies;

(8) Intergovernmental Personnel Act Program Agreements; and

(9) Sabbaticals.

Each developmental opportunity period should benefit the organization and increase the employee's individual effectiveness as well. Various learning or developmental work experiences may be considered, such as advanced academic teaching or research and sabbaticals. An expanded developmental opportunity period will not result in loss of or reduction in base pay, loss of leave to which the employee is otherwise entitled, or any loss of credit for time or service.

Program openings will be announced as opportunities arise. Instructions for application and the selection criteria will be included in the announcement. Final selection/approval for participation in the program will be made by the Technical Director. The Technical Director can delegate this responsibility based on the provision as noted in II.A.2. The position of an employee participating in an expanded development opportunity may be backfilled by temporary assignment of other employee or temporary redistribution of work. However, that position or its equivalent must be made available to the employee upon return from the expanded developmental opportunity. An employee accepting an Expanded Developmental Opportunity must sign a continuing service agreement up to three times the length of the assignment, with the service obligation to NAVFAC EXWC. If the employee voluntarily leaves the organization before the service obligation is completed, the employee is liable for repayment unless the service agreement or the repayment is waived by the Technical Director. Conditions for waiver of service agreements or repayments will be established in the NAVFAC EXWC IOP.

2. Skills Training

Training is essential for an organization that requires continuous development of advanced and specialized knowledge. Degree studies are also critical tools for recruiting and retaining employees with skills essential to the NAVFAC EXWC mission. The Technical Director has the authority to approve training.

Individual training programs may be approved based upon a complete individual study program plan. Such training programs will ensure continuous development of advanced specialized knowledge essential to the organization and enhance the ability to recruit and retain personnel critical to the present and future requirements of the organization. Tuition payment may not be authorized where it would result in a tax liability for the employee without the employee's express and written consent. Any variance from this policy must be rigorously determined and documented. Guidelines will be developed to ensure competitive approval of training and those decisions will be fully documented. Employees

approved for training must sign a service obligation agreement to continue service at NAVFAC EXWC for a period three times the length of the training period commencing after the completion of the entire training program. If an employee voluntarily leaves NAVFAC EXWC before the service obligation is completed, he/she is liable for repayment of expenses incurred by NAVFAC EXWC that are related to the training. Expenses do not include salary costs. The Technical Director has the authority to waive this requirement. Criteria for such waivers will be addressed in NAVFAC EXWC IOPs.

3. Accelerated Compensation for Developmental Positions (ACDP)

The Technical Director may authorize an increase to basic pay for employees participating in training programs, internships, or other development capacities. This may include employees in positions that cross bands within a career path (formally known as career ladder positions) or developmental positions within a band. ACDP will be used to recognize development of job related competencies as evidenced by successful performance within NAVFAC EXWC. Additional guidance will be published in an IOP.

4. Awards

To provide additional flexibility to motivate and reward individuals and groups, some portion of the performance award budget will be reserved for special acts and other categories as they occur. Awards may include, but are not limited to, recognition for special or extraordinary achievements, patents, inventions, suggestions, and on-the-spot awards. The funds available for awards are separately funded within the constraints of the organization's overall award budget. While not directly linked to the mission aligned objectives and performance compensation system, this additional flexibility is important to encourage outstanding accomplishments and innovation in accomplishing NAVFAC EXWC's diverse missions. Additionally, group awards may be given to foster and encourage teamwork. The Technical Director will have the authority to grant special act or achievement awards to covered employees of up to $10,000.

E. Performance Management

1. Mission Aligned Objectives and Performance Compensation

The purpose of mission aligned objectives and performance compensation is to link the work of the employee to the mission of the organization and to provide a mechanism for recognizing the impact of the employee's accomplishments and performance to help achieve that mission. It provides an effective, efficient, and flexible method for assessing, compensating, and managing NAVFAC EXWC's workforce. This performance management system better aligns with developing a highly productive workforce and for providing the authority, control, and flexibility to achieve a quality organization and meet mission requirements. Mission aligned objectives and performance compensation encourages more employee involvement in the assessment process, strives to increase communication between supervisor and employee and promotes performance accountability. By linking mission directly to both annual evaluations and compensation outcomes, objectives facilitate employee career progression and provide an understandable and rational basis for pay changes. The normal rating period will be one year.

Objectives, developed jointly by employees and their supervisors, must be in place within 30 days from the beginning of each rating period. The minimum rating period is 90-days. Employees who do not meet the 90-day minimum requirement will not be eligible for a STRL performance rating of record. However, specially situated employees, who do not meet the 90-day minimum requirement, may receive the same performance rating as the employee's last performance rating of record or a modal performance rating, whichever is most advantageous to the employee, as documented in NAVFAC EXWC's IOPs. However, when the most recent rating of record is unacceptable, only that rating of record will be considered for purposes of a performance rating. A modal performance rating is the most frequently received rating of record assigned to employees within a particular pay pool for a particular rating cycle. Specially situated employees include those employees who are absent from a STRL position for military service, employees on a prolonged absence resulting from a work-related injury approved for workers compensation pursuant to an Office of Worker's Compensation Program, and those employees in a STRL position, who have less than 90 calendar days under a STRL performance plan due to being temporarily assigned to a non-STRL position. Those employees who do not meet the 90-day minimum requirement, except for specifically situated employees, may receive only the general pay increase and they may also receive Title 5 cash awards, if appropriate. First-time hires must have performance plans in place within 30 days of their demonstration project entry effective date. Current demonstration project employees who change positions during the performance year should have their plans updated with new objectives no later than 30 days after assignment to their new position.

Mission aligned objective and performance compensation can be in the form of increases to base pay and/or lump sum cash bonuses that are not added to base pay. The system can be modified, if necessary, as more experience is gained under the project. The flexibilities in this mission aligned objectives and performance compensation section are similar in nature to the authority granted to:

(1) The Naval Ocean Systems Center and the Naval Weapons Center, China Lake, 45 FR 26504;

(2) The CCDC ARL, 65 FR 3500; and

(3) NAVAIR Aircraft and Weapons Divisions, 76 FR 8529.

2. Individual Mission Objectives

Individual mission objectives are directly related to achieving the NAVFAC EXWC mission. Objectives identify expectations and typically consist of 3 to 10 results-oriented statements. Objectives are tangible and measurable so that achievements can be identified. These objectives incorporate important behavioral practices such as teamwork and cooperation where they are key to a successful outcome. One supervisory objective, including adherence to EEO principles, is mandatory for all managers/supervisors. The employee and their supervisor will jointly develop the employee's individual mission objectives at the beginning of the rating period. The supervisor has final approval authority of the objectives. Objectives will reflect the employee's duties/responsibilities, pay band and pay level in the pay band as well as support the NAVFAC EXWC mission, organizational goals and priorities. Objectives will be reviewed annually and revised to reflect increased responsibilities commensurate with pay increases. Generic one-size-fits-all objectives are to be avoided, so that individual mission objectives define an individual's specific responsibilities and expected accomplishments for the performance year. Supervisors and employees should focus on overall organizational objectives and develop supporting individual mission objectives.

Individual mission objectives may be jointly modified, changed, or deleted as appropriate during the rating cycle. As a general rule, objectives should only be changed when circumstances outside the employee's control prevent or hamper the accomplishment of the original objectives. It is also appropriate to change objectives when mission or workload shifts occur.

All objectives are critical. A critical mission objective is defined as an attribute of job performance that is of sufficient importance that achievement below the minimally acceptable level requires remedial action and may be the basis for removing an employee from his/her position. Each objective may be assigned a weight, which reflects its importance in accomplishing an individual's mission objectives. The minimum weight that can be assigned is 10 percent. The sum of the weights for all of the objectives must equal 100 percent. At the beginning of the rating period, higher-level managers will review the objectives and weights assigned to employees within the pay pool to verify consistency and appropriateness.

