

ARMY NSPS Q&A
As of October 1, 2008

Disclaimer: FAQs are being revised for compliance with NDAA09 and 5 CFR 9901.501, Subpart E which was effective 23 March 2009.

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A. CONVERSION

A-1Q: Is all movement into an NSPS position called “conversion”?

A: Conversion refers to positions and employees that become covered by the NSPS classification system as a result of a coverage determination made under § 9901.102(b) and does not include employees who move from a non-covered position to a position already covered by NSPS.

A-2Q: Will a freeze be placed on submitting personnel actions for organizations converting to NSPS?

A: Yes, all personnel actions must be submitted to the CPOC for processing 2 weeks prior to the conversion to NSPS. If a recruit/fill/placement action cannot be processed and effective prior to conversion to NSPS, the RPA will be processed following NSPS conversion and in accordance with NSPS regulatory requirements.

A-3Q: Upon initial conversion to NSPS, will employees receive a local market supplement (LMS) instead of their current locality pay?

A: Each employee converted into NSPS will have an adjusted salary--a base salary and a local market supplement. However, the percentage value for some local market supplements may be zero (e.g., for occupations and locations where locality payments or special rate supplements do not apply under the General Schedule).

A-4Q: What happens to Veterans' Recruitment Authority (VRA) employees upon conversion to NSPS?

A: Individuals that have completed 2 years of satisfactory (substantially continuous) service at the time of conversion will be converted to permanent (competitive) career status. Employees serving on VRA appointments with time remaining on the initial 2-year period will be converted to permanent (excepted) career status and must satisfactorily complete 2 years of service. All time served under VRA appointments will count toward completion of the 2-year probationary period.

A-5Q: Employees on temporary promotions are to be returned to their permanent positions prior to conversion. Immediately after conversion, the employees can be returned to the former position and re-promoted/reassigned on a temporary basis and their salaries set at the same level they were before conversion (a one-time exception allowed for in DoD Issuance SC1911.4.6). Does this also apply if the action is later made permanent under NSPS?

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A: If the temporary action is then made permanent without the employee returning to their permanent position (i.e., the reassignment/promotion does not expire), the manager has the option of maintaining the employee's same pay under SC1911.4.6. Even though, the employee must compete for the placement action to be made permanent, SC1911.4.6. still applies.

A-6Q: When can employees who are on temporary promotions prior to converting to NSPS be returned to their temporary promotions?

A: Employees may be returned to the temporary position immediately after conversion to NSPS.

A-7Q: Is an employee, who is on temporary reassignment at time of conversion and returned to a temporary reassignment after conversion, eligible for the 5% increase in salary?

A: The one-time pay setting rule may be used to set the employee's base salary at the same rate as before the conversion for an employee who is temporarily reassigned immediately after conversion to the NSPS position he/she held on a temporary basis immediately before conversion. For subsequent temporary reassignments, whether from a non-NSPS position to an NSPS position or between positions within NSPS, an employee may receive up to a 5% increase consistent with the NSPS regulatory requirements.

A-8Q: How is the within-grade increase (WGI) buy-in computed for employees converting to NSPS?

A: Employees (regardless of work schedule) who are at Step 9 or below and who have an acceptable performance rating will receive a prorated WGI adjustment when they convert into NSPS with their organization. The WGI buy-in will be calculated based on the length of time (calendar days) accumulated toward the next WGI. The WGI buy-in is added to the employee's base salary and along with the local market supplement is considered the "NSPS adjusted base salary."

A-9Q: Will employees on special salary rates receive their WGI buy-in using the step increment of the special salary table or the step increment of the basic pay (GS) salary table?

A: The special salary rate table (step increment) is used.

A-10Q: An employee who is covered under NSPS moves (transfer, promotion, reassignment, etc.) to a GS position. When the new activity converts to NSPS,

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will the employee be eligible for another WGI buy-in during the mass conversion at the new activity?

A: Yes, upon each conversion the employee is entitled to a WGI adjustment.

A-11Q: Will employees who have a presumptive fully successful rating receive the WGI buy-in?

A: Yes, employees will receive a WGI adjustment.

A-12Q: Are employees with TAPES ratings of Level 4 or Level 5 eligible for the Within-Grade-Increase (WGI) buy-in? Is there a requirement to notify employees who will not receive a WGI buy-in?

A: An employee with a Level 4 or Level 5 rating of record will not receive the WGI buy-in. Employees with a rating of record of Levels 1, 2, or 3 under TAPES (i.e., acceptable level of competence) on the date of conversion will be eligible for WGI buy-in.

There is no specific requirement to notify the employee that they are not eligible for the WGI buy-in, but good management practice is to notify the employee.

A-13Q: Will employees on retained grade receive a WGI buy-in upon conversion?

A: Yes, if the employee has an acceptable level of performance. While the employee is converted based on their permanent position of record, the WGI buy-in is based on the retained grade and step. If the employee is not already at step 10 of the retained grade, she/he will receive a WGI buy-in for time served toward the next within-grade increase. After conversion, if the employee's base salary exceeds the rate range for the assigned pay band, the employee will be placed on pay retention.

A-14Q: Are employees placed into NSPS positions through RIF or PPP considered to be conversions and therefore entitled to WGI buy ins?

A: While not meeting the definition of "conversion", when an employee is permanently placed in an NSPS position from a GS position through a management-directed action, including a management-directed reassignment, realignment, any movement into NSPS or placement via the Priority Placement Program (PPP) or the Reemployment Priority List (RPL), the employee shall receive an increase to base salary equivalent to the amount he or she might have received as a WGI adjustment if the employee had converted into NSPS with his or her organization.

A-15Q: A GS-5, step 5, IT employee in the Rest of the United States (RUS) is being converted to NSPS with his organization. His position is covered by SSR Table 999B. His payable rate of basic pay is \$39,406, which includes a special rate

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supplement of \$10,851. At the time of conversion, the employee receives a WGI buy-in that raises his adjusted rate to \$39,958. How are the NSPS base salary and local market supplement (LMS) figured when this special salary rate employee is converted into NSPS?

A: During conversion, the adjusted rate (\$39,958 in this case) is reallocated into an NSPS base salary and LMS. The reallocation process would divide \$39,958 by 1.1252 (1 plus the LMS value for the employee's pay band), resulting in \$35,512 - which is the NSPS base salary. Then multiplying \$35,512 by .1252 results in an LMS of \$4,446. The \$35,512 plus \$4,446 equals the NSPS adjusted salary of \$39,958.

A-16Q: What is the conversion process for converting positions where the grade-controlling work is not supervisory?

A: Prior to conversion, supervisory positions should be reviewed to determine if employees are performing non-supervisory work which meets the criteria for a higher pay band. If the position meets the criteria, the employee will be converted to the pay schedule and pay band with the highest maximum pay rate. The Defense Civilian Personnel Data System (DCPDS) is programmed to automatically 'convert' all supervisory GS/GM positions into NSPS supervisory pay schedules/bands based on the occupational code and guidance in DOD Manual 1400.25-M, SC 1911, Table SC 1911-1.

A-17Q: How are matrixed employees converted to NSPS?

A: Employees are converted on their permanent position of record with their permanent organization.

A-18Q: How is the time computed for employees serving in temporary appointments or term appointments upon conversion to NSPS?

A: Temporary and term employees who convert to NSPS will be covered by the rules of their original appointing authorities and will continue to work under the original timeframe. There is no authority to extend their appointment to the time periods authorized by the new NSPS temporary/term authorities.

A-19Q: An employee is on a temporary promotion, and earned WGIs in the permanent position. The employee was returned to the lower graded permanent position prior to conversion and receives a WGI buy-in. If the employee is placed back in the temporary promotion, will their pay be set to include the earned WGI?

