

Transition from NSPS to GS

Updated: November 5, 2010

Chapter 6 – Frequently Asked Questions (FAQs)

I. GENERAL

A. Scheduling

A-1. *When will employees transition from NSPS?*

Answer: Section 1113 of the Fiscal Year 2010 National Defense Authorization Act (NDAA 2010) requires that all NSPS employees and their positions be transitioned from NSPS by no later than January 1, 2012. The Deputy Secretary of Defense has further stated that the majority of NSPS employees will be transitioned from NSPS by September 30, 2010. Each Component will determine the transition schedule for their organizations.

B. Transition to Non-NSPS Personnel Systems

B-1. *How are employees affected by the transition to non-GS pay systems?*

Answer: Certain categories of positions will transition to systems other than GS. Similar to employees transitioning to the GS system, employees transitioning to other non-NSPS personnel systems will be protected by Section 1113(c)(1) of NDAA 2010 requiring no loss or decrease in pay due to transition from NSPS. Specific information regarding transition to other personnel systems will be provided as available.

C. Communications/Training Materials

C-1. *Are there communications/training materials available to help NSPS employees understand the transition process and the pay system to which they are moving?*

Answer: Yes. A variety of communication materials and web-based and/or classroom training are available to assist NSPS employees during this period. Employees can check the NSPS website at <http://www.cpms.osd.mil/nsps/> and Component websites for information. Specific questions regarding how an employee will be affected by the transition process should be directed to his or her supervisor and/or servicing Human Resources Office (HRO). Helpful information, particularly about the GS system, may also be found on the Office of Personnel Management's website at <http://www.opm.gov/>.

D. Exceptions

General

D-1. *What organizations and/or positions are currently excepted from transitioning into GS from NSPS?*

Answer: Exceptions fall into two broad categories: 1) employees or positions that will transition to personnel systems other than GS and 2) employees or positions that have been approved for delayed transition to GS.

Transitions to non-GS or hybrid personnel systems:

- Employees in organizations designated as DoD Science and Technology Reinvention Laboratories
- Doctors, dentists, and certain healthcare occupations pending approval/establishment of flexibilities and authorities under Title 38 U.S.C. and hybrid systems infrastructure (*see* Chapter 1 of this guide, Appendix 1-A)
- Acquisition Demonstration Project positions and employees pending reestablishment of policies, infrastructure, and transition tools

Delayed transitions to GS:

- Positions pending establishment of special rates (i.e., Engineers in New Orleans, Forensic Anthropologists in Hawaii)
- Employees deployed to civilian positions in support of military operations as defined in the May 11, 2010 memorandum at Appendix 1-B in Chapter 1 of this guide
- Vacant positions when NSPS pipeline commitments exist as defined in section III.M. of Chapter 4 of this guide
- Other temporary exclusions as approved in writing by the NSPS Transition Office

D-2. *What is the process for requesting additional exceptions to the transition schedule?*

Answer: If an organization believes it has additional positions and employees that should be excluded from transition or delayed from transition beyond September 30, 2010, a request may be submitted to the Transition Office via the Component NSPS Program Manager. This process is in accordance with the December 10, 2009 guidance governing the transition period prior to termination posted on the NSPS website at: <http://www.cpms.osd.mil/nsps/transition/>.

D-3. *How do we handle the performance management process for employees who are excluded and, therefore, still working in NSPS after their organizations have transitioned?*

Answer: Employees excluded from transition are covered by the NSPS performance management system as long as they remain in NSPS. (*See* Chapter 5 of the *NSPS to GS*

Transition Guide.) Since Components have the flexibility to manage the NSPS performance appraisal process internally, Component NSPS Program Managers can provide information on requirements and procedures.

Healthcare Positions

D-4. *Is the NSPSTO's May 27th memorandum, which exempts healthcare positions in 30 occupations from transitioning from NSPS until December 31, 2011, mandated or discretionary?*

Answer: The memorandum is mandatory. The exception applies to all DoD organizations with NSPS healthcare positions in occupations listed in the memorandum's attachment. Application of Title 38 personnel authorities is being considered for those positions. For further clarification of the exception, please read the amendment ("Request to Amend Exception for Healthcare Positions to DoD Guidance on Filling Vacancies and From Conversion During the NSPS Transition" dated June 17, 2010) to the May 27, 2010 memorandum.

D-5. *Why are certain healthcare occupations identified as exceptions from the transition from NSPS until December 31, 2011?*

Answer: The 30 occupations listed in the May 27th memorandum were identified by OSD Health Affairs and the Military Departments as the occupations for which application of Title 38 personnel authorities is being considered. Per the amendment memorandum dated June 17, 2010, all NSPS healthcare positions in occupational series 0180 are included. These employees and positions will transition out of NSPS once the new system is available or on December 31, 2011, whichever occurs first.

D-6. *How will pay pools be constructed for the employees in healthcare positions who remain in NSPS?*

Answer: Guidance regarding constructing pay pools for employees remaining in NSPS – is available in Chapter 5 - *Performance Management* of this guide. Since components have the flexibility to manage the NSPS performance appraisal process internally, Component NSPS Program Managers will provide information on requirements and procedures.

Deployed Civilians

D-7. *The May 11, 2010 memorandum "Transition from NSPS to General Schedule – Deployed Civilians" excludes deployed civilians from transitioning from NSPS. Why are these employees being excluded from transition?*

Answer: While on deployment, deployed civilians may be receiving additional compensation based on the pay setting flexibilities provided by NSPS. Transition from NSPS may result in reduction in certain types of premium pay including overtime, night

pay, holiday pay, and/or allowances and differentials. Deployed positions and employees have been excluded from transition until deployment is renewed or ends, or until December 31, 2011, whichever occurs first.

D-8. *The May 11, 2010 NSPSTO memorandum states that deployed civilians are defined as employees temporarily assigned or on TDY assignments to an area of responsibility under CENTCOM or AFRICOM. Are employees assigned to these areas via permanent change in duty station (PCS) orders also covered?*

Answer: No. Only employees temporarily assigned (i.e., TDY/TCS) to a deployment location specified in the memorandum are considered “deployed civilians” for the purpose of this temporary exclusion.

D-9. *Why aren’t employees who are deployed to other areas covered by the May 11, 2010 NSPSTO memorandum?*

Answer: The decision to place limits on exclusions was based on careful analysis of mission impact and the desire to comply with NDAA 2010. If an organization believes it has additional positions and employees that should be excluded from transition, a request may be submitted to the Transition Office via the Component’s NSPS Program Manager. This process is in accordance with the December 10, 2009 guidance governing the transition period prior to termination which is posted on the NSPS website at: <http://www.cpms.osd.mil/nsps/transition/>.

D-10. *Our organization has an NSPS civilian employee deployed as a military reservist to a location mentioned in the memorandum. Are employees serving in a military capacity covered by the May 11, 2010 NSPSTO memorandum?*

Answer: No. The term “deployed civilian” pertains to an employee temporarily deployed in a civilian capacity to perform work in support of a military operation. A deployed civilian is paid based on the civilian position and, therefore, the deployed pay may be impacted if transitioned from NSPS. In contrast, a deployed military member performs work in an active duty status in accordance with military orders (i.e., the deployed military member occupies a military position and is compensated based on military duties).

D-11. *Our organization has determined that some of our deployed civilians would not be harmed by transitioning to the GS system. Can we go ahead and transition them from NSPS?*

Answer: No. To provide for the orderly termination of NSPS and treat similarly situated employees in a consistent, fair, and transparent manner, all deployed civilians as defined in the memorandum are excluded from transition except as described in sections I.C.4. of Chapter 4 and III.F.11. of Chapter 1 of this guide. A deployed civilian employee who is covered by the May 11, 2010 memorandum may not be transitioned from NSPS until the

deployment ends, is renewed, extended, or until December 31, 2011, whichever occurs first.

D-12. *What does the term “renewed” or “renewal” of deployment mean?*

Answer: “Renewed” deployment or a “renewal” of deployment refers to any extension of an existing deployment, or a follow-on to the deployment, whether it be a follow-on in the same position or in a different position. The position for which deployment is extended is located in one of the specified deployment locations listed in the May 11, 2010 NSPSTO memorandum.

D-13. *The May 11, 2010 NSPSTO memorandum states that we must provide certain information to employees at least 30 days prior to the end of the initial deployment or the renewal of the deployment. Can this be done verbally or must it be in writing? If in writing, is an email acceptable?*

Answer: The NSPS Transition Office did not mandate a specific method for providing the required information; however, notifying employees in writing ensures that they have received complete, consistent information. In some cases, organizations may choose to use multiple communication methods (e.g., via email to employee’s work station and via regular mail to the employee’s residence) so that receipt may be verified.

D-14. *An employee is scheduled to deploy to Iraq on September 15 and his organization will transition one month later. Does the May 11, 2010 NSPSTO memorandum prohibit transitioning him from NSPS?*

Answer: No. Based on the May 11, 2010 NSPSTO memorandum, the HR practitioner (or other official as designated by the Component) is responsible for notifying a newly deploying NSPS employee of his/her upcoming transition date and impact on various pay entitlements during deployment. Provided the employee has been given notice at least 30 days in advance of deployment, the organization may transition the employee and position as scheduled. If the employee has not been given 30 days’ notice, he or she may still be transitioned from NSPS provided that notice is given 30 days prior to transitioning the position from NSPS. Whether or not an employee receives notification of transition from NSPS, he or she must transition from NSPS by no later than December 31, 2011.

II. CLASSIFICATION

A. General

A-1. *When an employee’s NSPS position is transitioned to the GS system, how is it classified?*

Answer: The title, series, and grade of an employee’s permanent position will be determined based on the assigned duties and responsibilities, and the qualifications required to perform those duties and responsibilities, at the time of transition. GS positions will be classified using applicable GS classification standards and guides. The classification of the position may differ from what it was when the position was transitioned into NSPS if there has been a change in duties, a change in classification criteria, or if the position was previously misclassified under the GS system.

B. NSPS Occupational Series and Titles

B-1. *What if our organization has positions that were classified to occupational series and/or titles that do not exist in the GS classification standards?*

Answer: Positions assigned to NSPS-unique occupational series will be reviewed and changed to the appropriate GS occupational series as part of the transition from NSPS. The following table provides some examples of NSPS-unique occupations and appropriate GS occupational series for the transition. Additional charts that provide a crosswalk between NSPS and the GS occupational series/title are found in Appendix 2-E and 2-F of Chapter 2, *NSPS to GS – Position Classification*. Please note that while these charts reflect classification determinations that can be made via application of GS classification standards, they are not a substitute for proper application of GS classification standards to the duties and responsibilities of the position.