3. Rating Benchmarks

Rating benchmarks define characteristics that will be used to evaluate the employee's success in accomplishing their individual mission objectives. Scoring characteristics help to ensure comparable scores are assigned while accommodating diverse individual objectives. A single set of rating benchmarks for each band or career stage may be used for evaluating the annual performance of all NAVFAC EXWC personnel covered by this plan. An example of rating benchmarks is shown in Appendix B. The set of benchmarks used may evolve over time, based on experience gained during each rating cycle. Critical characteristics evolve as our workforce actively moves toward meeting their individual and organizational objectives. This is particularly true in an environment where technology and work processes are changing at an increasingly rapid pace. The ESPB will annually review the set of benchmarks and set them for the entire organization before the beginning of the rating period.

4. Performance Feedback and Formal Ratings

Employees and supervisors are expected to actively discuss expectations and identify potential obstacles to meeting goals. Employees should explain (to the extent possible) what is needed from their supervisor to support goal accomplishments. The timing of these discussions will vary based on the nature of work performed, but will occur at least 30 days from the beginning of each rating period, at the mid-point and at the end of the rating period. The supervisor and employee will discuss job performance and accomplishments in relation to the expectations in the mission aligned objectives. At least one review, normally the mid-point review, will be documented as a formal progress review. More frequent, task specific, discussions may be appropriate in some organizations. In cases where work is accomplished by a team, team discussions regarding goals and expectations will be appropriate. The employee may provide a statement of their accomplishments to the supervisor at both the mid-point and end of the rating period. However, this provision does not preclude an employee from providing a statement of their accomplishments to their supervisor that are outside the mid-year and year-end evaluations and rating period.

Following a review of the employee's accomplishments at the end of the rating period, the supervisor will rate each of the individual mission objectives. Benchmark performance standards, set before the beginning of each rating period, describe the level of performance associated with a score that will be used to determine ratings of record. The supervisor decides where each employee's achievements and performance most closely match the benchmarks and assigns an appropriate score. These scores are not discussed with the employee or considered final until all scores are reconciled and approved by the Pay Pool Manager. The scores will then be multiplied by the objective-weighting factor to determine the weighted score expressed to two decimal points. The weighted scores for each objective will then be totaled to determine the employee's overall appraisal score and rounded to a whole number as follows: If the first two digits to the right of the decimal are 0.51 or higher, it will be rounded to the next higher whole number; if the first two digits to the right of the decimal are 0.50 or lower, then the decimal value is truncated. The resulting score determines the rating.

NAVFAC EXWC will use a five-level rating methodology with associated payout point ranges in which level five signifies the highest level of performance. The supervisor will prepare and recommend the rating, number of payout points, and the distribution of the payout between base pay increase and bonus, as applicable, for each employee. These recommendations will then be reviewed by next level supervisors and then the pay pool panel to ensure equitable rating criteria and methodologies have been applied to all pay pool employees. The final determination of the rating, number of payout points, and payout distribution will be a function of the pay pool panel process and will be approved by the Pay Pool Manager. The criteria used to determine the number and distribution of payout points to assign an employee may include: Assessment of the employee's contribution towards achieving the mission, the employee's type and level of work, the employee's current compensation and the criticality of their contribution to mission success, consideration of specific achievements, or other job-related significant accomplishments or contributions.

The rating and payout point schema is:

Performance level description	Rating	Payout points
Exceptional	5	5, 6.
Exceeds Mission Expectations.	4	3, 4.
Full Mission Success	3	0, 1, 2.
Marginal Mission Success.	2	0.
Unacceptable	1	0.

Employees with an acceptable rating of record, two or above, for each mission aligned objective will receive the equivalent of the authorized GS general pay increase (GPI). An employee receiving an ''Unacceptable'' rating of one for any mission-aligned objective will not receive the GPI and will require administrative action to address the performance deficiency. A rating of ''1'' on a single objective will also result in a rating of ''Unacceptable.'' Supervisors of employees who are assessed to be at the ''Unacceptable'' level, will take appropriate action as soon as practicable. However, at the end of the performance year, employees who are assessed to be at the ''Unacceptable'' level will have their rating deferred until the end of a performance improvement period. If the employee's performance is found to be unacceptable following a performance improvement period a rating of record will be ''1'' and administrative action will be taken. If the employee's performance is found to be acceptable at the end of the improvement period, rating of record, and its associated payouts, to include GPI, will be applicable to the end of the appraisal period. If an employee's performance deteriorates again in any objective within two years from the beginning of the performance improvement period, actions may be

initiated to effect a performance based action with no additional opportunity to improve.

5. Pay Pools

The NAVFAC EXWC Technical Director (or designee) will establish pay pools, and appoint pay pool panels and the Pay Pool Managers. Typically, pay pools will have between 35 and 300 employees. A pay pool should be large enough to encompass a reasonable distribution of ratings but not so large as to compromise rating consistency. Large pay pools may use sub pay pools subordinate to the pay pool due to the size of the pay pool population, the complexity of the mission, or other similar criteria. The covered organizations' employees will be placed into pay pools. Neither the Pay Pool Manager, supervisors, or pay pool panel members within a pay pool will in any way recommend or participate in setting their own rating or individual payout except for the normal employee self-assessment process.

Each employee is initially scored by their supervisor. Next, the rating officials in an organizational unit (Directorates, Divisions, Branches, Teams, etc.), along with their next level of supervision, will review and compare recommended ratings to ensure consistency and equity of the ratings. In this step, each employee's individual mission objectives, accomplishments, preliminary scores, and pay are compared to benchmark performance standards. Through discussion and consensus building, consistent and equitable ratings are reached. Managers will not prescribe a distribution of ratings. The Pay Pool Manager will then chair a final review with the rating officials who report directly to him or her to validate these ratings and resolve any scoring issues. If consensus cannot be reached in this process, the Pay Pool Manager makes all final decisions. Ratings are finalized after this reconciliation process is complete. Decisions regarding the amount and distribution of the payouts are based on the employee's most recent rating of record for the performance year, the criteria listed above under performance feedback, the type and nature of the funding available to the pay pool, and the number of payout points assigned by the pay pool. In the case of NAVFAC EXWC attorneys, special consideration must be made relative to assigned score. To avoid conflict with state bar rules, the pay pool panel may not alter the mission aligned objective performance ratings or the overall score that NAVFAC HQ counsel assigns to an attorney; however, the pay pool panel may make independent judgments, such as pay adjustments after considering that score. A reconsideration from a NAVFAC EXWC attorney will be handled in accordance with the Office of General Counsel's grievance procedures after NAVFAC HQ counsel and the pay pool panel recommends a resolution.

Funds within a pay pool available for performance payouts are divided into two components, base pay and bonus. The funds within a pay pool used for base pay increases are those that would have been available for within-grade increases, quality step increases and promotions under the GS system (excluding the costs of promotions still provided under the pay banding system). The funds available to be used for bonus payouts are funded separately within the constraints of the organization's overall award budget. Both amounts will be defined based on historical data and will initially be set at no less than one percent of total base pay annually. As changes in the demographics of the workforce or other exigencies occur, adjustments may be made to these two factors. The sum of these two factors is referred to as the pay pool percentage factor. The ESPB will annually review the pay pool funding and recommend adjustments to the Technical Director (or designee) to ensure cost discipline over the life of the demonstration project. Additional guidance on pay pool design and composition will be included in NAVFAC EXWC IOPs.

6. Performance Payout Determination

The payout an employee will receive is based on the total performance rating from the mission aligned objectives and performance compensation assessment process. An employee will receive a payout as a percentage of base pay. This percentage is based on the number of payout points that equates to their final appraisal score. The value of a payout point cannot be determined until the rating and reconciliation process is completed and all scores are finalized. The payout point value is expressed as a percentage.

The formula that computes the value of each payout point uses base pay rates and is based on:

(1) The sum of the base pay of all the employees in the pay pool times the pay pool percentage factor;

(2) The employee's base pay;

(3) The number of payout points awarded to each employee in the pay pool; and

(4) The total number of payout points awarded in the pay pool.