A: No, the employee may only receive the rate of pay held prior to the conversion.

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A-20Q: How will pay be set for an employee whose temporary promotion did not end before conversion to NSPS?

A: Employees on a temporary promotion at the time of conversion to NSPS will be returned to their official permanent position of record prior to processing the conversion into NSPS. Pay in the permanent position of record will be computed to include any increase the employee would have received if not temporarily promoted, and a WGI adjustment (if applicable) will be calculated. Immediately after conversion, management may temporarily reassign or promote the employee with a temporary increase in pay up to the rate the employee was receiving during the temporary promotion.

A-21Q: Is an employee on LWOP excluded from the mass conversion process until he/she returns to duty OR is the employee on LWOP returned to duty and converted as part of the mass conversion?

A: Employees on LWOP at the time of mass conversion will be converted with their organization. The conversion and buy-in will be accomplished without returning the employee to duty and any WGI buy-in will be calculated as of the date of conversion.

A-22Q: Are civilian employees deployed to temporary positions overseas in support of military operations excluded from conversion until they return to their permanent position?

A: No, employees on temporary assignments will be converted with their organization on their permanent position.

A-23Q: Prior to conversion to NSPS, the position was advertised as GS and a referral list was issued to management but no selection was made before conversion. Can management still select from the referral list after the position converts to NSPS

A: Yes, management may still select an applicant from the referral list.

A-23.1Q: If "yes," will the tentatively selected employee be considered a voluntary accession to a NSPS position?

A: Yes, if the employee accepts the position. Reference Section C for compensation guidance.

A-23.2Q: Will the selectee be entitled to a WGI buy-in? OR will the selectee be able to negotiate a WGI buy-in amount?

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A: An employee who is placed in an NSPS position from a GS position through an employee-initiated reassignment may, at the discretion of the authorized management official, receive a WGI adjustment equivalent increase.

A-23.3Q: Must a position be re-advertised if advertised as GS, with the standard statement that the position may convert to NSPS, but the referral list was not issued until after the position converted?

A: No, reference guidance in A-23.1.

A-24Q: Must NSPS qualifications be applied to a position announced before conversion, but a selection made after conversion?

A: Yes. The qualifications in effect at the time the action is made effective are applied.

A-25Q: Is it legal to apply NSPS qualifications if the vacancy announcement only included the GS qualifications statement?

A: Yes, it is legally acceptable to apply NSPS qualifications in this situation.

A-26Q: How do GS-9 and GS-11 employees who are in positions with promotion potential convert to NSPS?

A: GS-9 and GS-11 employees who have **not** been promoted to the full performance level of their positions prior to conversion will be converted into pay band 1 (developmental pay band) with noncompetitive promotion to pay band 2. If employee is at the full performance level the position will convert to pay band 2.

A-27Q: Do temporary or term employees with less than 90 days remaining on their appointments convert to NSPS?

A: Yes, employees with less than 90 days remaining on their appointment will convert.

A-28Q: If an employee has a projected retirement or separation date soon after the date his/her organization is scheduled to convert to NSPS, will the employee be required to convert to NSPS?

A: Yes; retirement or separation is not a reason to delay conversion.

A-29Q: Is there a tool or sample readiness timeline that organizations can use to plan for NSPS conversion?

A: The NSPS Readiness Tool will enable organizations to plan and evaluate their progress for getting ready to convert to NSPS. The Readiness Tool is password

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protected. To obtain a password, contact the Army Civilian Personnel Evaluation Agency.

A-30Q: If the pay of a dentist/physician falls below the minimum of the pay band at the time of conversion to NSPS, can their base pay be adjusted upward?

A: The employee's salary must be set at least at the pay band minimum.

A-31Q: Upon conversion, how long will pay retention last?

A: The 2-year pay retention limitation does not apply to non-NSPS employees placed on pay retention upon conversion to NSPS. These employees are grandfathered under Title 5 retained pay rules pending publication of revised NSPS enabling regulations. Employees placed on pay retention based on movement within, and subsequent to conversion to, NSPS are still covered by the 2-year limitation.

A-32Q: Training material is not being updated locally to reflect necessary changes. Requests have been made to update the material but have been denied.

A: Army NSPS Training materials are consistently updated to reflect Army policy and instructional guidance. Training does not reflect individual decisions made by the Army Commands.

A-33Q: The Readiness tool needs to be revised. Some items are cryptic and need further explanation; other items are performed at the CPOC or CPAC and are not within the purview of the organization. The focus appears to be on staying green rather than managing conversion.

A: The Readiness Tool was designed to help organizations get ready for implementation. The topic areas identify tasks that are essential to a successful transition to NSPS. The purpose of the tool is to complete certain tasks within allotted timeframes so that organizations are ready to convert to NSPS. Certain tasks require assistance by the CPOC/CPAC or HQDA IT Office.

A-34Q: Can the Army develop a method for activities to share business rules and implementation/pay pool timelines to capitalize on lessons learned?

A: The NSPS PM Office has published a Guide to Business Rules that incorporates sample NSPS compliant business rules used by Army organizations. This guide will be periodically updated to include additional examples as more organizations complete their business rules.

A-35Q: How will documentation of positions on the TDA/Manpower document be handled? Will this be top fed or will organizations need to submit changes?

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A: Organizations will need to submit changes to their RM.

A-36Q: There is no guidance in the NSPS implementing issuances on converting employees from NAF to NSPS.

A: At this time, there are no plans to convert NAF employees to NSPS.

A-37Q: Why are Defense Civilian Intelligence Personnel System (DCIPS) and Defense Intelligence Senior Executive Service (DISES) employees excluded from NSPS?

A: DCIPS employees are appointed and paid under authority of 10 U.S. Code, Chapter 81. As a result, DCIPS is outside the scope of Title 5 in most areas covered by NSPS; DCIPS organizations are already excluded from coverage under Chapter 71 by E.O. 12171 and the Director, NGA's determination under 10 U.S.C. § 461.

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B. CLASSIFICATION

B-1Q: How are employees' positions converted to NSPS?

A: Employees are converted to NSPS based on their permanent positions of record, i.e., the classification of their position descriptions of record, with no loss of pay. The NSPS conversion criterion presumes that the employee's position description is accurate and properly classified. To determine the appropriate NSPS Career Group and Pay Schedule, compare the position's GS title and series to the conversion chart. The chart cross walks the series to the various career groups. To determine the NSPS Pay Band, compare the GS grade to the NSPS pay bands for the particular career group. For example, a non-supervisory Budget Analyst, GS-560-12 would convert to a Budget Analyst, YA-560, Pay Band 2. A non-supervisory Human Resources Assistant, GS-203-07 would convert to a Human Resources Technician, YB-203, Pay Band 2.

Note: A crosswalk of the NSPS occupational (series) definitions and authorized occupational titles can be located in the Appendices to SC1920 found on the NSPS website: www.cpms.osd.mil/nsps.

B-2Q: Is there a new NSPS job description format and must current job descriptions be rewritten in NSPS format?

A: A new form, DD2918, has been developed and formatted for NSPS position descriptions. FASCLASS is being modified to include the NSPS position description format. Current position descriptions are acceptable for conversion of employees into NSPS.

B-3Q: Do major duties still require that a percentage of time be identified on the position description?

A: OPM regulations do not define "major duty" nor the percentage of time required to be a major duty. Although NSPS does not establish or define major duty or percentage(s) of time, and Army has not issued guidance, commands may establish requirements.

B-4Q: Can location of the position have an impact on the classification of the position?