<i>NSPS-Unique Occupational Series</i>	<i>Corresponding GS Occupational Series</i>
0017, Explosives Safety Specialist	0018, Safety and Occupational Health Note: The NSPS Transition Office is coordinating with OPM to establish the Explosives Safety Specialist occupation in the General Schedule.
1002, Arts and Information Support	1001, Information and Arts
1108, Business Support	1101, Business and Industry or 1173, Housing Management (depending on work performed in the position)
1703, Education Specialist	1702, Education and Training Technician
2203, Computer Operator	0332, Computer Operations
2204, Computer Technician	0335, Computer Assistant

C. Classification vs. Salary

C-1. *What if we find that an employee's NSPS position classifies to a GS-12 but the employee's salary is below step 1 of that grade?*

Answer: The GS classification of a position is not determined by the salary of the incumbent of the position. The position must be classified based on application of GS classification standards to the duties and responsibilities of the position and the qualifications required to perform the duties and responsibilities. In this example, the employee will be transitioned as a GS-12, step 1.

D. Noncompetitive Promotion Potential

D-1. *When an NSPS employee's position is transitioned, does the employee have noncompetitive promotion potential to the highest GS grade encompassed by the pay band to which his or her NSPS position was assigned? For example, if an employee is in the YA-2 pay band, will his or her target or full performance GS grade level be GS-13?*

Answer: It depends. GS promotion potential is established by application of the GS classification standard to the target duties and responsibilities of the position to which the employee is assigned. In some cases, the grade determination for the target duties and responsibilities will be the highest GS level encompassed by the NSPS pay band. In other cases, the target GS grade will be a lower level. Because some NSPS positions described a range of work, identification of the intended target duties and responsibilities within a pay band may necessitate discussion with the supervisor for that position.

E. Supervisory Positions

E-1. *Are supervisory positions classified differently under GS than NSPS?*

Answer: Yes. GS positions are classified using the General Schedule Supervisory Guide (GSSG). To be classified under the GSSG, the duties and responsibilities of a position must require the incumbent to spend at least 25% of time supervising the accomplishment of work through combined technical and administrative direction of others. Under the GSSG, a supervisory position must meet at least the lowest level of Factor 3, Supervisory and Managerial Authority Exercised. Additional factors that must be evaluated when classifying a GS supervisory position are: the position's scope and effect; the organizational setting; personal contacts; the base level of work that represents at least 25% of the subordinate staff workload; and any unusual conditions that contribute to the difficulty and complexity of the supervisory work.

E-2. *We established a YC-2 supervisory position supervising two YA-2 positions. The position spends approximately 15 percent of the time performing administrative and technical supervisory functions. What happens to this position once it is transitioned to the GS system since it does not meet the requirements for a supervisory GS position?*

Answer: The OPM General Schedule Supervisory Guide (GSSG) specifies significantly different classification criteria for supervisory positions than the NSPS supervisory classification criteria. If the position does not meet the GSSG requirements (e.g., the requirement to spend at least 25 percent of the time performing supervisory functions), it must be classified as nonsupervisory. If the position does not meet the GS criteria for supervisory positions, the position may meet requirements to be classified as a “Lead” or “Leader” position which generally results in a higher grade than other nonsupervisory positions.

E-3. *Our organization has a YA-3 position that was classified as supervisory based on performance of YA-3 level nonsupervisory duties and responsibilities and also the supervision of a YC-2 first level supervisor over a unit with YA-2 employees. What GS grade level will this position classify as and will it be a supervisory position?*

Answer: The duties and responsibilities of the position involve a mix of supervisory and nonsupervisory work. The position will transition to the GS system based on the work which represents the highest GS grade. Prior to transition, management must review the work of the position and make three determinations: 1) Do the duties and responsibilities meet the GSSG definition of supervisor? 2) If so, what is the GS grade of the supervisory work based on application of the GSSG? 3) What is the GS grade of the nonsupervisory duties and responsibilities based on application of the appropriate nonsupervisory GS classification standards? The highest level of work will determine the GS grade. Provided the position meets the GSSG supervisory threshold, the GS position will be titled as a supervisor. Note that the level of nonsupervisory work upon which the position’s classification is based must constitute at least 25 percent of the position’s time.

E-4. *Our organization has a YC-2 first level supervisor position supervising a unit with YA-2 employees. The supervisor also performs YA-2 nonsupervisory duties and responsibilities. To what GS grade level will this position transition and will it still be a supervisory position?*

Answer: This position performs a mix of supervisory and nonsupervisory work. The position is transitioned to the GS system based on the work that represents the highest GS grade. Prior to transition, management must review the work of the position and make three determinations: 1) Do the duties and responsibilities of the position meet the GSSG definition of supervisor? 2) If so, what is the GS grade of the supervisory duties and responsibilities based on application of the GSSG? 3) What is the GS grade of the nonsupervisory duties and responsibilities based on application of the appropriate nonsupervisory GS classification standards? The highest level of work will determine the

GS grade. Provided the position meets the GSSG supervisory threshold, the GS position will be titled as a supervisor. Note that the level of nonsupervisory work upon which the position's classification is based must constitute at least 25 percent of the position's time.

F. One and Two-Grade Interval Series under GS

F-1. Can a YC-1 position return to a GS two-grade interval series?

Answer: Generally, no. If there has been no change in the duties and responsibilities of the position, no change in the applicable classification standards since conversion to NSPS, and if the position was properly classified, it is unlikely the duties and responsibilities of the position will meet the classification criteria for a two-grade interval position. This is because, at the time of conversion to NSPS, positions containing a mix of YC-1 supervisory duties and responsibilities and two-grade interval work were appropriately classified to the YA-2 pay band, which encompassed two-grade interval work. Therefore, it is unlikely that a properly classified YC-1 NSPS position will contain duties and responsibilities properly classified in a two-grade interval pattern.

F-2. Can a YB-2 position be transitioned to a GS-9 or a GS-10?

Answer: With the exception of Engineering Technicians, it is extremely rare that a GS position in a one-grade interval series would encompass duties and responsibilities above the GS-8 grade level. While it is possible that a YB-2 position will be properly classified at a GS-9 or GS-10 grade, proper attention should be given to ensure that any YB-2 position transitioned to a GS-9 or GS-10 meets the applicable OPM classification criteria.

G. Positive Education Requirement

G-1. Can a YA-1703 position be classified to the GS-1701 series which has a positive education (i.e., "professional") requirement?

Answer: No. Unlike the GS-1701 occupational series, the YA-1703 Education Specialist was established for positions containing education and training work requiring analytical knowledge of program objectives, policies, procedures, or pertinent regulatory requirements affecting the particular education or training program. The NSPS 1703 series does not cover duties and responsibilities that have a positive education requirement.

H. Career Ladder/Developmental Positions

H-1. *Our organization has a YA-1 employee whose position classifies as a GS-11 under the GS system. The employee was hired into NSPS from a GS-7 position and received ACDP increases consistent with the increases she would have received in a career ladder position had she remained in the GS system. In addition to receiving the ACDP increases, her assignments and responsibilities also increased while in the YA-1 pay band. The NSPS position was formerly part of a GS career ladder that had a full performance level of GS-12. Is it appropriate to classify her position as GS-11 and transition her to that grade considering her GS grade and pay at the time she was hired into NSPS?*

Answer: The employee's salary at the time of transition is not a factor in determining the grade of the duties to which the employee is assigned. If the employee is performing work that meets the classification criteria for the GS-11 grade level, the position is appropriately classified at the GS-11 level and the employee will be assigned to that grade upon transition. If the previously established GS career ladder is still valid based on application of GS classification standards to the duties and responsibilities of the target position, then the position will have a full performance grade level classification of GS-12 and the employee retains non-competitive promotion potential to that grade.

H-2. *The positions of many employees in our organization will classify as career ladder positions under GS. If an employee assigned to one of these positions is performing the duties of the target grade, but not at the level of independence required by classification criteria for that grade (e.g., they receive more supervision), is it appropriate to place the employee at a lower grade than the full performance or target level?*

Answer: Yes. Under the GS system, positions are classified based on a variety of factors (e.g., knowledge required, scope and complexity of work, specificity of guidelines, supervisory controls, type and purpose of personal contacts, etc.). If, upon consideration of supervisory controls, the work performed is properly classified at one or more grade levels lower than the full performance grade, the employee should be assigned to the lower grade with promotion potential to the intended full performance level. Determinations should be made based on application of GS classification standards to the work performed by the employee.

H-3. *How do we treat a position that is determined to be part of a career ladder when the employee is not at the full performance/target level of the position and he or she has never competed for the full performance/target level because under NSPS competition was not required (e.g., within band reassignment)?*

Answer: If the NSPS position is part of a formerly established career ladder under the GS system, or it can be established that the intent of the NSPS position was to establish a developmental position within a pay band and/or to ultimately perform additional duties/responsibilities, an employee may be transitioned to a GS career ladder position.

The full performance level of the career ladder may not be any higher than the highest GS grade encompassed by the pay band of the employee's target NSPS position.

H-4. *How are GS grades determined for positions in the YA-1 pay band since these positions, at a minimum, have a target band (full performance level) of YA-2?*

Answer: Since positions in the YA-1 pay band (and also positions in pay band 1 of YD, YH, YK, and YL pay bands) are considered “developmental,” career ladder positions will be established under the GS system, and NSPS employees will be transitioned to the appropriate GS grade in the ladder depending on the duties performed in their NSPS positions. These employees will have noncompetitive eligibility for promotion to the full performance GS grade established at the time of transition from NSPS.

H-5. *If several employees in the same office are assigned to the YA-1 pay band, will they all transition to the same GS grade?*

Answer: Not necessarily. Since each pay band encompasses a range of GS work, employees within an NSPS pay band may be performing work equivalent to the different GS grade levels encompassed by that band. The classifier must review the position(s) with the supervisor(s) to determine the duties and responsibilities assigned and the qualifications required to perform those duties and responsibilities. Once ascertained, the classifier (or supervisor/manager with delegated classification authority) must apply GS classification standards for the duties and responsibilities of the position to determine the appropriate grade level of the work performed. The grade level may differ for employees based on a number of factors, including differences in supervisory controls, complexity of work assigned, specificity of and judgment required by guidelines, the nature and purpose of personal contacts, and other GS classification factors.