This formula assures that each employee within the pool receives a payout point amount equal to all others in the same pool who are at the same rate of base pay and receiving the same score. The formula is shown in Figure 2.

Figure 2. Performance Payout Formula

$$\text{Payout Point Value} = \frac{(\text{Sum of base pay for employees in pool}) * (\text{Pay Pool percentage factor})}{\text{Sum of (Base Pay} * \text{Payout Points Earned)for each employee}}$$

An individual payout is calculated by first multiplying the payout points earned by the payout point value and multiplying that product by base pay. An adjustment is then made to account for locality pay or staffing supplement. A Pay Pool Manager is accountable for staying within pay pool limits and final decisions on base pay increases and/or bonuses to individuals based on rater recommendations, the final score, the pay pool funds available, and the employee's base pay.

7. Base Pay Increases and Bonuses

The amount of money available for the performance payouts is divided into two components: Base pay increases and bonuses. The base pay and bonus funds are based on the pay pool funding formula established annually. Once the individual performance amounts have been determined, the next step is to determine what portion of each payout will be in the form of a base pay increase as opposed to a bonus payment. The payouts made to employees from the pay pool may be a mix of base pay and bonus, such that all of the allocated funds are disbursed. To continue to provide performance incentives while also ensuring cost discipline, base pay increases may be

limited or capped. Certain employees will not be able to receive the projected base pay increase due to base pay caps. Base pay is capped when an employee reaches the maximum rate of base pay in an assigned pay band or when a control point applies. Also, for employees receiving retained rates above the applicable pay band maximum, the entire performance payout will be in the form of a bonus payment.

When capped, the total payout an employee receives will be in the form of a bonus versus the combination of base pay and bonus. Bonuses are cash payments and are not part of the base pay for any purpose (*e.g.,* lump sum payments of annual leave on separation, life insurance, and retirement). The maximum base pay rate under this demonstration project will be the unadjusted base pay rate of GS–15, Step 10, except for employees in ND Pay Band V.

8. Pay Band Progression

As a compensation management tool, NAVFAC EXWC will use control points to manage position and pay progression within each band. Control points may be set within each band and may be used in the pay pool process to manage performance salary increases. Taking an employee's salary across a control point will require review of both the position and performance of the employee. Advancement across a control point may not occur without approval of the NAVFAC EXWC Technical Director.

Employees who display continuous exemplary performance may be candidates for pay band movement to the next higher pay band. The request must be made by a Pay Pool Manager and must demonstrate that an employee's high-level of performance is commensurate with the complexities and responsibilities of a position in the next higher pay band and will continue into the future. Movement to a higher pay band level is not guaranteed. Approval of requests for movement to the next higher level pay band based on employee performance resides with the NAVFAC EXWC Technical Director. Criteria for crossing control points and movement to a higher pay band based on high-level performance will be contained in NAVFAC EXWC IOPs.

9. Requests for Reconsideration

An employee may request reconsideration of the rating-of-record received under the mission aligned objectives and performance compensation system. A rating of record or job objective rating may be reconsidered by request of an employee only through the reconsideration process specified in an NAVFAC EXWC IOP (except for NAVFAC EXWC's attorneys, see section III.E.5). This process will be the sole and exclusive agency administrative process for employees to request reconsideration of a rating of record and is not subject to the agency administrative grievance system, or any negotiated grievance procedures.

Consistent with this part, a Designated Management Official (DMO) will make the decision on reconsiderations of rating of record. The DMOs' decisions are final. The DMO is a senior NAVFAC EXWC manager who is appointed by the Technical Director to make this final determination. The DMO will not be the pay pool manager who made the decision on the subject rating. The payout point determination, payout distribution determination, or any other payout matter will not be subject to the reconsideration process, any other agency administrative grievance system or any negotiated grievance procedures.

In the event of a reconsideration that results in an adjusted rating of record, the revised rating will be referred to the Pay Pool Manager for recalculation of the employee's performance payout amount and distribution. Any adjustment to base pay will be retroactive to the effective date of the performance payout. Base pay adjustments will be based on the payout point range appropriate for the adjusted rating of record. Payout point values for the adjusted rating of record will reflect the payout point value paid to other members across the pay pool for that rating cycle. Decisions made through the reconsideration process will not result in recalculation of the payout made to other employees in the pay pool.

Appeals that contain allegations that a performance rating was based on prohibited actions that are subject to formal review and adjudication by a third party may not be processed through the reconsideration process, but instead may be processed by the employee through an applicable third party process. Such third parties include, but are not limited to: The Merit Systems Protection Board (MSPB), the Office of Special Counsel (OSC), the OPM, the Federal Labor Relations Authority (FLRA) and the Equal Employment Opportunity Commission (EEOC).

F. Workforce Shaping

1. Modified Voluntary Early Retirement (VERA) and Voluntary Separation Incentive Pay (VSIP)

NAVFAC EXWC will use the modified VERA and VSIP authorities authorized by sections 1109(b)(3) and (4) of the NDAA for FY 2016. The Technical Director may use VERA and VSIP whenever such incentives will help the STRL to achieve one or more of the objectives in section 1109(a). This authority may not be delegated further. DoD has published, at 82 FR 43339, specific direction and authorization for the use of VERA and VSIP authorities by STRLs for workforce shaping. If the laboratory workforce is being downsized, VERA and VSIP incentives may be used to minimize the need for involuntary separations. VERA and VSIP may also be used to restructure the laboratory workforce without reducing the number of assigned personnel. In this restructuring scenario, incentives may be offered for the purpose of creating vacancies that will be reshaped to align with mission objectives. Details on the specific use of this authority are contained in 82 FR 43339.

IV. Conversion

A. Initial Conversion or Movement Into the Demonstration Project

1. Placement Into Career Paths and Pay Bands

Employees will be converted automatically from their current GS series and grade to the appropriate career paths and pay band levels. It is essential to the success of the project that employees, upon entering the project, know that they are not losing a pay entitlement accrued under the GS system. Employees that were covered by local or national special salary rates will no longer be considered a special salary employee under the demonstration project and thus will gain eligibility for full locality pay. To control conversion costs and to avoid a salary increase windfall for these employees, the adjusted salaries will not change. Rather, the employees will receive a new basic pay rate computed by the locality pay factor for their area. A full locality adjustment will then be added to the new basic pay rate. Adverse action provisions will not apply to the conversion process, as there will be no change to total salary. New hires, including employees transferring from other Federal activities, will be converted into the demonstration project in the career path and at the level and pay consistent with the duties

and responsibilities of the position and individual qualifications.

2. Within-Grade Increase (WGI) Buy-In

On the date that employees are converted to the project pay plans, they will be given a prorated permanent increase in pay equal to the earned (time spent in step) portion of their next Within Grade Increase (WGI) based on the value of the WGI at the time of conversion. Employees at step 10 or receiving a retained rate will not be eligible for the increase.

3. Career Ladder Positions

An employee on a career ladder position at the time of conversion may maintain the same salary trajectory and full performance level as covered under the general schedule pay system. Additionally, they may be considered for accelerated compensation identified under the ACDP of this FRN. Once an employee reaches the full performance pay band, control points will apply as outlined in NAVFAC EXWC IOPs.

4. Transition Equity

During the first 12 months following conversion, employees may receive pay increases for non-competitive promotion equivalents when the grade level of the promotion is encompassed within the same pay band, the employee's performance warrants the promotion and promotions would have otherwise occurred during that period. Employees who receive an in-pay band level promotion at the time of conversion will not receive a prorated step increase equivalent. Employees will not be eligible for a basic pay increase if their current rating of record is unacceptable at the time of conversion. The decision to grant a pay equity adjustment is at the sole discretion of management and is not subject to employee appeal procedures.