A: The location of a position is not a classification factor under NSPS. Position classification under the NSPS considers the overall nature and purpose of the position's duties and responsibilities, along with the qualifications required. A position's classification is based on work that: is performed on a regular and frequent basis; is

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crucial to the position's primary purpose; and governs the position's primary qualifications.

B-5Q: How will "Leader" positions be classified when converted to NSPS?

A: NSPS does not classify positions as "leader". Leader tasks and responsibilities are considered non-supervisory. Employees in positions that are currently classified as leaders are converted to the non-supervisory career groups and pay schedules that correspond to the occupation series of their position. Since the title prefixes "Lead" and "Leader" are not authorized in NSPS, they are deleted upon conversion.

Under NSPS, assignment of "leader-type work" can be made whenever there is a sound, business-based reason for doing so. However, NSPS does not assume that "leader-type" work automatically carries a greater degree of responsibility than other types of non-supervisory work. If a position is reclassified after conversion, and it is determined that a lead is required, a parenthetical "LEAD" can be added to the official position title in DCPDS.

B-6Q: Why is a supervisor at the GS-14 grade level converted to pay band 2, which is the same pay band for GS-12 and GS-13?

A: Immediate and intermediate supervisors of PB-2 employees are classified at supervisory PB-2 (e.g., YC or YF). Components may review supervisory GS-14 positions to determine if they meet the criteria for either supervisory or non-supervisory Pay Band 3. Where the component determines the position meets either criterion, the employee will be converted to the appropriate Pay Band 3.

B-7Q: What happens if the technical work performed has higher earning potential than the supervisory work?

A: Supervisory positions that include non-supervisory work are classified in the Pay Schedule and Pay Band with the highest rate range. When the non-supervisory Pay Schedule has a higher rate range, the position is classified in that pay schedule. The position is classified in the non-supervisory pay schedule, titled as supervisor and coded as a supervisor in DCPDS.

B-8Q: Is there a minimum number of employees that must be supervised for a position to be designated as supervisory?

A: A supervisory position cannot be established on the basis of only one subordinate employee. Supervised employees may include Federal civilian employees, Federal military or uniformed service employees, volunteers, or other non-contractor personnel. Positions with oversight responsibilities only over private sector contractors do not meet

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this definition. To be classified as a supervisor and assigned to a pay band in the Supervisor/Manager Pay Schedule, the position MUST perform all the supervisory functions of an immediate supervisor IAW DoD Manual 1400.25-M, SC1920, Appendix 5.

B-9Q: If an employee supervises employees in YA Pay Band 2 and performs work in YA Pay Band 2, what supervisory pay band are they assigned to?

A: The supervisor may be classified in the Supervisory YC Pay Band 2.

B-10Q: If an employee is currently a GS-1001-06, what series are they converted to and why?

A: The OPM GS-1001 series includes work which is analytical (Pay Schedule YA) and technical (Pay Schedule YB). Under NSPS, no occupational code (series) is/can be in more than one Pay Schedule. GS positions coded as Analytical are converted to YA-1001 occupational code, and GS positions coded as Technical or Clerical are converted to YB-1002 occupational code.

B-11Q: Why are employees in GS-332 series changing to the 2203 series?

A: Under the General Schedule, the GS-2210, Information Technology Management Series, is supported by the GS-332, Computer Operation Series, and the GS-335, Computer Assistant Series. To emphasize the relationship between the analytical YA-2210 Information Technology occupation and the supporting occupations, NSPS established occupational codes in the Standard Career Group, Technician/Support Pay Schedule (YB) to replace the GS-322 and GS-335 series. YB-2203 replaces GS-322 and YB-2204 replaces GS-335.

B-12Q: SC1911 guidance states that supervisory GS-11 positions are converted based on the pay schedule designation of the subordinates. In what supervisory pay band will a GS-11 supervisor convert if they have subordinates in different pay schedules (e.g. YA and YB)?

A: In cases where the subordinate base level is mixed, conversion should be based on the most appropriate placement, taking into consideration the mission and function of the position and its subordinate staff, level of work performed and other position management considerations.

For example: If the subordinate staff consists of six YB (technician/support) employees and two YA (professional/analytical) employees, the supervisor could meet the criteria for placement in either supervisory band YC-1 (based on YB subordinate level) or YC-2 (based on YA subordinates).

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However, if the primary function of the organization is to deliver technical or clerical support, conversion of the supervisor into YC-1 may, in this case, be more appropriate.

Other factors may also influence conversion, such as the level of work performed by the subordinates. For example, YA work performed at the top of the pay band (e.g., GS-13 level equivalent work) could substantiate placement of the supervisor into YC-2, even though the majority of the subordinate staff is in the YB pay schedule.

B-13Q: How will employees in the GS-1702 series convert to NSPS occupational series?

A: GS-1702 employees who are coded "A" (analytical) will be converted to the new Education Specialist, 1703 occupational series, YA pay schedule, in the appropriate pay band. GS-1702 employees coded as "T" (technician) will remain in the 1702 occupational series as Education and Training Technicians and will convert to pay schedule YB in the appropriate pay band.

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C. PAY/COMPENSATION

C-1Q: Is there any guarantee that Congress will fully fund the NSPS pay system?

A: A provision in the statute authorizing NSPS (5 U.S.C. 9902(e)(4)) requires that, to the maximum extent practicable, the overall amount allocated for compensation of employees in an organization under NSPS shall not be less than the amount that would have been allocated for compensation of the employees if they had not been converted to NSPS. This requirement applies through fiscal year 2012 and clearly signals Congress's intent regarding funding for compensation under NSPS.

C-2Q: Under NSPS, will annual increases be eliminated?

A: No. Under NSPS, as long as an employee is performing above the unacceptable level, they will receive a pay adjustment (processed as a "rate range adjustment") in January equal to at least 60% of the General Pay Increase (GPI).

The general pay increase (GPI), often mistaken for a cost-of-living adjustment, is not a cost-of-living increase nor is it intended to compensate employees for inflation. The GPI is a reflection of the general movement of salaries over a one-year period. The NSPS compensation architecture, together with the National Defense Authorization Act of 2008, allows up to 40% of the GPI to be put into the pay pool and be distributed during the performance payout.

C-3Q: When rate ranges are adjusted, do employees get a raise? Or, is the range extended/made larger?

A: If the minimum of the rate range is increased, the employee's base salary will be increased accordingly, unless the employee's performance is unsatisfactory, in which case the employee will receive no increase. If the maximum of the rate range is adjusted, no adjustment to the base salary will be made.

C-4Q: If an employee is at the top of the band, how will pay be increased?

A: An employee's base salary cannot be increased to a level that exceeds the maximum of the applicable pay band. Generally speaking, if an employee is at the top of the pay band and the maximum rate is not increased, the employee will only receive additional pay in the form of a one-time lump sum bonus and/or as a result of a percentage increase in the local market supplement rate.

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C-5Q: Will pay bands be adjusted to accommodate employees whose pay is already at the step 10 plus locality pay? (For example, their current pay appears to exceed the maximum of PB2 at the GS-13/10.)

A: The maximum of the rate range does not include the employee's LMS. Rate ranges only cover base salary. Therefore, an employee whose base salary is at the maximum of the rate range will receive the appropriate LMS in addition to the base salary. (In most cases, an employee's base salary plus LMS will still fit within the rate range.)

C-6Q: Under NSPS, if an Army employee applies through an external announcement for a promotion to Air Force, how is pay set? Is there a limit on the amount of salary increase or is the promotion calculated using 2-step rule (about 6%).

A: Upon promotion, the employee will receive a minimum 6% increase, unless this would cause the employee's base salary to exceed the maximum rate of the new pay band. The employee may receive up to a 12% increase or higher with proper higher level approval or if the greater increase is needed to reach the minimum rate of the new pay band.