I. GS Grades Not Encompassed in NSPS Pay Band

I-1. *Our organization recently added higher level duties to certain positions in the YA-2 pay band. The maximum GS grade encompassed by the YA-2 pay band is GS-13; however, the duties that were added result in these positions being classified as GS-14 positions. Is it appropriate to classify the positions at the GS-14 level? Also, how do we treat pay associated with these positions at the time of transition (e.g., Should we maintain current salaries for these employees or give them promotions in accordance with the GS pay administration rules?*

Answer: Except as described by Section I.F. and Appendix C of Chapter 2, Classification, *NSPS to GS Transition Guide*, a properly classified NSPS position will not result in a GS grade that was not encompassed by an NSPS pay band. If the GS classification of an NSPS position accurately results in a grade higher than the highest GS grade encompassed by that pay band, it is probable that the NSPS classification is in error. Erroneous NSPS classification determinations should be corrected prior to transition of employees to the GS system. Where the correction of an erroneous

classification will result in a promotion under NSPS, appropriate NSPS action and pay setting rules will apply.

- I-2.** *An employee's position was converted into NSPS from a GS-13 position (the organization's full performance level) to a YA-2 position. A subsequent classification review resulted in an upgrade of the position to YA-3 due to project management responsibilities described in the NSPS classification criteria. Upon transition from NSPS, the position is once again classified at the GS-13 level in accordance with the GS classification criteria. What grade level should the employee be transitioned to and how should the pay be set?*

Answer: With few exceptions (*see* section I.F.1 and I.F.2. of chapter 2, Classification, NSPS to GS Transition Guide), there is no GS classification criteria basis for an NSPS position to transition to a GS grade that is higher or lower than the GS grades encompassed by their NSPS pay bands (*see* Appendix 2-C). This is because the GS grade level criteria for grades folded into NSPS pay bands was encompassed by NSPS pay band criteria. In this instance, if the GS classification is correct, it is likely that the NSPS classification is incorrect and must be corrected prior to transition to GS. Correction may include assignment of higher level duties supporting the NSPS pay band classification.

J. GS Grade Encompassed in NSPS Pay Band

- J-1.** *An employee assigned to the full performance grade level of GS-13 position was converted into NSPS at the YA-2 pay band level. Subsequently, the employee's organization assumed a new mission with functions that justified a YA-3 full performance level and the employee was promoted to the YA-3. Upon review prior to transition to the GS system, the position was found to meet the OPM classification criteria for a GS-14. The employee's salary is within the applicable GS-14 rate range. To what grade level should the employee be transitioned?*

Answer: Upon transition to GS, the employee's position will be classified under the GS system based on application of GS classification criteria to the duties and responsibilities of the position. The employee will be assigned a title, series, and grade based on that determination. NSPS pay band YA-3 encompasses both GS-14 and GS-15 grade level criteria. Therefore, if the NSPS position is properly classified, the GS grade classification will reflect the GS-14 or GS-15 grade level, and the employee will be assigned to, in this case, the GS-14 grade level.

J-2. *We converted some of our GS-14 supervisory positions to YC-3. Since the YC-3 pay band encompasses GS-15 level work, what GS grade level will these positions transition back to?*

Answer: The grade levels of the positions will be based on duties and responsibilities and the qualifications required to perform them. Because the YC-3 pay band encompasses criteria equivalent to the GS-15 and, in some cases, GS-14 criteria, properly classified YC-3 positions will meet the GS classification criteria for either GS-14 or GS-15.

J-3. *Our organization has many positions that will classify as career ladder positions under GS. If an employee assigned to one of these positions is performing the duties of the target grade, but not at the level of independence required by classification criteria for that grade (e.g., they receive more supervision), is it appropriate to place the employee at a lower grade than the full performance or target level?*

Answer: Yes. Under the GS system, positions are classified based on a variety of factors (e.g., knowledge required, scope and complexity of work, specificity of guidelines, supervisory controls, type and purpose of personal contacts, etc.). If, upon consideration of supervisory controls, the work performed is properly classified at one or more grade levels lower than the full performance grade, the employee should be assigned to the lower grade with promotion potential to the intended full performance level. Determinations should be made based on application of GS classification standards to the work performed by the employee.

J-4. *How do we treat a position that is determined to be part of a career ladder when the employee is not at the full performance/target level of the position and he or she has never competed for the full performance/target level because NSPS competition was not required (e.g., within-band reassignment)?*

Answer: If the NSPS position is part of a formerly established career ladder under the GS system, or it can be established that the intent of the NSPS position was to establish a developmental position within a pay band and/or to ultimately perform additional duties/responsibilities, an employee may be transitioned to a GS career ladder position. The full performance level of the career ladder may not be any higher than the highest GS grade encompassed by the pay band of the employee's target NSPS position.

J-5. *How are GS grades determined for positions in the YA-1 pay band since these positions, at a minimum, have a target band (full performance level) of YA-2?*

Answer: Since positions in the YA-1 pay band (and also positions in pay band 1 of YD, YH, YK, and YL pay bands) are considered "developmental," career ladder positions will be established under the GS system, and NSPS employees will be transitioned to the appropriate GS grade in the ladder depending on the duties performed in their NSPS

positions. These employees will have noncompetitive eligibility to the full performance GS grade established at the time of transition from NSPS.

J-6. *If several employees in the same office are assigned to the YA-1 pay band, will they all transition to the same GS grade?*

Answer: Not necessarily. Since each pay band encompasses a range of GS work, employees within an NSPS pay band may be performing work equivalent to the different GS grade levels encompassed by that band. The classifier must review the position(s) with the supervisor(s) to determine the duties and responsibilities assigned and the qualifications required to perform those duties and responsibilities. Once ascertained, the classifier (or supervisor/manager with delegated classification authority) must apply GS classification standards to the duties and responsibilities of the position to determine the appropriate grade level of the work performed. The grade level may differ for employees based on a number of factors, including differences in supervisory controls, complexity of work assigned, specificity of and judgment required by guidelines, the nature and purpose of personal contacts, and other GS classification factors.

K. Classification Appeals

K-1. *What if an employee disagrees with the GS grade level assigned to his or her position?*

Answer: When an employee is transitioned from NSPS and officially assigned to the GS position description, he or she may appeal the classification of the position. The servicing HRO can explain this process to the employee and his or her supervisor. A DoD *Fact Sheet on Classification Appeals* is available at http://www.cpms.osd.mil/fas/classification/class_filing_appeal.aspx. The Office of Personnel Management also offers a *Fact Sheet on Classification Appeals* at <http://www.opm.gov/classapp/fact/MSO-98-3.pdf>.

L. Interoccupational Positions

L-1. *We have classified “interoccupational” positions under NSPS. What happens to these positions upon transition to the GS system?*

Answer: Interoccupational positions must be classified to a single occupational series using GS classification standards. NSPS classification rules permit the classification of interoccupational positions. These positions include work involving more than one analytical occupation, e.g., the position may be classified as either a YA-343 Program Analyst or a YA-560 Budget Analyst. The ultimate classification of the NSPS interoccupational position is determined by the qualifications of the individual who is placed in the position. The GS system, however, does not recognize interoccupational positions. Positions may not be classified as interoccupational under the GS system.

III. PAY

A. Date of Last Equivalent Increase

A-1. *What is a date of last equivalent increase?*

Answer: Under the GS system, there are “waiting periods” which must be completed before an employee moves to the next higher step in his or her assigned grade. Waiting periods (52, 104, 156 weeks) vary depending on the step level to which an employee is assigned. The date of last equivalent increase (DLEI) begins the waiting period toward an employee’s next within-grade increase. NSPS service may be creditable toward meeting that waiting period requirement.

A-2. *Does a salary increase resulting from a performance payout based on a modal rating count as an equivalent increase for the purpose of determining an employee’s date of last equivalent increase (DLEI)?*

Answer: Yes. A salary increase resulting from the modal rating process is a performance pay increase made in accordance with 5 CFR 9901.342. All performance salary increases or opportunities for salary increases made in accordance with 5 CFR 9901.342 are events considered to be equivalent increases for purposes of determining an employee’s DLEI.

A-3. *How do we determine the date of last equivalent increase?*

Answer: Generally, the date of last equivalent increase (DLEI) will be established by an event. Under NSPS, these events include an increase in the employee’s NSPS base salary (e.g., a promotion or Accelerated Compensation for Developmental Position [ACDP] increase) or the opportunity for an increase in an employee’s NSPS base salary (e.g., a zero performance increase for an employee who receives a Level 1 rating of record). Further information on determination of last equivalent increase upon transition from NSPS to GS is provided in 5 CFR 531.407 and also in Appendix 3-C of this guide – *NSPS to GS – Pay Upon Transition*.

A-4. *Does the annual general salary increase reset the DLEI?*

Answer: No. The receipt of a general salary increase under 5 CFR 9901.323 is not considered an equivalent increase for purposes of resetting the DLEI.

A-5. *If an employee’s base salary increases upon transition from NSPS due to placement on a GS step, does this increase reset the DLEI?*

Answer: No. A pay adjustment necessary to place an employee on a GS step upon transition from one pay system to another is not considered an equivalent increase for the purpose of resetting the DLEI. Appendix 3-C of this guide contains a comprehensive list of the events that set or reset the DLEI.

B. Grade Retention

B-1. *If an employee lost entitlement to grade retention upon initial conversion to NSPS, will that entitlement be restored if the employee is transitioned (as a result of repeal of NSPS) to the same GS position or to another position at the same grade level?*

Answer: No. 5 CFR 536.102(d) excludes providing grade retention to an employee who moves from a position not under a covered pay system to a GS position. 5 U.S.C. 5361 defines a covered pay schedule as the General Schedule, any prevailing rate schedule (e.g., the Federal Wage System), or a special occupational pay system under subchapter IX of chapter 53 of Title 5. NSPS is not a covered pay system (*see* 5 CFR 9901.303(a)(1)). However, if the employee is paid at a rate above step 10 for the GS grade upon transition, he or she will be placed on pay retention.

B-2. *If a GS employee affected by a reduction in force (RIF) was not eligible for grade retention due to placement in an NSPS position, will an entitlement to grade retention be provided if the employee transitions back to the GS system within two years from the effective date of the RIF action?*

Answer: No. 5 CFR 536.102(d) excludes providing grade retention to an employee who moves from a position not under a covered pay system to a GS position. 5 U.S.C. 5361 defines a covered pay schedule as the General Schedule, any prevailing rate schedule (e.g., the Federal Wage System), or a special occupational pay system under subchapter IX of chapter 53 of Title 5. NSPS is not a covered pay system (*see* 5 CFR 9901.303(a)(1)). However, if the employee is paid at a rate above step 10 for the GS grade upon transition, he or she will be placed on pay retention.

C. Pay Retention

C-1. *What happens to an employee's pay if, at the time of transition, his or her NSPS adjusted salary exceeds the top step of the assigned GS grade?*

Answer: Section 1113(c)(1) of The National Defense Authorization Act for Fiscal Year 2010 (NDAA 2010) requires that there be no loss of or decrease in an NSPS employee's pay upon conversion of employees and positions to another statutory pay system as a result of termination of NSPS. When the employee's NSPS adjusted salary exceeds the maximum step (step 10) of his or her GS grade, the employee will be placed on pay retention to comply with Section 1113(c)(1) of NDAA 2010.