5. Conversion From Other Personnel Systems

Employees who enter this demonstration project from other personnel systems (*e.g.,* Defense Civilian Intelligence Personnel System, DoD Civilian Acquisition Workforce Demonstration Project, or other STRLs) due to a reorganization, mandatory conversion, Base Closure and Realignment Commission decision, or other directed action will be converted into the NAVFAC EXWC personnel demonstration project via movement of their positions using the appropriate Nature of Action Code. If applicable, a WGI buy-in may also be applied. The employee's position will be classified based upon the position classification criteria under the NAVFAC EXWC IOP and their pay upon conversion, maintained under applicable pay setting rules.

6. Initial Probationary Period

Employees who have completed an initial probationary period prior to conversion to the NAVFAC EXWC personnel demonstration project plan will not be required to serve another probationary period. NAVFAC EXWC will have a two-year probationary period. Employees who are still serving an initial probationary period upon conversion from GS to the demonstration project will receive credit for probationary service to date; however, they must serve any remaining probationary time to complete a full two-year probationary period.

7. Supervisory Probationary Period

NAVFAC EXWC will implement an extended supervisory probationary period. The probationary period for new supervisors will be two years, rather than the normal one-year probationary period specified by 5 CFR part 315. Except for the increased length, supervisory probationary periods will be made consistent with 5 CFR part 315. Employees who have already successfully completed an initial one-year probationary period for supervisory positions will not be required to complete a two-year probationary period for initial appointment to a supervisory position. Employees who are serving an initial supervisory probationary period upon conversion into this demonstration project will serve the time remaining on their one-year supervisory probationary period. If the decision is made to return the employee to a non-supervisory position for reasons related to supervisory performance and/or conduct, the employee will be returned to a comparable position of no lower base pay that the position from which promoted or reassigned immediately prior to the supervisory assignment.

B. Movement Out of the Demonstration Project

1. Termination of Coverage Under the Demonstration Project Pay Plans

In the event employees' coverage under the NAVFAC EXWC STRL personnel demonstration project pay plans is terminated, employees move with their position to another system applicable to NAVFAC EXWC STRL employees. The grade of their demonstration project position in the new system will be based upon the position classification criteria of the gaining system. Employees may be eligible for pay retention under 5 CFR part 536 when converted to their positions classified under the new system, if applicable.

2. Determining GS Equivalent Grade and Pay When an Employee Exits the Demonstration Project

If a demonstration project employee is moving to a GS or other pay system position, the following procedures will be used to translate the employee's personnel demonstration project pay band to a GS-equivalent grade and the employee's project base pay to the GS-equivalent rate of pay for pay setting purposes. The equivalent GS grade and GS rate of pay must be determined before movement out of the personnel demonstration project and any accompanying geographic movement, promotion, or other simultaneous action. For lateral reassignments, the equivalent GS grade and rate will become the employee's converted 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.

3. Equivalent GS-Grade-Setting Provisions

An employee in a pay band corresponding to a single GS grade is provided that grade as the GS equivalent grade. An employee in a pay band corresponding to two or more grades is determined to have a GS equivalent grade corresponding to one of those grades according to the following rules:

The employee's adjusted base pay under the demonstration project (including any locality payment or staffing supplement) is compared with step four rates in the highest applicable GS rate range. For this purpose, a GS rate range includes a rate in:

(1) The GS base schedule;

(2) The locality rate schedule for the locality pay area in which the position is located

(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:

(1) If the employee's adjusted base pay under the demonstration project

equals or exceeds the applicable step four adjusted base pay rate of the highest GS grade in the band, the employee is converted to that grade;

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

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

(4) An exception whereby an employee will not be provided a lower grade than the grade held by the employee immediately preceding a conversion, lateral reassignment, or lateral transfer into the project, unless since that time the employee has either undergone a reduction in pay band or a reduction within the same pay band due to unacceptable performance. This provision does not apply to voluntary movement out of the demonstration project.

4. Equivalent GS-Rate-of-Pay-Setting Provisions

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

(A) 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.

(B) An employee's adjusted base pay under the demonstration project (*i.e.,* including any locality payment or staffing supplement) is converted to a GS adjusted base pay rate on the highest applicable GS 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.

(3) An applicable special rate schedule.

(C) If the highest applicable GS rate range is a locality pay rate range, the employee's adjusted base pay under the demonstration project 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 base pay would be the GS base rate corresponding to the converted GS locality rate (*i.e.,* same step position).

(D) If the highest applicable GS rate range is a special rate range, the employee's adjusted base pay under the demonstration project 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 base pay will be the GS rate corresponding to the converted special rate (*i.e.,* same step position).

C. Implementation Training

Training to promote understanding of the broad concepts and finer details is critical to successfully implement and execute this project. A new pay banding schema and performance management system both represent significant cultural change to the organization.

Training is tailored to address employee concerns and encourage comprehensive understanding of the demonstration project. Training is required prior to implementation and at various times during the life of the demonstration project. The training program includes modules tailored for employees, supervisors, senior managers, and administrative staff. Typical modules are:

(1) An overview of the demonstration project personnel system;

(2) How employees are converted into and out of the system;

(3) Pay banding;

(4) The mission aligned objectives and performance compensation system;

(5) Defining mission aligned performance objectives;

(6) How weights may be used with the mission aligned performance objectives;

(7) Assessing performance—giving feedback;

(8) New position descriptions; and

(9) Demonstration project administration and formal evaluation.

Various types of training including videos, on-line tutorials, and train-the-trainer concepts will be used.

V. Project Duration

Section 342 of the NDAA for FY 1995 (Pub. L. 103–337) does not require a mandatory expiration date for this demonstration project. The project evaluation plan addresses how each flexibility will be comprehensively evaluated for at least the first five years of the demonstration project. Changes and modifications to the interventions will be made using the provisions of DoDI 1400.37, or applicable superseding instructions.

VI. Evaluation Plan

A. Overview

Chapter 47 of 5 U.S.C. requires that an evaluation be performed to measure the effectiveness of the demonstration project and its impact on improving public management. A comprehensive evaluation plan for the entire demonstration program, originally covering 24 DoD laboratories, was developed by a joint OPM/DoD Evaluation Committee in 1995. This plan was submitted to the Office of Defense Research & Engineering and was subsequently approved. The main purpose of the evaluation is to determine whether the waivers granted result in a more effective personnel system and improvements in ultimate outcomes (*i.e.,* organizational effectiveness, mission accomplishment, and customer satisfaction). That plan, while useful, is dated and does not fully afford the laboratories the ability to evaluate all aspects of the demonstration project in a way that fully facilitates assessment and effective modification based on actionable data. Therefore, the STRL Technical Director will conduct an internal evaluation of the STRL Personnel Demonstration Program and will ensure USD(R&E) evaluation requirements are met in addition to applying knowledge gained from other DoD laboratories and their evaluations to ensure a timely, useful evaluation of the demonstration project.

B. Data Collection To Support Evaluation

The ultimate outcomes sought are improved organizational effectiveness, mission accomplishment and customer satisfaction. However, the main focus of the evaluation will be on intermediate outcomes, *i.e.,* the results of the authorized personnel system changes, which are expected to contribute to the desired goals and benefits identified Sections II.A and II.C. Data from several sources will be used in the evaluation. Information from existing management information systems and from personnel office records will be supplemented with perceptual survey data from employees to assess the effectiveness and perception of the project. The multiple sources of data collection will

provide a more complete picture as to how the flexibilities are working. The information gathered from one source will serve to validate information obtained through another source. The confidence of overall findings will be strengthened as the different collection methods substantiate each other. Both quantitative and qualitative data will be used when evaluating outcomes. The following data will be collected:

(1) Workforce data (advanced degrees, etc.);

(2) Personnel office data (hiring actions, time to hire, retention, etc.);

(3) Employee attitude surveys;

(4) Structured interviews and focus group data;

(5) Comparison of desired results from the flexibilities implemented with actual results achieved;

(6) Customer satisfaction surveys;

(7) Core measures of laboratory effectiveness; and

(8) Any additional data requested by Director, Laboratories and Personnel Office.