C-7Q: Can highest previous rate (HPR) be used in pay setting for GS to NSPS, or is the activity limited to the 5% increase to base pay upon reassignment to the GS position?

C-8Q: If an employee voluntarily reassigns to a new position or new set of duties and receives a 3% pay increase, then 6 months later, the employee is given a management directed reassignment, what is the maximum amount of pay increase allowable?

A: The employee could be given up to a 5% increase in base salary. Salary increases resulting from a management-directed reassignment do not apply to the 5% cap.

A: The activity is limited to the 5% increase under the reassignment procedures in SC1930.10.4. The maximum payable rate rule/application of highest previous rate is not a feature of NSPS pay setting.

C-9Q: How will pay be set if an employee leaves NSPS and later returns to another position covered by NSPS?

A: Pay for employees leaving NSPS will be set using the rules of the gaining pay system. Employees who again accept positions covered by NSPS will have their pay set in accordance with the NSPS pay setting rules applicable to the type of action (i.e. reassignment or promotion). Employees may be eligible for with-in grade adjustment equivalents and other pay increases in accordance with regulations and local policies.

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C-10Q: Can an employee who is changed to a lower pay band receive a salary increase?

A: It is possible that an employee could receive a pay increase when accepting a voluntary reduction in band. The employee is eligible for up to a 5% increase upon voluntary reduction in band and/or voluntary reassignment in any 12-month period. Any increase may not cause the employee's base salary to exceed the maximum rate of the pay band to which assigned.

C-11Q: How do you set the pay of a term employee in NSPS who accepts a permanent position of higher responsibility in the same pay band so that his/her salary is compatible with the other permanent employees performing the same duties?

A. The term employee is considered a Federal employee for NSPS purposes, and therefore, is limited to a 5% increase for a reassignment within a pay band.

C-12Q: How is pay set for a NAF employee who accepts an NSPS positions?

A: : Before pay can be set for employees moving from the NAF pay system to NSPS, the nature of the personnel action (promotion, reassignment or reduction in band) must be determined by comparing levels of work.

Upon reassignment or reduction in band, managers may choose to consider the employee's current total salary when setting pay for the NSPS position. Because NAF salaries have a locality pay component to them, the manager may choose to a) set the new NSPS adjusted salary equal to the employee's current total salary b) reallocate the salary then add any increases and LMS or c) add any increase to the current salary.

Example: a NF-4 (\$36.09 ph/ \$75,320 annual) accepts a YA-2 position in the same location (LMS is 21.89%).

(a) Reallocate Peter's total salary as: \$61,793 (base) + \$13,527 (LMS)= \$75,320 (total salary).

(b) Reallocate Peter's total salary as above and add any increase to the new base pay, e.g. 4% increase would be: \$61,793 (base) + \$2,472 (increase)= \$64,265 (base) + \$14,068 (LMS)= \$78,333 (total salary).

(c) Use Peter's current salary and add in the LMS: \$75,320 (base)+\$16,489 (LMS)=\$91,808 (total salary).

(Note: salary increase could be calculated in this option as well, but should only be done in particular market conditions warranting further increase and just adding the LMS has increased Peter's salary more than \$16,000).

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Upon promotion from a NAF position, management will use the employee's current salary as base pay and add at least 6% salary increase before adding in the applicable LMS rate.

Promotion Example: Stephanie is currently a NF-02 (\$11.64 ph/\$24,293 annual) and is being placed into a YB-02, with a 13.18% LMS. In this example, Stephanie's NF-02 position is comparable to a YB-01 position and, therefore; the movement is a promotion. Stephanie is entitled to a base salary that is at least 6 % higher than her current base salary. A 6% increase is \$1,458. This amount added to her current salary is \$25,751. LMS is then added to the new base salary for a total adjusted salary of \$25,751+ \$3,394= \$29,145.

Note: At the discretion of the authorized management official and with appropriate approval, the increase in the base salary could be above 6% (up to 12%). However, LMS is an additional increase which the employee did not receive under NAF. Setting the base salary more than 6% above the employee's current pay would be warranted only in exceptional circumstances (such as specific labor market conditions).

C-13Q: How is pay set when a wage grade (FWS) employee accepts an NSPS positions?

FWS to NSPS: Before pay can be set for employees moving from the FWS pay system to NSPS, the nature of the personnel action (promotion, reassignment or reduction in band) must be determined by comparing levels of work. The NSPS Implementing Issuances establish the WG to NSPS equivalents:

YE Pay Band 1 = WG-1 to 8
YE Pay Band 2 = WG-9 to 12
YE Pay Band 3 = WG-13 to 15

Comparison of the position to the YE equivalent determines if the movement is to a comparable level of work or not. Any movement from a WG position to a professional/analytical pay band is considered a promotion.

Upon reassignment or reduction in band, managers may choose to consider the employee's current total salary when setting pay for the NSPS position. Because FWS salaries have a locality pay component to them, the manager may choose to a) set the new NSPS adjusted salary equal to the employee's current total salary, b) reallocate the salary then add any increases or c) add any increase to the current salary.

Upon promotion from a FWS position, management will use the employee's current salary as base pay and add at least 6% salary increase before adding in the applicable LMS rate.

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Note: At the discretion of the authorized management official and with appropriate approval, an increase in the base salary may be above 6%. However, LMS is an additional increase which the employee did not receive under FWS. Setting the base salary more than 6% above the employee's current pay would be warranted only in exceptional circumstances (such as specific labor market conditions).

C-14Q: With the current GPPA changes, the percentage of salary increase can be annotated in the remarks section of the NSPS. However, there is no electronic way to show these changes if the remark is omitted and thus no way to pull data from DCPDS. How will the amounts given in a 12 month period be tracked?

A: The NSPS Guide to Processing Personnel Actions provides separate legal authority codes to distinguish among reassignment actions that include a salary increase, decrease or no change to base salary. While there is no specific field in DCPDS to track the exact amount of each salary increase (or to track cumulative increases), the use of this legal authority code (in conjunction with the use of the remark) will flag to activities that an increase was received.

C-15Q: How is pay set for employees who receive an Accelerated Compensation for Developmental Employees (ACDP)?

A: ACDP is intended to assure that a measured progression through pay band 1 to the journey level position is achieved. Pay increases will generally be no more than 20% per year. Army guidance requires the employees' performance to be reviewed at 6-month intervals with the option to award a portion of ACDP at that time. For example, employees may receive a 10% increase at 6 months and another 10% increase at 12 months; or they may receive 20% at 12 months. If two 10% increases are awarded, the total increase may be slightly over 20% per year.

C-16Q: How is the percentage of salary increase computed under SC1911.4.8, which allows for the setting of pay on noncompetitive promotion equivalents when the employee was on a targeted position before conversion, but is not entitled to Accelerated Compensation for Developmental Positions?

- For example, a previous GS-05 target GS-06, converts to YE-1. Under the GS system the employee would receive the two step promotion rule.

For Example:

GS-5 step 1 (Basic Salary) = \$25,195

GS-5 step 3 (Basic Salary) = \$26,875

GS-6 step 1 (Basic Salary) = \$28,085

Under the GS two-step promotion rule, GS-5 step 3 is less than GS-6 step 1, so salary is set at GS-6 step 1. Would pay be set at \$28,085?

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A: Yes, SC1911.4.8 allows for a one-time increase that would be equivalent to a noncompetitive promotion. This example above is consistent with the NSPS implementing issuance.

C-17Q: If employee's target position is within the pay band, and the one-time exception for a within-band promotion is not sufficient to reach the employee's target position, what can be done?