C-2. *What are the entitlements for an employee on GS pay retention?*

Answer: Under pay retention, the employee continues to receive a retained rate equal to the existing NSPS adjusted salary as of the transition date when the rate is above step 10 of the grade to which the employee is assigned. An employee on pay retention will retain this rate until the time the employee meets one of the terminating events described in 5

CFR 536.308. During the period of pay retention, the retained rate is subject to adjustment as described in 5 CFR 536.303(b) and 536.305. Specifically, at the time of any general pay increases (e.g., in January), the retained rate is adjusted by 50 percent of the dollar increase in the maximum (step 10) rate of the highest applicable rate range (i.e., a locality range, a special rate range, or base pay range) for the employee's position. Once the retained rate falls within the rate range (i.e., equals step 10 or less) for the employee's grade, pay retention ceases, the employee's pay is set at step 10, and the employee is eligible to receive 100% of each subsequent Governmentwide increase to base pay and adjustment to locality pay, as applicable.

C-3. *A YC-2 employee transitions to a GS-13 grade. Since the NSPS adjusted salary exceeds the maximum rate of the GS-13, the employee is placed on pay retention. Subsequently, the employee is selected for a GS-13 (full performance level GS-14) position. Does the employee's pay retention in the new GS-13 position continue? How should pay be set when the employee is promoted to the GS-14 position?*

Answer: If the employee's basic pay in the new GS-13 position exceeds the applicable GS rate range, the employee will remain on pay retention. When an employee under pay retention is promoted, he or she is entitled to the greater of:

- (1) basic pay at the lowest rate of the higher grade that exceeds the maximum rate (step 10) of the grade from which promoted by not less than two step increases of that grade (i.e., the "2-step" rule), or
- (2) his or her existing rate of basic pay.

If the employee's basic pay exceeds the GS-14 rate range when he or she is promoted, the employee will remain on pay retention.

C-4. *An employee transitioned from a YA-2 position to a GS-12 position and is placed on pay retention because his NSPS adjusted salary exceeds the maximum rate of the GS-12 rate range. Later, the employee accepts a position at a non-DoD agency at the same grade. Is he entitled to remain on pay retention?*

Answer: If the employee's basic rate of pay exceeds the applicable GS rate range for the non-DoD GS-12 position, the employee will remain on pay retention, provided that a terminating event under 5 CFR 536.308(a) does not occur at the time of transfer to the non-DoD agency.

C-5. *How long does pay retention last?*

Answer: Pay retention under the GS system is indefinite and continues until one of the terminating events under 5 CFR 536.308(a) occurs unless pay retention is a result of continuation of a temporary NSPS assignment. In the latter case, pay retention ceases when the original NSPS NTE date is reached or the date the temporary assignment is

terminated. Additional information on terminating events is found at http://www.opm.gov/oca/pay/HTML/pay_retention.asp.

C-6. *If an employee moves to another GS position within DoD after he or she transitions from NSPS, will the employee continue on pay retention?*

Answer: Yes, unless an employee's move to another GS position results in a terminating event described under 5 CFR 536.308(a) or Section II.E. of Chapter 3 of this guide. Additional information on terminating events can be found at http://www.opm.gov/oca/pay/HTML/pay_retention.asp.

C-7. *I understand that pay retention rules at 5 CFR part 536 prohibit retaining a rate in excess of the rate payable for Executive Level IV or more than 150 percent above the step 10 of an employee's assigned grade. Does this mean that an NSPS employee who is receiving a rate above those limits upon transition will not be able to retain any excess amount upon transition?*

Answer: No. The language in section 1113(c)(1) of The National Defense Authorization Act for Fiscal Year 2010 (NDAA 2010) provides the authority to continue to pay employees at their current rates even though the rates exceed those normally allowed under the GS regulation.

C-8. *Under NSPS, an employee's pay retention entitlement lasts for two years – does that same limit apply if the position is transitioned to the GS system?*

Answer: No. After transition to the GS system, employees become subject to pay retention rules under 5 CFR part 536. The rules provide for an indefinite period of pay retention subject to the terminating events described in 5 CFR 536.308(a). Under certain circumstances, pay retention will also be terminated upon reaching the not-to-exceed date or upon termination of a temporary assignment (*see* Section II.E. of Chapter 3 of this guide). Additional information on terminating events can be found at http://www.opm.gov/oca/pay/HTML/pay_retention.asp.

C-9. *An employee's NSPS adjusted salary exceeds the maximum rate for the GS grade to which his position will transition. Is it true that the employee will be placed on pay retention and will only be entitled to 50 percent of the annual general pay increase (GPI)?*

Answer: Generally, yes. Once the employee's position is transitioned from NSPS, it becomes subject to the rules of the gaining system. Under 5 CFR 536.305, an employee is limited to an increase equal to 50 percent of the dollar increase in the maximum rate of basic pay (including any locality pay or special rate supplement) of his or her GS grade when the pay schedule applicable to the employee's position is adjusted.

An exception may occur when an employee's salary is proximate to Level IV of the Executive Schedule (EX-IV) as follows:

- Employees retaining a rate less than EX-IV will receive 50% GPI; however, this adjustment may not result in an amount exceeding EX-IV.
- Employees retaining a rate equal to EX-IV at the point of transition do not receive a 50% GPI increase except to maintain EX-IV pay.
- Employees retaining a rate exceeding EX-IV at the point of transition receive a 50% GPI increase provided the amount does not exceed EX-IV plus 5% (the NSPS maximum).

C-10. *If, at the time of transition, an employee is on pay retention in his or her NSPS position, will he or she retain eligibility for pay retention when transitioned to a GS position?*

Answer: Yes. If the employee's NSPS adjusted salary exceeds the applicable maximum rate range for the GS grade to which assigned, the employee will continue to receive pay retention. The 5 CFR part 536 pay retention rules will apply to the extent they do not result in a reduction in adjusted NSPS salary upon transition.

C-11. *How is an employee who is on a 2-year period of pay retention under NSPS affected when he or she is transitioned to a GS position?*

Answer: If the employee's NSPS adjusted salary exceeds the applicable maximum rate range for the GS grade to which assigned, the employee will be placed on "indefinite" pay retention, subject to the terminating events described in 5 CFR 536.308.

D. Pay Setting Upon Transition – General

D-1. *How is an employee's pay set when his or her position is converted from NSPS?*

Answer: Once the General Schedule (GS) grade is determined based on the employee's permanent NSPS position of record, the employee's salary is set in accordance with 5 CFR 536.304 as follows:

- On a step within the highest applicable rate range (e.g., locality rate, special rate, or GS base pay range) for the GS grade. If the employee's NSPS adjusted salary, as defined in 5 CFR 9901.304, falls between two GS steps, salary will be set at the higher step.
- If the employee's NSPS adjusted salary falls below the minimum rate of the GS grade, his or her salary will be set at the step 1 rate of the grade.
- If the NSPS adjusted salary exceeds the maximum rate of the GS grade (step 10), the employee will be placed on pay retention.

D-2. *Will employees lose pay as a result of the transition from NSPS to GS?*

Answer: No. Section 1113(c)(1) of The National Defense Authorization Act for Fiscal Year 2010 (NDAA 2010) requires that “no employee shall suffer any loss of or decrease in pay” due to conversion from NSPS. This means that an employee’s NSPS adjusted salary (including base salary and any applicable local market supplement) on the effective date the employee’s permanent NSPS position is transitioned to the GS system will be preserved. In some cases, the employee’s NSPS adjusted salary is reallocated between the GS base rate and any applicable locality rate or special salary rate.

D-3. *Since NSPS has been repealed, will salaries be set as if they were never converted into NSPS? If not, why not?*

Answer: No. While the authority for NSPS was repealed in The National Defense Authorization Act for Fiscal Year 2010 (NDAA 2010), the legislation provided that the NSPS regulations remain in effect until January 1, 2012. Until that date, positions covered by NSPS are subject to the laws and regulations (including pay regulations) governing that system. Salaries derived via application of NSPS regulations are valid and appropriate and GS pay setting regulations may not be retroactively applied to any time period that an employee was covered by NSPS.

D-4. *Our organization has employees who were under the “GM” pay plan when their positions were converted into NSPS. Will they be returned to the “GM” pay plan?*

Answer: No. GM status was acquired at the time the Performance Management and Recognition System was terminated in 1993. The GM status continued as long as an employee remained in a management or supervisory position at the same GS grade and at the same agency as the position the employee occupied on October 31, 1993. The conversion to NSPS terminated the continuous period of service in the same GS grade. Coverage cannot be regained once it is lost because it is linked to continuous service as a supervisor or management official in the same GS grade. When the former GS employees transition from NSPS to GS, they will be placed on steps and grades or placed on pay retention (if applicable).

D-5. *An NSPS employee’s position is classified as a GS-15. The employee’s NSPS base salary falls between step 8 and 9 of the GS-15; however, the employee’s adjusted salary is above the EX-IV pay cap (\$155,500). Will the employee be placed on GS-15 step 9 base pay and, in addition, receive the appropriate locality pay?*

Answer: No. Since the employee’s adjusted salary (base salary plus local market supplement) is greater than or equal to the EX-IV pay cap at the time of transition, the adjusted salary will not change. The employee will be placed on pay retention.

E. Determining GS Step

E-1. *If an employee’s NSPS pay falls between GS steps, how is pay set?*

Answer: On the effective date of transition to the GS system, an NSPS employee's pay will be set at a step within the rate range of the GS grade assigned to his or her permanent NSPS position that meets or exceeds his or her permanent pay. For example, if the employee's pay falls between two GS steps, his or her permanent pay will be increased to the rate of the higher step.

E-2. *If an employee's NSPS pay falls below step 1 of the GS grade assigned to her position, how is pay set?*

Answer: The employee's pay will be set at step 1 of the GS grade assigned to her permanent position upon transition from NSPS.

E-3. *If we hired an individual into a YA-3 position with a salary at the bottom of the band and the NSPS position is transitioned to a GS-14, will that result in a significant increase for the employee?*

Answer: Yes. It is possible that the employee will receive a significant increase upon transition to GS. This is because NSPS salary ranges were designed to overlap with grades lower than that encompassed by the work of the pay band. In this case, the employee's salary will be set at step 1 of the GS-14 (provided his or her position is appropriately classified to that grade level). Because there is approximately a \$5,000 difference between the lowest salary in the YA-3 pay band and step 1 of the GS-14 grade, placement from YA-3 to step 1 can result in a significant increase. The same situation may occur with other pay bands where the pay range overlaps the pay ranges of GS grades that are not encompassed within the pay band.