The evaluation effort will consist of two phases, formative and summative evaluation, covering at least five years to permit inter- and intra-organizational estimates of effectiveness. The formative evaluation phase will include baseline data collection and analysis, implementation evaluation and interim assessments. The formal reports and interim assessments will provide information on the accuracy of project operation and current information on impact of the project on veterans and protected groups, Merit System Principles, and Prohibited Personnel Practices. The summative evaluation will focus on an overall assessment of project outcomes after five years. The final report will provide information on how well the HR system changes have achieved the desired goals, which flexibilities were most effective and whether the results can be generalized to other Federal installations.

VII. Demonstration Project Costs

NAVFAC EXWC will model its demonstration project on existing demonstration projects but must assume some expanded project costs. Current cost estimates associated with implementing the demonstration project are shown in Figure 3. These include possible automation of training and project evaluation systems. The automation and training costs are startup costs. Transition costs are one-time costs. Costs for project evaluation will be ongoing for at least five years.

Figure 3. Projected Implementation Costs

	FY 19	FY 20	FY 21	FY 22	FY 23	
Software Development and Automation	50,000			0		
Software Hosting and Sustainment	15,000	15000	15,000	15,000	15,000	
Program/Training development and deployment	74,400	9,533	9,771	9,922	10,265	
Workforce Training WCF	376,640	263,220	269,801	276,546	283,459	
Workforce Training GF	149,792	152,520	156,333	160,241	164,247	
Supervisor Training WCF	37,664	70,192	71,947	73,745	75,589	
Supervisor Training GF	20,856	51,824	53,120	54,448	55,809	
Project Evaluation	15,500	6,355	6,514	6,615	6,844	
NWCF STRL Transition (WGI Buy In)	485,602	0	0	0	0	
GF STRL Transition (WGI Buy In)	445,703	0	0	0	0	
Totals	1,671,157	568,644	582,485	596,517	611,213	**4,030,015**

VIII. Management and Oversight

A. Project Management With Automation

One of the major goals of the demonstration project is to streamline the personnel processes to increase cost effectiveness. Automation should play an integral role in achieving that goal. Without the necessary automation to support the flexibilities proposed for the demonstration project, optimal cost benefit may not be realized. In addition, adequate information to support decision-making must be available to managers if line management is to assume greater authority and responsibility for human resources management. Automation to support the demonstration project is required at the DoN and DoD level (in the form of changes to the Defense Civilian Personnel Data System (DCPDS) or successor DoD personnel system) to facilitate processing and reporting of demonstration project personnel actions and may be ultimately required by the command to assist in processing a variety of personnel-related actions in order to facilitate management processes and decision making.

DCPDS is the DoD's authoritative personnel data system and program of record and as such, DCPDS or its successor system will be the system of choice for the STRL labs. The detailed specifications for required system changes will be provided in the System Change Request (SCR), Form 804, concurrent with submission of this document.

B. Oversight

Oversight will be carried out by the command's Senior Leadership, composed of the Technical Director and Commanding Officer. The Technical Director and Commanding Officer will be assisted initially by the NAVFAC EXWC STRL Demonstration Project Implementation Team, and once established, by the NAVFAC EXWC STRL Policy Board (ESPB).

1. Personnel Administration

All personnel laws, regulations, and guidelines not waived by this plan will remain in effect. Basic employee rights will be safeguarded and merit system principles will be maintained. Except where specifically waived or modified in this plan, adverse action procedures under 5 CFR part 752 remain unchanged.

2. Modifications

Many aspects of a demonstration project are experimental. Modifications may be made from time to time as experience is gained, results are analyzed and conclusions are reached on how the new system is working. Modifications will be made in accordance with the provisions of DoDI 1400.37, or applicable superseding instructions.

IX. Required Waivers to Laws and Regulations

Public Law 106–398 gave the DoD the authority to experiment with several personnel management innovations. In addition to the authorities granted by the law, the following are waivers of law and regulation that will be necessary for implementation of the demonstration project. In due course, additional laws and regulations may be identified for waiver request. The following waivers and adaptations of certain Title 5 U.S.C. and 5 CFR provisions are required only to the extent that these statutory provisions limit or are inconsistent with the actions contemplated under this demonstration project. Nothing in this plan is intended to preclude the demonstration project from applying, adopting or incorporating any law or OPM, DoD, or DoN regulation enacted, adopted, or amended after the effective date of this demonstration project.

A. Waivers to Title 5, United States Code

Chapter 5, section 552a: Records. Waived 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 3104: Employment of Specially Qualified Scientific and Professional Personnel. Waived to allow SSTM authority as described in this FRN and 79 FR 43722;

Chapter 31, section 3132: The Senior Executive Service: Definitions and Exclusions. Waived to allow SSTMs.

Chapter 33, Subchapter I: Examination, Certification, and Appointment;

Waived except for sections 3302 and 3328 to allow for direct hire authority for scientists and engineers with advanced degrees for professional positions, and bachelor degree candidates for scientific and engineering positions.

Waived for veteran candidates for scientific, technical, engineering and mathematics positions, including technician positions. Also waived to the extent to allow employees appointed on a Flexible Length or Renewable Term Technical Appointment to apply for federal positions as status candidates.

Chapter 33, section 3308: Competitive Service; Examinations; Educational Requirements Prohibited. This section is waived with respect to the scholastic achievement appointment authority.

Chapter 33, section 3321: Competitive Service; Probationary Period. This section is waived only to the extent necessary to replace ''grade'' with ''pay band'' and to allow for probationary periods of two years.

Chapter 33, section 3324: Appointments to Positions Classified Above GS–15; and 5 U.S.C. 3325, Appointments to Scientific and Professional Positions. Waived in its entirety.

Chapter 33, section 3327: Civil service employment information. Waived to the extent necessary to allow public notice other than USAJobs for the Distinguished Scholastic Appointment Authority described in this FRN.

Chapter 33, section 3330: Government-wide List of Vacant Positions. Waived to the extent necessary to allow public notice other than USAJobs for the Distinguished Scholastic Appointment Authority described in this FRN.

Chapter 33, section 3341: Details. Waived in its entirety, to extend the time limits for details.

Chapter 35, section 3522: Agency VSIP Plans; Approval. Waived to remove the requirement to submit a plan to OPM prior to obligating any resources for voluntary separation incentive payments.

Chapter 35, section 3523(b)(3): Authority to Provide Voluntary Separation Incentive Payments. As provided for in 82 FR 43339, September 15, 2017, waived to remove the prescribed method of incentive payment calculation and the $25,000 incentive limit. Allows Technical Director to determine amount of incentive paid to employees under the workforce shaping pilot program voluntary early retirement and separation incentive payment authorities within the limit prescribed herein.

Chapter 41, section 4107(a)(2): Academic Degree Training. Waived in its entirety.

Chapter 41, section 4108: Employee Agreements; Service After Training. Waived to the extent necessary to:

(1) Provide that the employee's service obligation is to NAVFAC EXWC for the period of the required service;

(2) Permit the Technical Director to waive in whole or in part a right of recovery; and

Require an employee in the student educational employment program who has received tuition assistance to sign a service agreement up to three times the length of the training.

Chapter 43, section 4301–4305: Related to Performance Appraisal. Waived to the extent necessary to allow provisions of the performance compensation system as described in this FRN. Replace ''grade'' with ''pay band''; does not apply to employees reduced in pay band without a reduction in pay; allows for removal for unacceptable performance within two years from the beginning of the performance improvement period; OPM responsibilities to the demonstration project are waived.

Chapter 45, section 4502: Limitation of Cash Awards to Ten-Thousand Dollars. Waived to allow Technical Director to award up to $25,000 with the same level of authority as the Secretary of Defense to grant cash awards. The requirement for certification and approval of the cash awards by OPM is not required. All other provisions of section 4502 apply.