A: After conversion, salary increases within the band may occur through the performance payout process or reassignment to a different position or set of duties. Upon reassignment to a different position or set of duties, the employee may receive up to a 5% increase in base salary. There is no limit to the number of times an employee may receive an increase to base salary based on management directed reassignments.

C-18Q: What is the sequence for processing the January payout?

A: The rate range adjustment is processed first, then the performance payout is processed.

C-19Q: When will the performance payouts be effective?

A: Performance-based payouts will be effective the first day of the first pay period beginning after January 1 of each year.

C-20Q: If someone is on Leave Without Pay (LWOP) at the time of a pay pool payout, will they still receive a payout?

A: If the employee is on LWOP and eligible for a rating, they will be included in the pay pool spreadsheet and assigned a rating, share assignment, and payout distribution. The payout may be prorated if they were on LWOP for more than 90 days in the performance cycle and the LWOP was for reasons other than military service or work related injury. If they are on LWOP at the time of the payout, their salary will be updated in the Defense Civilian Personnel Data System (DCPDS) effective with the pay increases of pay pool members in a paid status. However, the employee on LWOP will not receive the increase until they return to duty in a pay status. Bonus payments will be paid out in January whether or not the employee is in a LWOP status.

C-21Q: Under SC1930.13.1.6.1, overtime is no longer calculated using the GS-10 step 1 rate for FLSA exempt employees. Is there any special handling of pre-NSPS and post-NSPS compensatory time?

A: Compensatory time under NSPS does not get paid out upon conversion (except for physicians and dentists). If not used by the 26th pay period from when it was earned it

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will be paid at the overtime rate at which it was earned. Physicians and dentists are not eligible to earn overtime or compensatory time and at the time of conversion any compensatory time is paid out.

C-22Q: Is an employee who received a Level 1 rating and no pay or LMS increase entitled to the full LMS upon reassignment to a position in a lower band?

A: No, the employee is not entitled to an increase in LMS until he/she has a rating above "unacceptable."

C-23Q: Employees who are currently at GS-15 step 10 in high locality areas are at the GS pay cap of \$145,400 and don't receive the full locality pay. Will those employees' salaries be increased to the NSPS pay cap after conversion?

A: Yes, the NSPS pay cap allows employees at GS-15 step 10 to receive locality for an annual total salary that exceeds the GS-15 step 10.

C-24Q: How is pay set for a student, YP-1, who converts to an intern, YA-1, upon graduation?

A. Since students can be in technician positions working toward associate degrees, or medical residents working toward doctorate degrees, there is not an easy answer to this question. The job description of the current student position is compared to the new position to determine if they are comparable levels of work. If it is determined that the positions are comparable, then the conversion should be treated as a reassignment. If the student position is found to be a lower level of work, the conversion should be treated as a promotion.

C-25Q: Will supervisory work under NSPS take more time? If so, will there be more money for overtime (OT)?

A: Experience from demonstration projects shows that for the first couple of years following conversion, more time is needed for supervisory duties. This extra time is reduced, however, after supervisors become more familiar with the system. It is unlikely that any extra OT monies will be programmed to assume this extra supervisory work.

C-26Q: Was overtime pay for firefighters changed under NSPS?

A: No, NSPS did not change overtime pay for firefighters. SC1930 leaves in place the pay rules for firefighters under 5 USC 5545b and Part 500.

C-27Q: How is pay set for physicians who accept positions under NSPS?

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A: For employees hired into NSPS medical career group, YG-2, PCA is included as a part of base salary when determining amount of NSPS pay. If the employee's current position/grade level is encompassed in the band to which hired, the action is a reassignment and the employee is eligible for up to a 5% increase to their base salary (which includes PCA) and LMS for the area. Managers may also make a one-time adjustment in salary to include amounts equal to what the employee would have been expected to earn as premium pay as physicians and dentists are not entitled to premium pay under NSPS.

C-28Q: How will the salaries of employees on grade retention be set when converting to NSPS?

A: At the time of conversion, the employee will be converted to a career group, pay schedule, and pay band based on their assigned permanent position of record and their pay adjusted to base salary and local market supplement. After conversion, if the base salary exceeds the rate range for the assigned pay band, pay retention will continue until the salary falls within the assigned pay band.

C-29Q: Will there be a remark explaining grade and pay retention on the conversion Notification of Personnel Action for employees previously on grade retention in the GS system?

A: Employees whose grade retention is terminated upon conversion to NSPS will have a remark on their SF 50 stating that grade retention is terminated. Employees whose base salary is above their assigned pay band will be advised of their entitlement to pay retention.

C-30Q: Pay retention is currently limited to 2 years. What happens if the retained pay under pay retention exceeds the top of the pay band?

A: The two year limitation only applies to employees who become entitled to pay retention while in an NSPS position. Upon termination of pay retention entitlements, the employee's base salary will be reduced to the maximum rate of the pay band to which assigned,

C-31Q: Can pay retention be used for developmental positions under a formal training plan?

A: Components have been delegated authority to extend pay retention in situations deemed appropriate. As is the case today, this authority applies to actions initiated by management and may not be granted in actions at the employee's request.

C-32Q: Is pay frozen regardless of performance during pay retention entitlement?

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A: Unless the rate range is increased, the employee's base salary will remain the same. Any increase received as a result of the performance payout process must be received in the form of a bonus. The employee will receive any increase in the local market supplement, provided he or she is rated above unacceptable.

C-33Q: How is rounding handled in pay setting?

A: Salaries will be rounded in a way that ensures the implementing issuances are followed. For example, the issuances provide that an increase on a reassignment cannot exceed 5%; therefore, to ensure that the limitation is not exceeded, fractional amounts must be rounded down. For example, if the calculation of a 5% increase on a reassignment results in \$2617.65, the product must be rounded down to \$2617.

Conversely, the issuances provide for a minimum increase of 6% on a promotion; therefore, to ensure the minimum requirement is met, fractional amounts must be rounded up. For example, if the calculation of a 6% increase on a promotion results in \$3278.34, the product must be rounded up to \$3279.

Amounts for all other pay actions (e.g. reallocation of base pay, WGI adjustment calculation, etc) will be rounded up to the nearest whole dollar.

C- 34Q: Is it possible for every employee to advance to the top of their pay band over a period of time?

A: While it is possible, it is not necessarily the likely course of action without the employee accepting increasingly more complex duties or responsibilities. Managers will need to carefully evaluate the work of the position to determine if the employee's base salary is commensurate with the duties and responsibilities he/she performs, giving consideration to various other factors such as "what is the market rate for performing this type of work?" An employee should not expect to perform the same duties and watch his/her salary increase to the top of the assigned pay band.

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D. LOCAL MARKET SUPPLEMENT (LMS)/COLA/OVERSEAS

D-1Q: What will the LMS be in the future?

A: The precise LMS for the future are unknown. The process and variable factors that affect Title 5 locality pay and special salary rate decisions today will still be applicable under NSPS. Standard LMS are set and adjusted consistent with the setting and adjusting of GS locality payments.

D-2Q: Does the Secretary of Defense have the authority to adjust the rate ranges of the pay bands and / or the amount of local market supplements? If the rate ranges or LMS are not increased, will an employee at the top of the pay band be eligible for a salary increase?

A: The Secretary of Defense may decide the amount of a pay increase to allocate to rate range adjustments, the amount for targeted LMS adjustments, and the amount for pay pool funding. Standard LMS shall be identical to GS locality payments in terms of geographic areas and the percentage values. Secondly, rate range adjustments are made to base salary before any LMS is applied. Individuals whose base salary is at the top of their pay band would not receive the minimum rate range adjustment for their pay band unless the maximum rate for their pay band is also increased allowing additional base salary for them to receive a portion or all of any minimum rate range base salary increase. However, they would still receive the full appropriate LMS. In addition, based on their performance rating and shares awarded, employees at the top of their pay band may receive performance bonuses.