F. Within Grade Increase "Buy-In"

F-1. *When GS employees converted to NSPS, they received a within-grade increase "buy-in." Will they receive a similar "buy-in" during the transition from NSPS to GS?*

Answer: No. However, some employees may receive an increase in pay if their adjusted salary rates fall between two steps of the GS grade assigned to their positions. This increase will be necessary to place the employees on GS steps without a loss of pay. Additionally, if the NSPS adjusted salary falls below the minimum rate of the GS grade assigned to the position, the employee will receive an increase to set his or her salary at step 1. These increases are not "buy-ins" but are the result of adjustments required to comply with the GS compensation structure.

F-2. *Since NSPS has been repealed, will steps in GS grades be set as if employees were never converted into NSPS? If not, why not?*

Answer: No. While the authority for NSPS was repealed in The National Defense Authorization Act for Fiscal Year 2010 (NDAA 2010), the legislation provided that the

NSPS regulations remain in effect until January 1, 2012. Until that date, positions covered by NSPS are subject to the laws and regulations (including pay regulations) governing that system. Salaries derived via application of NSPS regulations are valid and appropriate, and GS pay setting regulations may not be retroactively applied to any time period that an employee was covered by NSPS.

G. Local Market Supplement/Locality Pay

G-1. *Will employees receive a local market supplement (LMS) after they transition from NSPS to the GS system?*

Answer: No. GS employees receive “locality pay” instead of a “local market supplement.” Most employees transitioning to the GS system will receive the locality pay applicable to the geographic location of their position. Some employees, however, may become entitled to a special rate supplement in lieu of locality pay. Special rate supplements apply when they result in a higher rate of pay than that achieved via GS base pay plus locality pay.

G-2. *Will employees who received a targeted local market supplement (TLMS) in their NSPS position receive a TLMS after they transition to the GS system?*

Answer: No. However, most employees receiving a TLMS in their NSPS positions will become covered by special rate supplements when their positions are transitioned to the GS system. If an employee has specific questions on whether his or her position will be covered by a special rate supplement under the GS system, the employee should contact his or her supervisor and/or servicing Human Resources Office (HRO).

H. Premium/Other Pay

H-1. *We have an employee receiving Foreign Language Proficiency Pay (FLPP) under the NSPS authority. What happens to his FLPP pay when his position is transitioned to the GS system?*

Answer: Under NSPS, an employee may receive FLPP for maintaining proficiency in a foreign language determined by the Secretary of Defense (or his designee) as necessary for national security interests. If the employee does not meet the provisions of 10 U.S.C. 1596 or 10 U.S.C. 1596a upon transition from NSPS, the employee will lose eligibility for FLPP. Title 10 requires that, for an employee to receive foreign language proficiency pay, the employee must use a foreign language in the performance of his or her job. Consequently, an employee could lose eligibility for this type of pay upon transition of the position to the GS system.

H-2. *Can Administratively Uncontrollable Overtime (AUO) be started for an employee on the effective date of transition from NSPS to GS?*

Answer: Yes; however, it requires a separate personnel action which must be processed after the transition action. The order of processing is important since AUO is not authorized under NSPS.

H-3. *Can Supervisory Differential be continued, started, or stopped on the effective date of transition?*

Answer: Yes. If a Supervisory Differential is stopped or started when the employee transitions to the GS system, a separate personnel action (NOA 810) is required (either before or after the transition action, as appropriate). If, however, an NSPS Supervisory Differential will continue in the GS position, a separate personnel action is not needed. A manual review is required prior to transition to determine whether a Supervisory Differential should be stopped or continued (because a position classified as supervisory in accordance with NSPS classification standards may not meet the GS classification requirements to be titled as a supervisor), and there is no coding in place to stop the transition action from processing. To ensure that this review can take place, the employee's record will be failed during automated processing, and an HR specialist must process the transition action manually. Supervisory Differential is discretionary (*see* 5 U.S.C. 5755, 5 CFR part 575, and DoDI 1400.25-V575), and HR specialists should ensure that regulatory criteria are met in order to continue the differential after transition.

I. Salary vs. Classification

I-1. *An NSPS employee whose YA-2 position is properly classified under the GS system at the GS-13 level was originally hired from a GS-9 position. Due to the 5 percent reassignment limitation, his base salary is now in the low GS-11 pay range. How do we set his pay upon transition? Is it appropriate to place him in the GS-13 position and pay?*

Answer: If the duties and responsibilities assigned to the employee meet the criteria for the GS-13 grade level, the employee's pay will be set in the GS-13 pay range. If the employee's NSPS adjusted salary does not fall within the GS-13 rate range, his salary must be set at least equal to the minimum rate of the GS-13 grade, i.e., step 1.

I-2. *If an employee's position is transitioned to the GS system and his or her current NSPS adjusted salary is above the step 10 of the GS grade, how will the employee's position be classified? How will pay be affected?*

Answer: The employee's NSPS salary will not affect the GS classification of his or her position. The GS grade of the employee's position will be determined based on the duties and responsibilities and qualifications required to perform the position. Since The National Defense Authorization Act for Fiscal Year 2010 (NDAA 2010) prevents a loss of pay upon transition from NSPS, the employee will retain his or her current adjusted salary upon transition to the GS pay system.

J. Pay Progression

J-1. *Since an intern can no longer receive ACDP under the GS system, how will the transition from NSPS affect pay progression?*

Answer: Once an employee's NSPS position is transitioned to the GS system, progression in a career ladder position is subject to the rules of that system, e.g., an employee will generally need one year of experience at the next lower grade level to qualify for the next higher grade. The employee is also subject to time-in-grade restrictions required for GS positions. These factors may impact the timing of pay progression. Consistent with NSPS, however, a promotion under GS generally results in a minimum base salary increase of 6 percent and may result in a much higher increase when necessary to place an employee at the step 1 rate of the next higher grade.

K. Overseas Cost of Living Allowance (COLA)

K-1. *When an OCONUS position that is covered by a COLA is transitioned to the GS system, is the COLA included as part of adjusted salary in determining the applicable pay table for setting the employee's pay?*

Answer: A COLA is not part of an employee's NSPS adjusted salary. It plays no part in determining either the appropriate GS pay range or where the employee's pay is set within the appropriate pay range. The appropriate pay range may be a GS locality pay table, a GS special rate table, or the GS base pay table, depending on the GS series, grade, and geographic location of the employee's permanent position. Typically, for OCONUS employees, the GS base pay table is the appropriate table; however, depending on an employee's series/grade, a special rate pay table may apply. In determining where to set the employee's pay within a pay range, only the employee's NSPS adjusted salary (which includes base salary and any applicable local market supplement) is considered. Note that for the majority of employees in nonforeign areas, pay tables 2010-ON, 2010-HI, or 2010-AK will apply depending on the employee's duty station.

IV. STAFFING

A. Career Ladders/Noncompetitive Movement under the GS System

A-1. *How are career ladder positions established and documented upon transition to the GS system?*

Answer: Career ladder positions are established during the classification process based on application of GS classification criteria to both the duties and responsibilities performed by the employee at the time of transition and the duties and responsibilities of the target position. Full performance levels for career ladder positions are documented on both the GS position description and the SF-50 upon transition to the GS system (use remark K20 – “Full performance level of employee’s position is _____.”).

B. Employee Position Assignment

B-1. *If an employee’s NSPS salary fits between two GS grades, which one will the employee be assigned to?*

Answer: An employee’s position will be classified to a GS grade level based on a comparison of the work performed to the OPM GS classification standards, not by a comparison with the employee’s salary.

B-2. *An employee’s previous GS-11 position was converted into the YA-2 pay band. Since then, the employee has received a couple of reassignment increases and other performance pay adjustments that have increased the salary to the equivalent of a GS-12. As a result of these changes, will the employee’s grade upon transition be a GS-12?*

Answer: Not necessarily. The classification of the employee’s position will be based on a comparison of the employee’s duties and responsibilities to the applicable OPM classification standards and guides. The employee’s salary is not a factor in determination of the employee’s grade.

C. Moratoriums and Prohibitions

C-1. *Should we place a moratorium on all staffing actions or just recruitment actions prior to an organization transitioning out of NSPS? Is there a DoD-wide moratorium timeframe?*

Answer: Certain restrictions on types of actions which may be processed with the same effective date as the transition to the GS system will be imposed. However, a DoD-wide moratorium will not be implemented. Components may consider establishing a moratorium, as necessary, to minimize disruption and facilitate the smooth transition of employees and positions from NSPS.

- C-2.** *Based on the prohibition in Chapter 4, Section III.F.4, we understand that we cannot promote, reassign, or change an employee to a lower grade on the effective date of transition to GS. Can we move an employee after the transition date, if the effective date of the secondary action occurs during the same pay period?*

Answer: The prohibition is in place to keep the transactions during the same pay cycle as clean as possible. Except for placing an employee back into a temporary assignment post-transition (*see* Staffing – Chapter 4, Section III.F.5), movement from one position to another during the transition pay period is prohibited. Effecting these types of pay actions on the same day or subsequent days within the same pay period complicates payroll processing and increases the risk of errors.

D. Nature of Action (NOA)/Nature of Action Code

- D-1.** *What nature of action will be used to convert employees from NSPS to the GS system?*

Answer: The nature of action code/ nature of action to be used for transition is 890/Misc Pay Adj.

E. Post Transition Appointment

- E-1.** *Can we proceed with the appointment of an individual to an NSPS position when the individual has been tentatively selected for an NSPS position prior to transition but not appointed until the position has been transitioned to GS (e.g., due to a pending security clearance)?*

Answer: If transition of the position to GS has been completed, the individual must be appointed to the General Schedule using GS classification, qualifications, pay setting and other rules and procedures. To avoid the requirement to re-advertise or repeat recruitment steps already taken, organizations may delay the transition date for vacant NSPS positions with recruitment actions in the pipeline. Transition may be delayed to July 19, 2010 (or September 30, 2010, for healthcare positions that were previously covered by the NSPSTO transition exception memorandum of March 4, 2010, but were no longer an exception after May 27, 2010, per Chapter 1, Appendix 1-A of this guide), or the date the organization transitions, whichever is later (*see* Chapter 1 section I.C.3. of this guide).

F. Probationary Periods

- F-1.** *If an NSPS employee is serving an initial probationary period when his or her position is transitioned to the GS system, does the initial probationary period start over?*

Answer: No, the employee serves out the remaining time in accordance with 5 CFR 315.802.