Chapter 51, section 5101–5112: Purpose, Definitions, Basis, Classification of Positions, Review, Authority. Waived to the extent that:

(1) White collar employees will be covered by broad banding;

(2) Allow classification provisions described in this FRN and to allow for SSTM positions;

(3) Classification appeals will be decided by the Technical Director with final appeal to the DoD Appellate level.

Chapter 53, sections 5301–5304 and 5306–5307: Related to Pay Comparability System and General Schedule Pay Rates. Waived to the extent necessary to allow demonstration project employees, including SSTM employees, to be treated as GS employees, and to allow base rates of pay under the demonstration project to be treated as scheduled rates of pay. SSTM pay will not exceed EX–IV and locality adjusted SSTM rates will not exceed EX III.

Chapter 53, section 5305: Special Pay Authority. Waived in its entirety to allow for staffing supplements.

Chapter 53, section 5331–5336: General Schedule Pay Rates. Waived in entirety.

Chapter 53, sections 5361–5366: Grade and Pay Retention. Waived to the extent necessary to:

(1) Replace ''grade'' with ''pay band;''

(2) Allow demonstration project employees to be treated as GS employees;

(3) Provide that an employee on pay retention whose rating of record is

''Unacceptable'' is not entitled to 50 percent of the amount of the increase in the maximum rate of base pay payable for the pay band of the employee's position.

(4) Provided that pay retention does not apply to reduction in base pay due solely to the reallocation of demonstration project pay rates in the implementation of a staffing supplement;

(5) Allow no provision of grade/pay band retention under this demonstration project; and

(6) Allow demonstration project employees receiving a staffing supplement to retain.

the adjusted base pay if the staffing supplement is discontinued or reduced. This waiver may apply to Scientific and Professional (ST), Senior Level (SL) and SSTM employees only if they move to a GS-equivalent position within the demonstration project under conditions that trigger entitlement to pay retention.

Chapter 55, section 5542(a)(1) and (2): Overtime Rates; Computation. These sections are adapted only to the extent necessary to provide that the GS–10 minimum special rate (if any) for the special rate category to which a project employee belongs is deemed to be the ''applicable special rate'' in applying the pay cap provisions in 5 U.S.C. 5542.

Chapter 55, section 5545(d): Related to Hazardous Duty Premium Pay. Waived only to the extent necessary to allow demonstration project employees to be treated as GS employees.

Chapter 55, section 5547(a) and (b): Limitation on Premium Pay. These sections are adapted only to the extent necessary to provide that the GS–15 maximum special rate (if any) for the special rate category to which a project employee belongs is deemed to be the ''applicable special rate'' in applying the pay cap provisions in 5 U.S.C. 5547.

Chapter 57, sections 5753, 5754, and 5755: Related to Recruitment, Relocation, Retention Payments, and Supervisory Differential. These sections waived to the extent necessary to allow:

(1) Employees and positions under the demonstration project to be treated as employees and positions under the GS;

(2) That management may offer a bonus to incentivize geographic mobility to employees in a student educational employment program; and

(3) To allow provisions of the retention counteroffer and incentives as described in this FRN. Also to the extent necessary, to allow SSTMs to receive pay retention and supervisory differentials as described in this FRN and 79 FR 43722.

Chapter 59, section 5941: Allowances Based on Living Costs and Conditions of Environment; employees stationed outside continental United States or Alaska. Waived to the extent necessary to provide that cost-of-living-adjustment (COLA)'s paid to employees under the demonstration project are paid in accordance with regulations prescribed by the President (as delegated to OPM).

Chapter 75, section 7512(3) and (4): Adverse Actions. Waived to the extent necessary to:

Replace ''grade'' with ''pay band;''

(1) Exclude reductions in pay band that are not accompanied by a reduction in pay;

(2) Exclude conversions from GS special rates to demonstration project pay and reallocations of demonstration project pay rates within special rate extensions to locality adjusted pay rates due to promotions of general or locality pay increases, as long as the employee's total rate of pay is not reduced; and

(3) Exclude reductions in base pay due solely to the operations of the pay setting rules for geographic movement within the demonstration project; and

(4) Exclude reduction in pay due to the removal of a supervisory or team leader pay adjustment upon voluntary movement to a non-supervisory, or non-team leader position.

Chapter 99, section 9902(f): Related to Voluntary Separation Incentive Payments. Waived to the extent necessary to utilize the authorities authorized by Public Law 114–92 and detailed in 82 FR 43339.

B. Waivers to Title 5, Code of Federal Regulations

Part 210, section 210.102(b)(12): Definitions, Reassignment. Waived to the extent necessary to allow assigning an employee, without a position change, to any work falling within their general level descriptor. Waived to the extent necessary to allow tracking of such assignments as a ''realignment.''

Part 300–330: Employment (General). Other than Subpart G of 300. Waived to the extent necessary to allow provisions of the direct hire authorities as described in 79 FR 43722 and 82 FR 29280.

Part 300, section 300.601–300.605: Time-in-Grade Requirements. Waived to eliminate time-in-grade restrictions.

Part 315, section 315.901 and 315.907: Related to Supervisory Probationary Periods. This waiver applies to the extent necessary to:

(1) Replace ''grade'' with ''pay band'' or ''broad band;''

(2) Allow NAVFAC EXWC to establish the length of supervisory probationary period; and

(3) Allow time spent in a temporary position to be creditable toward completion of a supervisory probationary period.

Part 316, sections 316.301, 316.303, and 316.304: Term Employment. These sections are waived to the extent necessary to allow modified term appointments and Flexible Length and Renewable Term Technical Appointments as described in this FRN.

Part 330, section 330.103–330.105: Requirement to Notify OPM. Waived to the extent necessary to allow the STRL to publish competitive announcements outside of USAJobs.

Part 332 and 335: Related to Competitive Examination. Waived to the extent necessary to allow employees appointed on a Flexible Length and Renewable Term Technical Appointment to apply for federal positions as status candidates.

Part 335, section 335.103: Agency Promotion Programs. Waived to the extent necessary to extend the length of details and temporary promotions without requiring competitive procedures or numerous short-term renewals.

Part 338, section 338.301: Competitive Service Appointment. Waived to allow for Distinguished Scholastic Achievement Appointment grade point average requirements as described in this FRN.

Part 359, section 359.705: Related to SES Pay. Waived to allow demonstration project rules governing pay retention to apply to a former SES placed on an SSTM position.

Part 410, section 410.308(a) and (c): Related to Degree Programs. Waived to allow the command to pay for all courses related to an academic degree program approved by the Technical Director.

Part 410, section 410.309: Agreements to Continue in Service. Waived to the extent necessary to allow the Technical Director to determine requirements related to continued service agreements, including employees under the Student Educational Employment Program who have received tuition assistance.

Part 430, Subpart B: Performance Appraisal for General Schedule, Prevailing Rate and Certain Other Employees. Waived to the extent necessary to allow the performance appraisal program as described in this FRN. Section 430.208(a) (1) and (2), waived to allow presumptive ratings for new employees hired less than 90 days before the end of the appraisal cycle, or for other situations not providing adequate time for an appraisal.

Part 432: Performance Based Reduction-in-grade and Removal

Actions. Replace ''grade'' with ''pay band.'' Modified to the extent that an employee may be removed, reduced in pay band level with a reduction in pay, reduced in pay without a reduction in pay band level and reduced in pay band level without a reduction in pay based on unacceptable performance. Also, modified to delete reference to critical element and to allow removal for unacceptable performance with two years from the beginning of a performance improvement period. For employees who are reduced in pay band level without a reduction in pay, sections 432.105 and 432.106(a) do not apply.

Part 451, section 451.106(b): Agency Responsibilities. Waived to allow the Technical Director to award up to $25,000 with the same level of authority as the Secretary of Defense to grant a cash award. The requirement for certification and approval of cash awards by OPM is not required. All other provisions of 5 CFR 451.106 apply.