D-3Q: Could the LMS be significantly less than our current locality pay? Could employees lose pay under NSPS?

A: NSPS LMS, like the Title 5 locality pay and special salary rate provisions, are additional pay (added to base pay) to address environmental factors. Environmental considerations may include mission requirements, market condition, availability of funds, pay adjustments received by employees of other Federal agencies, overseas allowances and differentials, and any other relevant information. These factors are either location or occupation specific or both, that are not fully addressed by the world-wide base salary rate in NSPS or by the basic pay rate in the General Schedule system.

As with the GS system, the NSPS percentage of base salary may be impacted by currently unknown future changes in area coverage and environmental conditions. Depending on the outcome of the annual review, geographical boundaries may be adjusted which could result in a different LMS, either higher or lower, for some or all individuals included in the new boundaries. The review could result in occupation-

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specific targeted LMS being adjusted to a higher or lower percentage based on the various conditions mentioned earlier. We can expect to see changes driven by market forces and could see adjustments to LMS in particular occupations or locations. However, until the Department establishes its own procedures for LMS, the intent is to use the Employment Cost Index and OPM locality and special salary rates as the basis for LMS changes.

D-4Q: If the authorized amount of LMS is lowered, is that a reduction in pay under NSPS for employees who are at an acceptable level of performance?

A: Under the current construct, the amount of the LMS paid is not based on work assigned at the individual level. Every employee in the same occupational specialty, with an appropriate performance rating, covered by a particular LMS, will receive the same percentage of base salary. If an employee moves from one LMS area or occupation to another area or different occupation, the total adjusted salary (base salary plus the LMS) may be affected by the new LMS. This is no different than what happens today when an employee moves from one locality area or special salary rate to another area or occupation.

D-5Q: Does NSPS change an employee's entitlement to COLA?

A: NSPS does not change an employee's entitlement to COLA.

D-6Q: Will employees in Hawaii be eligible for a LMS and COLA?

A: NSPS regulations are sufficiently flexible to provide LMS to employees receiving a non-foreign COLA. LMS are established in response to labor market conditions and apply to employees located in specific geographic areas or who work in occupations that warrant additional compensation. Any decision to authorize a local market supplement would take into account the COLA that is payable for that location.

D-7Q: An employee with an official worksite in Hawaii and receiving a 25% non-foreign area cost of living allowance (COLA) is temporarily assigned (under either a temporary promotion or temporary reassignment) to a position in San Francisco, and is paid per diem allowances during the temporary assignment. What effect does this have on the COLA the employee is receiving, and does the employee receive the LMS that applies in San Francisco to his position?

A: For an employee who is temporarily assigned to a different local market area, and who receives per diem allowances, the official worksite remains unchanged (see SC1930.8.1.2.3.1. and the definition of "official worksite" at 5 CFR 591.201). As a result, the employee in this scenario continues to receive the 25% COLA that applies to his permanent duty station (official worksite) in Hawaii, and does not receive the LMS

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that applies to his temporary duty station in San Francisco. The 25% COLA is calculated using the base salary of the position to which temporarily assigned.

D-8Q: In this same scenario, what happens if the employee is authorized a temporary change of station and receives payment for relocation expenses in lieu of being paid per diem allowances?

A: If an employee is authorized a temporary change of station and receives payment for relocation expenses in conjunction with a temporary assignment, the temporary duty station becomes the official worksite for the duration of the assignment (see SC1930.8.1.2.3.1. and the definition of "official worksite" at 5 CFR 591.201). With the change in official worksite, the employee is no longer eligible for the COLA that applies in Hawaii, but does receive the LMS that applies to his position in San Francisco. The LMS is calculated using the base salary of the position to which the employee is temporarily assigned.

D-9Q: The LMS pool of money may stay the same or increase annually but it can be divided differently across the professional series. For example, to increase LMS for General Engineers, series 801, there would have to be a decrease in the LMS for one or more other series. The concern is that an excellent performing worker can receive a pay cut over time because they happen to be in a series that is not lacking in that local market.

A: It is correct that there is a finite amount of money available for any of these supplements, and it would need to be allocated in some fashion across all LMS and categories. Both the General Schedule and the NSPS LMS may address all positions within a geographical area, specific occupations or groups of occupations within a geographical area to establish supplemental pay to alleviate pay disparity. Under the General Schedule, a supplement that applies to all positions within a geographical area is called locality pay while a supplement that applies to a specific occupation or groups of occupations is labeled a special salary rate. Under NSPS, both of these categories may be found under the generic title of LMS. The NSPS implementing issuances require that all existing local market supplements be reviewed at least annually for possible adjustment, in conjunction with the rate range adjustments that will be effected the first pay period in January. This review could result in the local market supplements being unchanged, increased or decreased and would establish the percentage of any change. While there is the possibility of a LMS being decreased, experience with the GS locality pay indicates that this would be a rare occurrence since no locality pay percentage has been reduced since GS locality pay was first introduced in 1994. Rather, locality pay percentages have stayed the same or have been increased in an amount considered appropriate to alleviate pay disparity between the world-wide base rate and the pay provided to non-government employees resulting from environmental factors.

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D-10Q: Will overseas allowances and differentials be considered part of basic pay?

A: No, this has not changed (e.g., COLA, Post Differential, LQA, etc.). The only difference under NSPS is that overseas employees may receive a LMS based on occupation. Currently, they do not receive 'locality pay.'

D-11Q: How is pay set for an overseas employee exercising mandatory return rights to a position converted to NSPS during his/her absence?

A: The employee's pay will be set in accordance with either 10 U.S.C. 1586 and SC1930.10.8. of the NSPS implementing issuances, **or** the management-directed reassignment procedures at SC1930.10.4.2 of the NSPS implementing issuances – whichever provides the greater benefit to the employee. Under those procedures, the authorized management official shall set pay no less than the employee's current salary and may increase the employee's current base salary by up to 5% percent.

Example 1: Employee is a GS-12, step 4 overseas - basic pay is \$60,895, but has mandatory return rights to a GS-11 position which has been converted to NSPS (YA-2). Calculations are as follows:

Option 1 - Title 10 entitlement (SC1930.10.8):

Employee is returned to rate of GS-11, step 5 = \$52,349 (step 5 includes GS-11 step increases earned while overseas)

WGI - buy-in is added = \$1,452

Total = \$53,801

Then add Local Market Supplement (LMS)

or

Option 2 - Reassignment under NSPS (SC1930.10.4.2):

Employee's basic pay at GS-12, step 4 = \$60,895

Management matches the current pay of \$60,895 and may give an increase of up to 5% of the employee's current basic pay of GS-12, step 4 (a maximum increase of \$3,045 in this case).

Then add LMS

In this case, the employee's pay must be set using option 2 in order to maintain the policy in SC1930.10.4.2. of setting pay no less than the employee's current salary. At the discretion of the gaining Component/activity, an increase of up to 5% could be granted.

Example 2: Employee is a GS-12, step 8 overseas – basic pay is \$68,275, and has mandatory return rights to a GS-13 position which has been converted to NSPS (YA-2). Calculations are as follows:

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Option 1 – Title 10 entitlement (SC1930.10.8):

Employee is returned to a rate of GS-13, step 4 = \$72,414 (step 4 includes GS-13 step increases earned while overseas)

WGI – buy-in is added = \$587

Total = \$73,001

Then add LMS

or

Option 2 – Reassignment under NSPS (SC1930.10.4.2):

Employee's basic pay at GS-12, step 8 = \$68,275

Management matches the current pay of \$68,275 and can give an increase of up to 5% of the employee's current basic pay of GS-12, step 8 (a maximum increase of \$3,414 in this case).