F-2. *If an NSPS employee is serving a supervisory probationary period when his or her position is transitioned to the GS system, does the supervisory probationary period start over?*

Answer: No. If the employee's position is classified as supervisory in accordance with GS classification criteria upon transition, the employee will serve the remaining time on the supervisory probationary period in accordance with 5 CFR 315.904. Because there are differences in the classification of NSPS supervisors and GS supervisors, some employees' supervisory positions under NSPS may not be classified as supervisory in the GS system. In these cases, employees will not remain on supervisory probationary periods after transition.

G. Qualification Requirements

G-1. *What action should we take if an employee does not meet the GS qualification standards for the position to which he or she is being transitioned?*

Answer: If upon transition from an NSPS position to a GS position an employee does not meet the GS qualification requirements, in accordance with section E.8.c. of the Qualifications Standards for General Schedule Positions, the qualifications are automatically modified to reflect the NSPS qualification requirements for that position, unless he or she does not meet an educational, licensing, certification, or other mandatory OPM requirement. Inasmuch as all NSPS employees met the NSPS qualifications requirements upon placement in their NSPS positions, most employees transitioning with their positions from NSPS to GS should qualify for their positions once transitioned to GS. In the case where an employee does not meet an educational, licensing, certification, or other mandatory OPM requirement, the organization must assign the employee to a position or duties and responsibilities for which he or she can qualify.

H. Reduction-in-Force

H-1. *How should we handle reductions-in-force during the transition/transition out period?*

Answer: The timing of reductions in force or other major planned management actions should be carefully considered. If possible, they should be completed prior to the transition or delayed until afterwards. Reductions in force which occur as employees and positions are being transitioned from NSPS may result in changes in placement rights for employees and can significantly increase the disruption caused by either the reduction in force or transition from NSPS (as well as add a significant additional workload for HRO staffs).

I. Temporary Assignments (i.e., reassignment, promotion) Prior to and Post Transition

I-1. Will employees on temporary promotions or reassignments retain their temporary assignment upon transition to the GS system?

Answer: For the most part, yes. While employees must be returned to their positions of record prior to the transition of either their position of record or the temporarily assigned position, after transition they will be returned to the temporary assignment unless the temporary action is terminated for reasons other than transition from NSPS.

I-2. Can the temporary promotion or reassignment be continued and/or re-established under the GS system?

Answer: Yes. If the temporary assignment pre-transition involved an increase in pay, it must be continued/re-established immediately after the temporary position is transitioned to the GS system unless the temporary assignment is terminated for reasons other than transition from NSPS. Upon return to the temporary assignment, pay should be set in accordance with Section II.E.2. of Chapter 3 of this guide.

I-3. Is there a requirement for management to notify the employee and/or give a reason why the temporary assignment will or will not be continued/re-established under the GS system?

Answer: Yes, management must notify employees concerning the impact of the transition on their temporary assignments.

I-4. Will the temporary assignment (i.e., promotion or reassignment) action be competitive or non-competitive?

Answer: It depends on what has transpired. The following are some situations:

- An employee on a 180-day noncompetitive promotion to an NSPS position is limited to 120-days for a noncompetitive temporary promotion under the GS system. In this case, competition will be required for a temporary promotion if more than 120 days remain on the temporary promotion.
- An employee on a temporary reassignment (not to exceed one year) to an NSPS position is limited to 120-days for a noncompetitive temporary promotion under the GS system if the action will result in a promotion after the temporary position transitions. In this case, competition will be required for the amount of time exceeding 120 days.
- If an employee competed under NSPS rules for the temporary promotion or reassignment, they will not have to compete again under the GS system. The

employee can serve the remaining period of the temporary promotion or reassignment at management's discretion. In this case, no further competition is required.

I-5. *After an employee transitions, how will his or her pay be set upon return to the temporary assignment?*

Answer: Pay will be set either in accordance with GS pay administration and pay setting rules or if the GS rule would result in a loss of or decrease in pay, section 1113(c) of NDAA 2010, provides authority for the employee's temporary rate of pay to be retained until the temporary assignment terminates. Since each employee's pay situation upon transition is different, the HR Specialist must manually calculate the employee's salary using various methodologies to determine the pay setting procedure that is most advantageous to the employee. (See Appendix 3-D of Chapter 3 of this guide for pay setting examples upon return of an employee to a temporary assignment.)

I-6. *How will the employee's pay be set upon expiration of the temporary assignment?*

Answer: The employee will be returned to the position of record. The Agency must set the employee's rate of basic pay as if he or she had not been temporarily assigned unless the agency elects to use a higher rate under the maximum payable rate as reflected in the 5 CFR, section 531.221.

I-7. *When an employee who is temporarily reassigned to an NSPS position is placed back into that position after it transitions to the GS system, what are some of the things we should consider?*

Answer: There are a number of things to consider. For example:

- Will the nature of action code need to be changed? For example, some temporary reassignments may be temporary promotions after transition to GS.
- Was the temporary reassignment noncompetitive? Competitive procedures may apply if post-transition action is a temporary promotion. A noncompetitive temporary promotion may be made for up to 120 days if employee is eligible and qualified (some labor agreements may require competition for temporary promotions of less than 120 days duration).
- GS rules and procedures apply. Qualification requirements may be different.
- Pay may change. While the general rule is that the employee will return to the rate held prior to transition from NSPS, application of GS rules may result in a higher rate of pay (*see* Section II.E.2. of Chapter 3 of this guide).

I-8. *When an employee's temporary NSPS reassignment will be a noncompetitive promotion under the GS system, does the time served in the temporary reassignment count toward the 120-day time limit in the GS system?*

Answer: No. The 120-day time limit for a noncompetitive temporary promotion is not reduced by time spent on a temporary reassignment under the NSPS system.

I-9. *When an employee's temporary NSPS reassignment will be a temporary promotion under the GS system, does the time-in-grade restriction apply?*

Answer: No. The time-in-grade restriction is waived, if needed, in accordance with the OPM waiver granted February 18, 2010 and amended on May 18, 2010.

I-10. *Can an employee in an NSPS position who was temporarily promoted/reassigned immediately prior to transition be returned to the same position immediately after transition?*

Answer: Yes, Chapter 4, Section III.F.5, of this guide provides that after an NSPS position has transitioned to the GS system, an employee who was assigned temporarily to that position immediately prior to the transition may be returned to the position immediately after transition. Remember, however, that, generally GS employment and pay administration rules apply when returning to the temporary position. Additionally, if the employee is still permanently assigned to NSPS, 5 CFR 9901.372 procedures apply to determine GS virtual grade and rate for GS pay administration purposes.

I-11. *Why does the Leave and Earnings Statement (LES) of an employee who is temporarily assigned prior to transition reflect a lower salary for the previous pay period?*

Answer: The first transition action to process for a temporarily assigned employee will be the return to the permanent position of record, effective on the day before transition. The employee may receive an SF-50 showing an NSPS-to-NSPS change in position and may also notice that the top portion of the LES represents salary and position based on the NSPS permanent position of record. This can be disconcerting since this action is not what the employee is expecting to see. The top of the LES provides a snapshot of position and salary at the end of the pay period. Closer inspection of and/or comparison with a previous LES may assure the employee that salary during the pay period in question continued to be based on the temporary assignment. Once the transition is actually processed, a second SF-50 will be generated reflecting the NSPS-to-GS conversion (890/Misc Pay Adj). An employee who is being placed back on A temporary assignment may see yet another SF-50 for that movement.

J. Temporary/Term Appointments

J-1. *An employee in our organization is on a temporary appointment to an NSPS position that has been extended for a third year. Her position is scheduled to*

transition from NSPS during this time. Since this time period is longer than that permitted for a temporary appointment under non-NSPS authorities (i.e., 5 CFR 213 and 316), what will happen to the employee upon transition to the GS?

Answer: The Office of Personnel Management (OPM) has waived, via a letter dated February 18, 2010, certain temporary and term time limits for NSPS appointments transitioning to the GS system. This employee will be transitioned to the GS system with the existing NTE date for her appointment. Since the appropriate non-NSPS regulations will apply to a post transition extension of the appointment, no further extension of the appointment will be permitted after transition to the GS system.

K. Tenure

K-1. *How is an employee's tenure affected when he or she is transitioned from NSPS to the GS system?*

Answer: An employee's tenure will generally not be affected. In some cases, an employee may be completing a conditional or career-conditional period on the same day as the transition. In these cases, the transition to the permanent or career appointment should be effected prior to the transition to the GS system.

L. Time-in-grade Requirement

L-1. *What is the consequence of an employee not meeting the GS time-in-grade restriction for the GS grade classification assigned upon transition?*

Answer: By letter dated February 18, 2010, and amended on May 18, 2010, OPM granted a waiver on GS time-in-grade restrictions. The waiver applies to employees who are covered by NSPS during the transition period and do not meet time-in-grade restrictions for the GS grade assigned to their position upon transition from NSPS to GS. It does not apply to advancement to a GS grade level other than the one to which transitioned from NSPS.

L-2. *We have an NSPS employee who was never covered by the GS system. He's moved to different assignments within his assigned pay band, once with a reassignment increase and once with no increase. We understand that the GS time-in-grade restriction doesn't apply to his transitioned position because of the blanket OPM waiver, but how do we start counting his NSPS time toward meeting the time-in-grade requirement for other GS positions? Does it start from the date he was hired into his pay band, or from the time he moved to the NSPS position from which he transitioned?*

Answer: To meet the GS time-in-grade restriction for subsequent moves, an individual must have 52 weeks at the next lower GS grade or, if crediting non-GS service, 52 weeks with an NSPS adjusted salary equivalent to or greater than the representative rate of the next lower GS grade (*see* 5 CFR 300.605(b)). Since an NSPS employee may have had

more than one increase in a 52-week period, HR practitioners will need to look at each increase for its equivalency to the GS representative rate that was in effect at the time the employee received the rate as well as the amount of time covered by that increase to determine the 52-week total. In some cases, the employee may have a creditable period of service in a GS position plus a creditable period of non-GS service that, when combined, will meet the 52-week restriction. Further information, along with tips and examples, is included as Appendix 4-B in *Chapter 4 - Staffing* of this guide.

L-3. *While covered by NSPS, an employee performed work equivalent to a GS-11. Does the time the employee held that position count towards the time-in-grade restriction for a GS-12 position?*

Answer: If the employee's NSPS rate of basic pay (which will generally be the employee's adjusted salary) equaled or exceeded the representative rate at the GS-11 level, the NSPS service can be credited towards the time-in-grade restriction for the GS-12 position. Further, 5 CFR 300.605(b) states that if a "candidate's rate of basic pay falls between the representative rates of two GS grades, the non-GS service is credited at the higher grade". Consequently, if the employee's NSPS rate of basic pay exceeded the GS-9 representative rate but was less than the representative rate for the GS-11, that service would be credited at the GS-11 level and so would also meet the time-in-grade restriction for the GS-12 position. The important point here is that it is not the equivalency of the level of work performed in an NSPS position that determines whether that service meets the time-in-grade restriction but rather the employee's rate of basic pay during his or her NSPS service.