Part 511, Subpart A, B and F: Classification Under the General Schedule. Waived to the extent necessary to allow classification provisions outlined in this FRN to include the list of issues that are neither appealable nor reviewable, the assignment of series under the project plan to appropriate career paths; and to allow classification appeals to be decided by the Technical Director with final appeal to the DoD Appellate level.

Part 530, Subpart C: Special Rate Schedules for Recruitment and Retention. Waived in its entirety to allow for staffing supplements.

Part 531, Subparts B, D, and E: Determining the Rate of Basic Pay, Within-Grade Increases and Quality Step Increases. Waived in its entirety.

Part 531, Subpart F: Locality-Based Comparability Adjustments. This waiver applies only to the extent necessary to allow:

(1) Demonstration project employees covered by broad banding to be treated as GS employees;

(2) Basic rates of pay under the demonstration project to be treated as scheduled annual rates of pay; and

(3) SSTM employees to be treated as GS employees and basic rates of pay under the SSTM to be treated as scheduled annual rates of pay. This waiver does not apply to FWS employees.

Part 531, section 531.604(b)(4): Determining an employee's locality rate: Waived (rounding rule) in its entirety.

Part 536: Grade and Pay Retention: Waived to the extent necessary to:

(1) Replace ''grade'' with ''pay band;''

(2) Provide that pay retention provisions do not apply to conversions from GS special rates to demonstration project pay, as long as total pay is not reduced, and to movement from a supervisory position to a non-supervisory position, as long as total pay is not reduced;

(3) Allow demonstration project employees to be treated as GS employees;

(4) Provide that pay retention provisions do not apply to movements to a lower pay band as a result of not receiving the general increase due to an annual performance rating of ''Unacceptable;''

(5) Provide that an employee on pay retention whose rating of record is ''Unacceptable'' is not entitled to 50 percent of the amount of the increase in the maximum rate of base pay payable for the pay band of the employee's position;

(6) Allow no provision of grade/pay band retention under this demonstration project;

(7) Provide that pay retention does not apply to reduction in base pay due solely to the reallocation of demonstration project pay rates in the implementation of a staffing supplement; and

(8) Allow demonstration project employees receiving a staffing supplement to retain the adjusted base pay if the staffing supplement is discontinued or reduced. This waiver may apply to Scientific and Professional (ST), Senior Level (SL) and SSTM employees only if they move to a GS-equivalent position within the demonstration project under conditions that trigger entitlement to pay retention.

Part 550, section 550.113(a): Computation of Overtime Pay. This section is adapted only to the extent necessary to provide that the GS–10 minimum special rate (if any) for the special rate category to which a project employee belongs is deemed to be the ''applicable special rate'' in applying the pay cap provisions in 5 U.S.C. 5542.

Part 550, section 550.703: Severance Pay, Definitions. Definition of ''reasonable offer'' waived by replacing ''two grade or pay levels'' with ''one pay band'' and ''grade or pay level'' with ''pay band.''

Part 550, section 550.902: Definition of ''Employee'' Hazardous Duty Pay Differential. Waived to the extent necessary to treat demonstration project employees covered by broad banding as GS employees.

Part 575, Subparts A, B, C, and D: Recruitment Bonuses, Relocation Bonuses, Retention Allowances, and Supervisory Differentials. Waived only to the extent necessary to allow:

(1) Employees and positions under the demonstration project covered by broad banding to be treated as employees and positions under the GS;

(2) Relocation incentives to new employees in the student educational employment program whose worksite is in a different geographic location than that of the college enrolled;

(3) SSTMs to receive supervisory pay differentials as described in this FRN and 79 FR 43726; and

(4) To allow provisions of the retention counteroffer and incentives as described in this FRN.

Part 591, Subpart B: Cost-of-Living Allowances and Post Differential-Non Foreign Areas. Waived to the extent necessary to allow demonstration project employees covered by broad banding to be treated as employees under the GS.

Part 752, sections 752.201, 752.301 and 752.401: Principal Statutory Requirements and Coverage. Waived to the extent necessary to:

(1) Exclude reductions in pay band not accompanied by a reduction in pay;

(2) Replace ''grade'' with ''pay band;''

(3) The extent necessary to exclude conversions from a GS special rate to demonstration project pay that do not result in a reduction in the employee's total rate of pay; and

(4) The extent necessary to provide that adverse action provisions do not apply to: (a) Conversions from GS special rates to demonstration project pay; (b) reallocations of demonstration project pay rates within special rate extensions to locality adjusted pay rates due to promotions or general or locality pay increases, as long as the employee's total rate of pay is not reduced; and (c) reductions in base pay due solely to the operation of the pay setting rules for geographic movement within the demonstration project.

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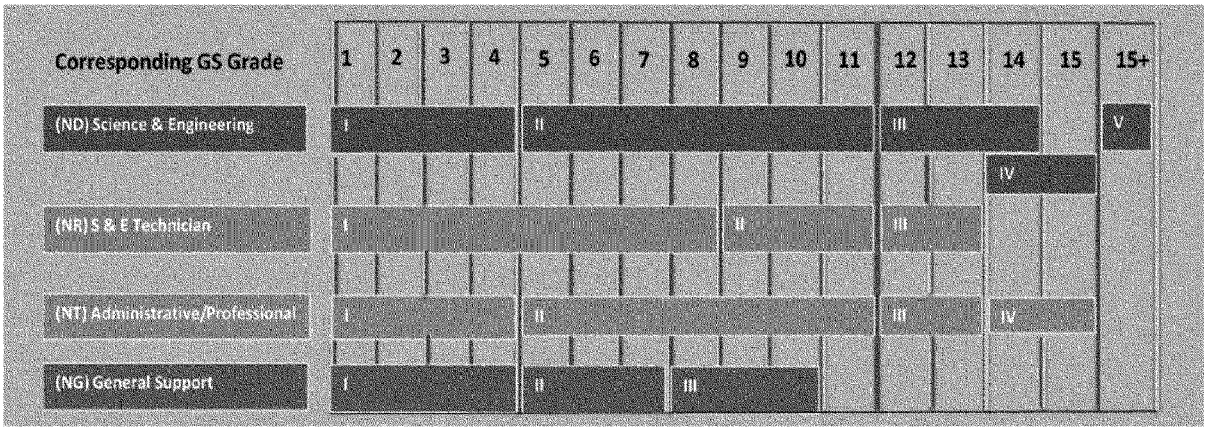
Appendix A: Career Paths and Occupational Series



SCIENCE & ENGINEERING CAREER PATH (ND)	
SERIES	TITLE
0150	GEOGRAPHER
0401	NATURAL RESOURCES MANAGEMENT AND BIOLOGICAL SCIENCES
0801	GENERAL ENGINEERING
0803	SAFETY ENGINEERING
0804	FIRE PROTECTION ENGINEERING
0806	MATERIALS ENGINEERING
0808	ARCHITECTURE
0810	CIVIL ENGINEERING
0819	ENVIRONMENTAL ENGINEERING
0830	MECHANICAL ENGINEERING
0850	ELECTRICAL ENGINEERING
0854	COMPUTER ENGINEERING
0855	ELECTRONICS ENGINEERING
0893	CHEMICAL ENGINEERING
0896	INDUSTRIAL ENGINEERING
0899	STUDENT TRAINEE (ENGINEER)
1301	PHYSICAL SCIENCE
1313	GEOPHYSICS
1315	HYDROLOGY
1320	CHEMISTRY
1321	METALLURGY
1350	GEOLOGY
1515	OPERATIONS RESEARCH
1550	COMPUTER SCIENTIST