Then add LMS

In this case, the employee's pay must be set using option 1 in order to maintain the maximum entitlement under title 10 as an overseas returnee.

D-12Q: What happens to an employee who converts to NSPS while overseas, and then exercises mandatory return rights to (1) to a position converted to NSPS during his/her absence or (2) to a position not under NSPS?

A(1): If moving from an OCONUS NSPS position to a CONUS NSPS position, you would process it as a normal NSPS to NSPS action. For example, you were a GS-12 in OCONUS and converted to NSPS as a YA-2. You are returning to your former position which was converted to NSPS as a YA-2. The personnel action would be processed as a reassignment with management having the option to give up to a 5% increase.

A(2): If you are moving from an OCONUS NSPS position back to a CONUS GS position, you would follow the pay setting rules of the gaining system. In this particular case, you would apply HPR as outlined in 5 CFR 531.221(d), which covers the new OPM paysetting rules.

D-13Q: Will targeted LMS rates apply to employees stationed in foreign areas?

A: Yes. Currently, the same targeted LMS rate for a given occupation or specialty is applied world-wide. For example, a physician at Madigan Army Hospital in CONUS shall receive the same targeted LMS rate as a physician at Landstuhl Army Medical Center in Germany.

D-14Q: An employee on a special salary rate (SSR) in Europe converts from GS to NSPS with no loss in pay. The SSR is subsumed into the NSPS base pay and there is no LMS. How is pay set for an OCONUS employee previously on SSR who transfers to a GS position or a NSPS position with LMS?

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A: Where the NSPS pay bands accommodate GS special rates, there is no need to establish a targeted LMS for the SSR.

For an OCONUS employee, a GS SSR is either subsumed within the pay band, in which case the employee receives a base salary and no targeted LMS, or if the SSR is not subsumed, the employee receives a base salary plus a targeted LMS.

Once the employee converts to NSPS, the employee no longer receives the SSR. Pay in the General Schedule would be set using the employee's NSPS adjusted salary (per the definition of rate of basic pay in 5 CFR 531.203). If the employee returns to an NSPS position in CONUS, he/she would receive the LMS that applies to the position.

D-15Q: What happens when a GS CONUS employee on a SSR is selected for a NSPS OCONUS position with no LMS? For example, a GS-610-11 nurse is hired for a YH-610-2 OCONUS position.

A: An employee moving from a position such as a nurse GS-610-11 with a special salary rate supplement in CONUS to a nurse YH-610-2 position in OCONUS with no LMS would have his/her salary reallocated in the manner described in the Conversion section A-15.

D-16Q: When a deployed civilian is returning to an NSPS position upon termination of the temporary promotion, do we follow the rules in DOD 1400.25M Subchapter 1930, SC1930.10.5.7 which states "...the employee may be returned at any time to the position from which temporarily promoted or to a different position of equivalent base salary received prior to the temporary promotion, and the decrease in pay is not subject to reduction in force or adverse action procedures"?

A: Yes, the employee's pay is set IAW SC1930.10.5.7. There is no highest previous rate in NSPS, so the pay is set at what it was prior to deployment, with any adjustments that would have occurred.

D-17Q: What is the correct nature of action (NOA) code to move a YA-2 (formerly GS 12) employee into a GS 12 GWOT position? Such action would normally be a reassignment; however, the employee will get a small increase in pay due to the WGI buy-in received during conversion to NSPS.

A: The Guidance to Processing Personnel Actions defines a promotion as a "nature of action" used to document personnel actions that change an employee: (1) to a position at a higher grade level within the same job classification system and pay schedule or (2) to position with a higher rate of basic pay in a different job classification system and pay schedule. In this situation the NOA will be a temporary promotion. This action does not

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require competition as the employee has previously held a GS 12 position on a permanent basis. Although the action would appear to be a reassignment, YA-2 to GS 12, when applying the GS pay setting rules the employee's pay falls between two steps on the GS pay scale and the pay is set a step that is equal to or exceeds the current rate of pay. Since the employee will receive a higher rate of basic pay it is considered a promotion.

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E. PERFORMANCE MANAGEMENT

E-1Q: How is pay tied to performance?

A: Performance affects pay in many ways. Base salary increases and local market supplements will not be paid to “Level 1” performers. “Level 1” or “Level 2” employees will not receive performance payouts. An individual’s performance and contributions determine their annual performance rating and the number of shares awarded which directly influences their performance payout. Employee may also be considered for an Exceptional Performance Increase (salary and/or bonus), if it is determined that the payout formula is insufficient to recognize extraordinary performance and/or contributions.

E-2Q: How will a supervisor rate an employee’s performance if the employee works 2nd shift and the supervisor works day shift? What about employees on 3rd shift operations?

A: Performance management is a priority for supervisors, managers, and employees under NSPS. The success of a supervisor's performance is linked to the performance of their employees and the execution of performance management and pay-for-performance responsibilities. Supervisors are held accountable for all employees assigned under their supervision, including those who work at remote locations and on other shifts. Supervisors may take into consideration feedback from team leaders and customers in evaluating performance.

E-3Q: Does an employee receive a rating when their military supervisor relocates due to a permanent change of duty station (PCS)?

A: If a military supervisor has supervised the employee for more than 30 days and is now changing duty stations (i.e., will cease to exercise supervisory duty for the employee), the supervisor must complete a closeout assessment (brief narrative description) of the employee's accomplishments for that rating cycle up to that point. The closeout assessment must be documented utilizing the performance management form. If the supervisor departs within 90 days of the end of the rating cycle, the rating official shall prepare an early recommended annual rating of record for the employee rather than a closeout assessment. Both the closeout assessment and the early recommended annual rating of record, as appropriate, should be documented using the Performance Appraisal Application (PAA) if available.

E-4Q: Are digitally signed appraisals acceptable using the automated tool for NSPS performance evaluation?

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A: In July 2007, DoD advised that if the electronic Performance Appraisal Application (PAA) is used, no hardcopy signature is required. If the PAA is not used (i.e., the performance appraisal is done with a fill-able form), hardcopy filing in the Employee Performance File (EPF), which is a part of the employee's Official Personnel File, and appropriate signatures, are required.

E-5Q: If employees are realigned from one command to another command (in different pay pools) after the last day of the NSPS performance cycle, but before the payout date, are the employees eligible to receive a salary increase or bonus award assuming they valued performers or higher? If so, who pays and how would that work?

A: Section 1940.AP1.9 of DoD 1400.25-M governs the payout of employees who change NSPS jobs after the last day of the appraisal period and before the effective date of the payout. In such cases, if the employee meets the minimum criteria for an annual rating of record and he/she moves to a different pay pool before the payout, the losing Pay Pool determines the rating of record and number of shares. The gaining pay pool, based on their business rules, will determine the share assignment and payout amount, based on their share value, and the distribution of the payout between salary increase and bonus.

E-6Q: If an employee is on a Detail or Temporary Promotion for 120 days or less during a rating cycle and the supervisor of the employee on the detail provides input on the employee's performance during the detail, what form is used to provide the input and what is the "special appraisal" called? Does the temporary supervisor prepare an appraisal form for that period of time and enter it into the system? If the temporary assignment lasts 90 days or more, are objectives required?