L-4. *A YA-2 employee is transitioning to a GS-12 position, but his NSPS adjusted salary is below the GS-11 representative rate. Does this mean he will not meet the time-in-grade restriction for a GS-13 even though he's been performing the duties of a GS-12 and held the position for over a year?*

Answer: Yes. Unless the employee has some other period of prior service that is creditable toward meeting the time-in-grade restriction requirement for the GS-13 level, the employee will not immediately meet the requirement.

L-5. *Does the OPM time-in-grade (TIG) requirement apply when an NSPS employee moves to a GS position other than upon transition? How is NSPS service credited for TIG purposes in the General Schedule?*

Answer: The OPM TIG requirement may apply as described in 5 CFR 300.603 when an NSPS employee moves to a GS position other than by transition of their assigned NSPS position to GS. Specifically, TIG requirements apply to advancement to a GS position above the GS-5 level in the competitive service by any individual who within the previous 52 weeks held a GS position under a nontemporary appointment in the competitive or excepted service in the executive branch [unless an exclusion, as defined in 5 CFR 300.603, applies]. If TIG applies, 5 CFR 300.605(b) describes how to credit

service toward meeting the GS time-in-grade restrictions when that service was performed in a position not covered by the GS system.

While the NSPS classification structure does not feature a grade structure, when an employee moves from an NSPS position to a GS position in the competitive service, time served in the NSPS position (or in other NSPS positions) may be creditable for meeting the TIG requirement imposed by the GS system, provided the salary received during that time period meets the representative rate for the next lower GS grade or falls between the representative rate of two grades lower than the grade of the position and the representative rate of the grade one level below the position to be filled.

As an example: Mary held a GS-560-11, step 3, position for two months prior to being reassigned on March 1, 2008 to a YA-560-2 position in Washington, DC, without a salary increase. On May 15, 2008, Mary was again reassigned to another NSPS position and received a 5% increase to her base salary. On January 3, 2009, she received a total salary increase of 4% (including performance-based increase). On February 1, 2009, Mary applied for a GS-12 position. How is the time Mary spent in NSPS creditable toward meeting the time-in-grade requirement for the GS-12 vacancy?

Step 1. January 1, 2008 – February 28, 2008: GS-560-11, step 3.

Step 2. March 1, 2008 – May 14, 2008: NSPS adjusted salary = \$62,087 (including LMS), which is less than the GS-11 step 4 (representative rate) on the 2008-DCB Locality Table. This period is creditable for TIG purposes at the GS-11 level because her adjusted salary falls between the representative rates for GS-9 (\$52,921) and GS-11 (\$64,087).

Step 3. May 15, 2008 – January 2, 2009: NSPS adjusted salary = \$65,191 (including LMS), which exceeds the GS-11 step 4 (representative rate) on the 2008-DCB Locality Table. This period is creditable for TIG purposes at the GS-12 level because her adjusted salary falls between the representative rates for GS-11 (\$64,087) and GS-12 (\$76,742).

Step 4. January 3, 2009 – February 1, 2009: NSPS adjusted salary is \$67,799 (including LMS), which exceeds the GS-11 step 4 (representative rate) on the 2009-DCB Locality Table. This period is creditable for TIG purposes at the GS-12 level because it falls between the representative rates for GS-11 (\$67,086) and GS-12 (\$80,409).

Step 5. Total creditable time for TIG at or above the GS-11 is 13 months (two months as a GS-11 + 11 months as a YA-2). Mary meets the TIG requirement to be eligible for the GS-12 position.

Further information, along with tips and examples for crediting time-in-grade, is included as Appendix 4-B in *Chapter 4 - Staffing* of this guide.

L-6. Why was a TIG waiver requested from OPM?

Answer: A blanket waiver was requested to minimize potential disruption to employees and organizations where failure to meet TIG would require placement of employees into different positions and/or grades. The waiver further streamlines the transition process by removing the requirement for TIG decisions for each employee transitioned.

L-7. *Once a transitioning employee is placed in a GS position, does the employee meet TIG for reassignments and lateral moves at that same grade level?*

Answer: The GS time-in-grade restriction does not apply to a lateral move. The restrictions are intended to prevent overly rapid advancement in the GS system. As defined in 5 CFR 300.602, *advancement* means “a promotion (including a temporary promotion) or any type of appointment resulting in a higher grade...” As long as a subsequent move does not involve advancement to a higher GS grade, an employee meets TIG restrictions for the GS grade held immediately after transition.

Note that the waiver granted by OPM applies to the transitioned grade only, not to subsequent advancements in the GS system.

L-8. *Can NSPS service be credited for TIG for a subsequent advancement within the GS system?*

Answer: Yes. Time served under NSPS is creditable in accordance with 5 CFR 300.605(b). If an employee's former NSPS service (or other GS/non-GS service) is not creditable toward meeting the TIG requirement for the applicable grade, a waiver may be requested for that individual based on the regulatory guidance in 5 CFR 300.603(b)(7) and (8).

M. Veterans Recruitment Authority (VRA)

M-1. *Under NSPS, a VRA appointee can be hired into any pay band that encompasses GS-11. Does our organization need a waiver to retain a VRA appointee whose NSPS position transitions to a grade higher than a GS-11?*

Answer: No. The employee was appointed to an NSPS position in accordance with the rules of that system. It is not necessary to obtain a waiver to keep the employee in his or her position when it transitions to the GS system, even if the position transitions to a higher GS grade or has a career ladder to a higher GS grade.

V. PERFORMANCE MANAGEMENT

A. Impact of Transition Timing on Performance Management

A-1. *How will the timing of an employee's transition from NSPS affect his or her performance payout for the FY 2010 performance cycle (paid in Jan 2011)?*

Answer: The timing of an employee's transition will affect his or her entitlement to an NSPS performance payout for the FY 2010 performance cycle as follows:

Employees who meet the NSPS 90-day minimum period of performance and transition from NSPS to GS:

- Oct 1, 2009 through Jul 2, 2010
 - Rating official may prepare a closeout assessment
 - Ineligible for FY 2010 NSPS performance payout
 - Will receive general salary increase and applicable locality pay adjustment payable to GS employees in January 2011
- Jul 3, 2010 through Jan 1, 2011
 - Eligible for an NSPS rating of record
 - Ineligible for FY 2010 NSPS performance payout in accordance with 5 CFR 9901.342
 - Will receive general salary increase and applicable locality pay adjustment payable to GS employees in January 2011
- Jan 2, 2011 and beyond
 - Eligible for NSPS rating of record
 - Eligible for NSPS performance payout
 - Will receive general salary increase and applicable locality pay adjustment payable to GS employees in January 2011

A-2. *Will NSPS employees finish the FY 2010 performance cycle under NSPS?*

Answer: Some employees will finish the FY 2010 performance cycle under NSPS and some will not. The schedule for transition from NSPS to GS is established by each Component. Generally, the majority of NSPS employees transitioning to the GS system will do so from February 14, 2010, through September 30, 2010. See A-1 above for further information on eligibility for a rating of record and/or performance payout.

A-3. *If an employee does not meet the 90-day minimum period of performance requirement as of the date of transition from NSPS, can the performance period*

end date for the employee be extended until he or she meets the minimum period of performance?

Answer: No. The appraisal period end date will be the same for all employees within an organization that transition from NSPS between July 3, 2010 and January 1, 2011. An employee who does not meet the 90-day minimum period of performance and is not eligible for a rating of record may receive a closeout assessment for performance under NSPS.

A-4. *If an employee's transition from NSPS is effective on January 2, 2011, will he or she, if otherwise eligible, receive an NSPS performance payout on that date?*

Answer: Yes. Both 5 CFR 531.206 (for GS pay actions) and chapter 17 of the NSPS Guide to Processing Personnel Actions (GPPA) - Pay Change and Step Changes, (for NSPS pay actions), provide for the order of processing simultaneous personnel actions involving pay. While NSPS GPPA provides some latitude to organizations, generally, NSPS guidance expects that actions will be processed in an order that gives the maximum benefit to the employee.

A-5. *Under what performance management system will employees be rated if they are hired or appointed as a GS employee into an NSPS organization that has not yet transitioned to GS?*

Answer: Prior to an organization's transition from NSPS to GS, all employees hired as GS employees will be covered under the legacy performance appraisal system applicable to other GS employees in that organization.

B. Performance Management During Transition

B-1. *Will existing NSPS performance management regulations and policies apply to NSPS employees who transition from NSPS from July 3, 2010 through January 1, 2011?*

Answer: Yes, but with some modifications. For employees that transition to GS from July 3, 2010 through January 1, 2011, modified performance management policies were approved that provide for continued coverage under NSPS regulations 5 CFR 9901, Subpart D (Performance Management), up to 90 days after transition from NSPS staffing, classification, and pay systems, or December 15, 2010, whichever is earlier.

B-2. *Did the modified performance management policies change the performance period end date?*

Answer: Yes. The modified performance management policies provide that the appraisal period end date is the day immediately preceding the date of transition from the

NSPS staffing, classification, and pay systems or September 30, 2010, whichever is earlier.

B-3. *If employees transition from NSPS from July 3, 2010 through January 1, 2011, and are eligible for ratings of record, how will the employees be rated? When will the ratings become effective?*

Answer: NSPS ratings of record for eligible employees who transition from NSPS from July 3, 2010 through January 1, 2011 will be recommended, reviewed, approved, and effected not later than 90 days from the appraisal period end date or December 15, 2010, whichever is earlier.

B-4. *If the appraisal period end date for employees that transition from July 3, 2010 through January 1, 2011 is the day immediately preceding the date of transition from NSPS staffing, classification, and pay systems, or September 30, 2010, whichever is earlier, will the date an employee is eligible for an early annual rating of record change also?*

Answer: No. Only employees who transition from NSPS from July 3, 2010 through September 29, 2010, or who otherwise meet the criteria for an NSPS rating of record, will be eligible for an early annual rating.

C. Pay Pool Process

C-1. *If employees transition from NSPS to GS during the FY 2010 performance cycle, how will the transition impact the end of the year NSPS pay pool process?*

Answer: The organization's timing of the transition from NSPS to GS will affect employees' eligibility for a rating of record and a performance payout for the FY 2010 performance cycle (see A-1 above). If employees are eligible for a rating of record under NSPS, the final review and approval of the ratings will be completed by the pay pool panel or the Pay Pool Manager. (See Chapter 5 of this guide – *NSPS to GS – Performance Management – Appendix 5-A*).