GENERAL SUPPORT CAREER PATH (NG)	
SERIES	TITLE
0086	SECURITY CLERICAL AND ASSISTANCE
0203	HUMAN RESOURCES ASSISTANCE
0303	MISC CLERK AND ASSISTANT
0318	SECRETARY
0335	COMPUTER CLERK AND ASSISTANT
0344	MANAGEMENT & PROGRAM CLERICAL AND ASSISTANCE
0399	(STUDENT TRAINEE) ADMINISTRATION AND OFFICE SUPPORT
0503	FINANCIAL TECHNICIAN
0986	LEGAL ASSISTANCE
1106	PROCUREMENT CLERICAL AND TECHNICIAN
2005	SUPPLY CLERICAL AND TECHNICIAN

S & E TECHNCIAN CAREER PATH (NR)	
SERIES	TITLE
0802	ENGINEERING TECHNICIAN
0856	ELECTRONICS TECHNICIAN
1152	PRODUCTION CONTROL
2121	RAILROAD SAFETY

ADMINISTRATIVE/PROFESSIONAL CAREER PATH (NT)	
SERIES	TITLE
0018	SAFETY AND OCCUPATIONAL HEALTH MANAGEMENT
0020	COMMUNITY PLANNING
0028	ENVIRONMENTAL PROTECTION SPECIALIST
0080	SECURITY ADMINISTRATION
0201	HUMAN RESOURCES MANAGEMENT
0260	EQUAL EMPLOYMENT OPPORTUNITY
0301	MISC ADMINSTRATION AND PROGRAM
0340	PROGRAM MANAGEMENT
0343	MANAGEMENT AND PROGRAM ANALYST
0346	LOGISTICS MANAGEMENT
0399	(STUDENT TRAINEE) ADMINISTRATION AND OFFICE SUPPORT
0501	FINANCIAL ADMINISTRATION AND PROGRAM
0505	FINANCIAL MANAGEMENT
0510	ACCOUNTING
0905	GENERAL ATTORNEY
0950	PARALEGAL SPECIALIST
1035	PUBLIC AFFAIRS
1083	TECHNICAL WRITING AND EDITING
1101	GENERAL BUSINESS AND INDUSTRY
1102	CONTRACTING
1176	BUILDING MANAGEMENT
1670	EQUIPMENT SERVICES
1801	INSPECTOR GENERAL
2010	INVENTORY MANAGEMENT
2030	DISTRIBUTION FACILITIES AND STORAGE MANAGEMENT
2210	INFORMATION TECHNOLOGY MANAGEMENT

Appendix B: Rating Benchmark Examples

Notional Administrative/Professional Career Path Level-II	
Level 3	Level 5
- With guidance, effectively achieved the stated objective while applying well-developed knowledge and skills (including use of appropriate technology, tools, and/or equipment) to effectively perform a full range of assignments, including moderately complex work activities; seeks occasional guidance as appropriate - With guidance, organized and prioritized own task to deliver the objective, adjusting work plans and overcoming obstacles necessary - Demonstrates an understanding of overall organizational goals and needs, relevant systems, processes, and procedures that affect own work; applies this knowledge constructively when completing own assignments	- Contributed results beyond what was expected; results were far superior in quality, quantity, timeliness, and/or impact to the stated objective impact to the stated objective - Looks beyond the requirements of one's own job to offer contributions to overall work unit operations. - Takes initiative to improve technical knowledge and skills through a variety of self-directed activities, resulting in an increased ability to contribute to the mission.

Notional Science and Engineering Career Path Level-III	
Level 3	Level 5
(1) Effectively achieved the stated objective, anticipating, and overcoming significant obstacles. Adapts established methods and procedures when needed. (2) Results were technically sound, accurate, thorough, documented and met applicable authorities, standards, policies, procedures, and guidelines. (3) Planned, organized, prioritized, and scheduled own work activities to deliver the objective in a timely and effective	(1) Contributed results beyond what was expected; results were far superior in quality, quantity, timeliness and/or impact to mission. (2) Seeks out and capitalizes on opportunities to leverage expertise to make contributions with significant impacts. (3) Applied new and innovative methods and processes that contributed

manner, making adjustments to respond to changing situations and anticipating and overcoming difficult obstacles as necessary. (4) Demonstrates an extensive understanding of the organization's mission, functions, values, applicable policies and procedures, and internal and external factors; seeks out and capitalizes on opportunities to use this knowledge to help the organization accomplish its mission and move toward its long-term vision.	significantly to the success of the organization.

Dated: March 9, 2021.

Aaron T. Siegel,

Alternate OSD Federal Register Liaison Officer, Department of Defense.

[FR Doc. 2021–05172 Filed 3–11–21; 8:45 am]

BILLING CODE 5001–06–C

DEPARTMENT OF EDUCATION

[Docket No.: ED–2020–SCC–0198]

Agency Information Collection Activities; Submission to the Office of Management and Budget for Review and Approval; Comment Request; Formula Grant EASIE Annual Performance Report

AGENCY: Office of Elementary and Secondary Education (OESE), Department of Education (ED).

ACTION: Notice.

SUMMARY: In accordance with the Paperwork Reduction Act of 1995, ED is proposing an extension without change of a currently approved collection.

DATES: Interested persons are invited to submit comments on or before April 12, 2021.

ADDRESSES: Written comments and recommendations for proposed information collection requests should be sent within 30 days of publication of this notice to *www.reginfo.gov/public/do/PRAMain.* Find this information collection request by selecting ''Department of Education'' under ''Currently Under Review,'' then check ''Only Show ICR for Public Comment'' checkbox. Comments may also be sent to *ICDocketmgr@ed.gov.*

FOR FURTHER INFORMATION CONTACT: For specific questions related to collection activities, please contact Crystal Moore, (202) 453–5593.

SUPPLEMENTARY INFORMATION: The Department of Education (ED), in accordance with the Paperwork Reduction Act of 1995 (PRA) (44 U.S.C. 3506(c)(2)(A)), provides the general public and Federal agencies with an opportunity to comment on proposed, revised, and continuing collections of information. This helps the Department assess the impact of its information collection requirements and minimize the public's reporting burden. It also helps the public understand the Department's information collection requirements and provide the requested data in the desired format. ED is soliciting comments on the proposed information collection request (ICR) that is described below. The Department of Education is especially interested in public comment addressing the following issues: (1) Is this collection necessary to the proper functions of the Department; (2) will this information be processed and used in a timely manner; (3) is the estimate of burden accurate; (4) how might the Department enhance the quality, utility, and clarity of the information to be collected; and (5) how might the Department minimize the burden of this collection on the respondents, including through the use of information technology. Please note that written comments received in response to this notice will be considered public records.

Title of Collection: Formula Grant EASIE Annual Performance Report.

OMB Control Number: 1810–0726.

Type of Review: Extension without change of a currently approved collection.

Respondents/Affected Public: State, Local, and Tribal Governments.

Total Estimated Number of Annual Responses: 1,300.

Total Estimated Number of Annual Burden Hours: 14,300.

Abstract: The purpose of Indian Education Formula Grant to Local Agencies, as authorized under section 6116 of the Elementary and Secondary Education Act of 1965 (ESEA), as amended by the Every Student Succeeds Act (ESSA) is to assist grantees to provide Indian students with the opportunity to meet the same challenging state standards as all other students and meet the unique educational and culturally related academic needs of American Indian and Alaska Native students. The Indian Education Formula Grant (CFDA 84.060A), is neither competitive nor discretionary and requires the annual submission of the application from either a local education agency, tribe, Indian organization, or Indian community-based organization. The amount of the award for each applicant is determined by a formula based on the reported number of American Indian/Alaska Native students identified in the application, the state per pupil expenditure, and the total appropriation available. The Office of Indian Education (OIE) of The Department of Education (ED) collects annual performance data within the same system that collects the annual application. The application and the annual performance report are both be housed in the Education Data Exchange Network (EDEN) Submission System. The 524B Annual Performance Report (APR) was designed for discretionary grants, however the title VI program is a formula grant program. The EASIE APR goes beyond the generic 524B APR and facilitates the collection of more specific and comprehensive data due to grantees entering project specific data into an online database.