C-2. *Which pay pool will review and approve a rating of record for an employee who is eligible for a rating of record but moves to an organization that has transitioned from NSPS? What if the employee moves to an organization that has not transitioned from NSPS?*

Answer: For an employee who is eligible for a rating of record, and whose organization is scheduled to transition from NSPS from July 3, 2010 through January 1, 2011, the losing pay pool will review and approve the rating of record if the employee moves to another organization. The losing pay pool will forward the approved rating information to the gaining organization. This process will be used whether the employee moves to a GS organization or an NSPS organization that has not yet transitioned.

D. Reconsideration

D-1. How will a request for reconsideration of an NSPS rating of record or job objective rating be accomplished during the transition period?

Answer: A request for reconsideration of an NSPS rating of record or job objective rating may be accomplished through the NSPS reconsideration process if the process can be completed prior to the expiration of coverage under 5 CFR 9901, Subpart D.

If the reconsideration process cannot be completed prior to the expiration of coverage under 5 CFR 9901, Subpart D, challenges to NSPS ratings of record may be accomplished after the expiration of coverage under 5 CFR 9901, Subpart D, using the process available for Component legacy performance management systems, e.g. the administrative grievance procedure or alternative dispute resolution. (See Chapter 5 of this guide – *NSPS to GS – Performance Management* - paragraph VII).

E. NSPS Performance Plans

E-1. Do we need to establish an NSPS performance plan for employees after transition from the staffing, classification, and pay systems, but prior to transition to the Component legacy performance management system?

Answer: Yes. NSPS performance plans should be established for all NSPS employees during the period of continued coverage under 5 CFR 9901, Subpart D (Performance Management).

F. Performance Management After Transition

F-1. Under which performance management system will employees be covered upon transition from NSPS?

Answer: Upon expiration of coverage under 5 CFR 9901, Subpart D (Performance Management), the performance management rules of the organization's legacy performance appraisal system, either currently or previously applicable to GS employees, will apply, e.g., rating cycle, establishment of objectives, performance standards, and summary rating levels.

F-2. Will NSPS performance ratings be considered after the employee transitions to GS?

Answer: All ratings of record received under NSPS have the same force and effect as a "rating of record" given under 5 CFR part 430. Once covered by the GS system, an employee will be under the performance management provisions of their organization's legacy performance appraisal system. For GS employees, legacy performance systems are governed by 5 U.S.C chapter 43, 5 CFR part 430 and DoDI 1400.25 V430.

F-3. *Once the transition from NSPS is complete, how long will employees be covered by the organization’s legacy performance appraisal system?*

Answer: Employees will be covered under the performance management rules of their organization’s legacy performance appraisal system until the DoD enterprise-wide performance management system is implemented.

G. DoD-wide Performance Management System

G-1. *Is there a plan to develop a DoD-wide performance management system?*

Answer: Yes. A mandatory provision of The National Defense Authorization Act for Fiscal Year 2010 (NDAA 2010) is to develop a DoD enterprise-wide performance management system that will link appraisals to bonuses and other performance-based actions.

G-2. *Will the new DoD-wide performance management system offer an opportunity for an increase in base pay and bonuses similar to what the NSPS system had?*

Answer: The DoD-wide performance management system is currently in development. Therefore, specific information on the new system is not available at this time.

H. Performance-Based Awards and Quality Step Increases (QSI)

H-1. *The transition guidance indicates that it is possible for an NSPS employee who transitions to GS to receive a performance-based award or a QSI. Can an NSPS employee be granted a performance-based award or QSI based on their performance in an NSPS position?*

- **Answer:** Yes, it is possible to grant a performance-based award or a QSI based on the employee’s performance under NSPS after the employee transitions to GS. The performance-based award or QSI can only be granted based on a current rating of record.
- To grant a QSI:
 - The employee’s GS position at the time the QSI is granted (i.e. is effective) is the same as or equivalent to the employee’s former NSPS position.
 - The current rating of record must be a Level 5.

H-2. *Can an employee be granted a performance-based award or a QSI based on an NSPS closeout assessment?*

Answer: No. Both performance-based awards and QSIs can only be granted based on a current rating of record. A closeout assessment is not a rating of record (either recommended or final).

H-3. *Who will decide whether awards based on NSPS performance will be granted?*

Answer: Incentive awards for performance while employees were covered by NSPS may be provided in accordance with 5 USC chapter 45, 5 CFR part 451 and DoDI 1400.25 V450 and are subject to Department, Component, and/or local policies.

I. Within-In Grade Increase Eligibility**I-1. *Upon transition from NSPS to GS, will employees be eligible for a within-grade increase since they will no longer be eligible for a performance-based salary increase? If so, when will the within-grade increases be due?***

Answer: After transition to the GS system, the GS pay setting rules will apply which include eligibility for within-grade increases. The date an employee's within-grade increase is due will be determined upon transition from NSPS based on the length of the waiting period for the next step, the date of the employee's last equivalent increase, and a determination that the employee is performing at an acceptable level. (See Chapter 3 of this guide - *NSPS to GS – Staffing* - for further information on GS within-grade increase eligibility.)

J. Automation**J-1. *How long will the NSPS Performance Appraisal Application (PAA) be accessible once organizations transition from NSPS to GS? Will appraisals for previous years (2007-2010) be accessible and printable indefinitely?***

Answer: After transition to the GS system, all historical appraisal information under the "Completed Plans/Appraisals" area of the PAA will continue to be available for review. Approved plans/appraisals in-progress at the time of transition will allow updates and completion. Plans that were initiated, but not approved prior to transition, can continue to be updated but cannot be approved in the system. The historical appraisal data will continue to be available and printable indefinitely.

J-2. *What is the process for making corrections to an employee record after transition has occurred when the correction is a rating adjustment resulting from the NSPS reconsideration process?*

Answer: The NSPS reconsideration software will work for corrections completed after transition the same as it does prior to transition. Any subsequent personnel actions affected by the change to rating or payout will need to be corrected manually as is currently the process.

J-3. *Will the PAA and the Compensation Workbench (CWB) be available to reconcile NSPS ratings of record for employees who transition from NSPS from July 3, 2010 through January 1, 2011.*

Answer: Yes. Both the PAA and CWB have been modified for use by organizations that transition from NSPS from July 3, 2010 through January 1, 2011, e.g. the PAA has been revised to accept varying appraisal period end dates and rating effective dates; the CWB has been revised to require rating information only.

Appendix 6-A – Updates to FAQs

The *Frequently Asked Questions* chapter of the Transition Guidance is a living document, which will continue to be updated throughout the NSPS transition period. As questions and/or answers are added or supplemented to address issues raised by HR practitioners, the following chart will contain a running list of those modifications, by date of change, applicable section, and question number.

Date of Change	Section	Question #
August 31, 2010	General	I A-1. (Modified)
August 31, 2010	General	I C-1. (Modified)
August 31, 2010	General	I Section D. (Added)
March 23, 2010	Classification	II B-1. (Modified)
August 31, 2010	Classification	II B-1. Table (Modified)
March 23, 2010	Classification	II E-3. (Clarified)
March 23, 2010	Classification	II E-4. (Clarified)
August 31, 2010	Classification	II H-3. (Clarified)
August 31, 2010	Classification	II J-4. (Clarified)
August 31, 2010	Classification	B-1., C-1., D-1., E-2., E-3., E-4., F-1., F-2., G-1., H-1., H-2., H-4., H-5., I-1., J-2., J-3., J-4., J-5., L-1. (Edited for grammar and flow of Q&A)
March 23, 2010	Pay	III A-1. (Modified)
March 23, 2010	Pay	III A-3. (Modified)
March 23, 2010	Pay	III A-4. (Added)
March 23, 2010	Pay	III A-5. (Added)
August 31, 2010	Pay	III C-1. (Clarified)
August 31, 2010	Pay	III C-3. (Clarified)
August 31, 2010	Pay	III C-5. (Modified)
August 31, 2010	Pay	III C-6. (Modified)
August 31, 2010	Pay	III C-8. (Modified)

March 23, 2010	Pay	III C-9. (Modified)
August 31, 2010	Pay	III D-1. (Clarified)
August 31, 2010	Pay	III D-2. (Modified)
March 26, 2010	Pay	III D-4 (Clarified)
August 31, 2010	Pay	III D-4. (Clarified)
August 31, 2010	Pay	III D-5. (Added)
August 31, 2010	Pay	III F-2. (Modified)
March 23, 2010	Pay	III G-2. (Clarified)
August 31, 2010	Pay	III H-2. (Added)
August 31, 2010	Pay	III H-3. (Added)
August 31, 2010	Pay	III A-3., B-1., C-2., J-1., K-1. (Edited for grammar and flow of Q&A)
August 31, 2010	Staffing	IV A-1. (Clarified)
August 31, 2010	Staffing	IV C. (Modified)
August 31, 2010	Staffing	IV C-2. (Added)
August 31, 2010	Staffing	IV E-1. (Modified)
March 23, 2010	Staffing	IV I-1. (Modified)
August 31, 2010	Staffing	IV I-1. (Added)
August 31, 2010	Staffing	IV I-2. (Added)
November 5, 2010	Staffing	IV I-2. (Modified)
August 31, 2010	Staffing	IV I-3. (Added)
August 31, 2010	Staffing	IV I-4. (Added)
August 31, 2010	Staffing	IV I-5. (Added)
August 31, 2010	Staffing	IV I-6. (Added)
August 31, 2010	Staffing	IV I-7. (Modified and renumbered from I-1.)
August 31, 2010	Staffing	IV I-8. (Added)
August 31, 2010	Staffing	IV I-9. (Added)
August 31, 2010	Staffing	IV I-10. (Added)
August 31, 2010	Staffing	IV I-11. (Added)

March 23, 2010	Staffing	IV L-1. (Modified)
August 31, 2010	Staffing	IV L-1. (Modified)
August 31, 2010	Staffing	IV L-2. (Modified)
August 31, 2010	Staffing	IV L-3. (Modified)
March 23, 2010	Staffing	IV L-5. (Modified)
August 31, 2010	Staffing	IV L-6. (Added)
August 31, 2010	Staffing	IV L-7. (Added)
August 31, 2010	Staffing	IV L-8. (Added)
August 31, 2010	Staffing	IV G-1., L-2., L-5., M-1. (Edited for grammar and flow of Q&A)
August 31, 2010	Performance Management	Chapter V Q&As (Added)
November 05, 2010	Performance Management	V H-1. (Modified)