A: At the time of the temporary assignment, the employee, the temporary (gaining) supervisor, and the supervisor of the permanent position shall jointly determine whether to adjust the employee's assigned job objectives. The supervisors will jointly determine when to provide feedback to the employee on their performance so that the employee receives at least one formal interim review. The temporary supervisor shall complete a closeout assessment for an employee who has been performing under their supervision for at least 30 days. The "closeout assessment" is a brief narrative description of the employee's performance, accomplishments, and contributions during that period of time. The intent of the assessment is to ensure that there is documentation on the employee's performance for the rating cycle because pay increases and bonuses are based on accomplishments under NSPS.

There is no formal "guest rater" in the design of the NSPS performance management, and this term is not included on the performance appraisal form.

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E-7Q: Is a higher level review required under NSPS?

A: Yes, in Army, performance plans, formal interim reviews, recommended ratings of record, share assignments, and payout distributions are subject to higher level review.

E-8Q: Is it correct that the only time a special purpose rating of record is issued is after an employee has been issued a Level 1 rating? Does the Level 1 rating ever go away?

A: Yes, the special purpose rating is only for employees who had received a Level 1 rating and since then have improved their performance to a Level 2 or above for a period of more than 90 days. The new rating does not purge the Level 1 rating of record. Rather, the employee will now have an additional rating of record. At a minimum, the pay pool panel must be convened and consider the appropriateness and validity of the special purpose rating.

E-9Q: Where should comments from the higher level reviewer and Individual Development Plan be recorded in the Performance Form?

A: Both should be captured in the Component Unique Information section of the Performance Appraisal form (DD Form 2906) or the Performance Appraisal Application.

E-10Q: Will performance plans be required for summer hires/seasonal employees under NSPS? Are they entitled to a performance payout?

A: If a summer hire or a seasonal employee has performed under an approved NSPS performance plan for 90 days or more, the employee will receive a rating for the rating cycle. These employees normally shall have their approved performance plan in place within the first 30 days of their entrance on duty. However, they would not be entitled to any performance payout because they would not be covered under NSPS at the time of the payout. These employees should be informed that they are ineligible for a performance payout when hired. However, such employees may be considered for incentive awards.

E-11Q: What is the purpose of the contributing factors?

A: The use of contributing factors is mandatory. Contributing factors reflect the manner of performance important for the accomplishment of the job objective. Selection of contributing factors is based on identifying the manner of performance that will significantly contribute to the accomplishment of the job objective. Actions, attitude, manner of completion, and/or conduct or professional demeanor as they positively or negatively impact individual or organizational performance may be aspects of an employee's performance that are assessed within the appraisal period.

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E-12Q: Is the higher level review process different than the military system in which the senior rater can disagree with the rater's rating and narrative, state the reason of disagreement, but cannot change the actual rating?

A: Yes, there are differences between the military system and NSPS for the higher level review process. Under NSPS, the higher level reviewer confers and reconciles any differences with the rater before approving the recommended rating and performance payout for the pay pool process. The employee cannot see the disagreement between the rater and the higher level reviewer, even if it is documented.

E-13Q: What is the rationale behind the pay pool manager's authority to change the rating recommended by the rater?

A: Pay pool managers have the authority to approve the pay pool panel's recommendations to change ratings, share assignments, and payout distribution in order to reconcile differences in the application of the DoD standard rating benchmarks, and locally established payout policies. Pay pool managers have a "bigger picture" view of the organization and can more appropriately align ratings from different supervisors to ensure consistency.

E-14Q: Will the supervisor (rater) have to rewrite the narrative on an objective because it does not support a Level 5 rating?

A: The rater may have to modify the narrative on that objective if the rating score assigned to that objective has been changed. There are situations that there is no need to change the narrative. When the narrative accurately captures the results/accomplishments related to the objective but the rating score assigned to the objective is higher or lower than what is prescribed in the DoD standard rating benchmarks, then the rating score will need to be adjusted but not the narrative.

E-15Q: Can the supervisor discuss the recommended rating with the employee before the pay pool manager approves the final rating?

A: No. It is Army policy that the recommended ratings, share assignments, and share distribution not be shared with employees until it is approved by the authorized official (pay pool manager). This is to avoid negative impact on morale and potential complications should there be a change to the recommended rating.

E-16Q: The NSPS Implementing Issuances state that performance improvement periods (PIPs) are no longer required prior to taking performance based actions. Does the stay on the appeals procedures mean that NSPS activities are still required to follow 432 procedures or is an activity allowed to forego the PIP and use 752 procedures to remove employees?

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A: Activities should use Chapter 75 for taking actions against employees. However, even though we now use Chapter 75 exclusively, management still has the option of using a PIP to try and improve an employee's performance. PIPs also generally provide a better framework for more thorough documentation of where the employee needs improvement. NSPS guidance is to still use PIPs when warranted and at management's discretion even though we are now exclusively under Chapter 75.

E-17Q: Can employees who have NOT been officially assigned to a NSPS supervisory position be permitted access to MyWorkplace to create performance objectives, view other employee's performance objectives and accomplishments, and rate employees?

A: No. Employees, who are not placed in a supervisory position via an official personnel action, whether permanent or temporary, will not be granted access to My Workplace. The Army NSPS guidance requires that managers and supervisors be trained and certified before carrying out performance management responsibilities. Further, the NSPS DoD Implementing Issuance stipulates specific qualification requirements for rating officials. Only those employees officially assigned to a supervisory position are eligible to attend NSPS HR Elements/Performance Management for Supervisors course.

E-18Q: The Army mandatory objective for supervisors needs to be updated and written in the SMART format.

A: The Army supervisory objective was developed IAW SMART criteria by the joint efforts of a working group with representatives from Army commands, line managers, legal representatives, civilian HR, HQDA, and the Army NSPS office. Managers may append or supplement this objective to further identify mission specific criteria.

E-19Q: How will employees that deploy to contingency locations be rated under NSPS?

A: Civilian employees are often assigned to contingency locations under a variety of different methods and for varying periods of time. Where possible, employees should be kept on a NSPS performance plans while deployed, however, this may not always be practical. Particularly when the gaining supervisor in the contingency location may not be NSPS certified.

For short deployments i.e. six months or less, it is recommended that the permanent supervisor add an additional job objective related to the deployment duties and that the supervisor in the contingency location provide input to the permanent supervisor against this objective. For a sample objective please refer to bulletin for Deployed Civilians located at

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http://cpol.army.mil/library/general/nsps/bulletins/NSPS_Perf_Mgmt_Bulletin_Deployed_Civilians_2008-09-23.doc

For longer deployments, i.e., employees moves to another NSPS position or to a position under the General Schedule it may not always be feasible to attempt to rate a deployed employee under their current NSPS objectives. For rating purposes, employees on a longer assignment are treated in one of two ways:

(1) If they have worked sufficient time under an approved NSPS performance plan (90 days or more) in their permanent position during the rating cycle, they will be eligible to get a rating of record and a performance payout.

(2) If they do not have sufficient time under an approved NSPS performance plan in their permanent position, they do not get an NSPS rating but are eligible for a salary increase based on the average salary increase given to the other employees who received the modal rating for that group (currently people in the same pay pool, pay schedule and pay band), or based on their last NSPS performance rating if they have one – whichever is most advantageous to the employee.

(3) If the employee deploys, from a NSPS position to a GS position, they should be placed on a written performance plan in accordance with AR 690-400, Total Army Performance TAPES.

E-20Q: How will ratings be done for employees who are on long-term training (e.g. War College)?

A: An employee on long term training who has, within the rating period, performed duties in his/her permanent position for a period of at least 90 days, under an approved performance plan, will participate in the rating and pay pool process. The rating of record will be based on the performance and contributions made by the employee while in his or her permanent position performing under an approved performance plan.

An employee on long-term training who has not performed duties in his or her permanent position, under an approved performance plan for a period of at least 90 days, is not eligible for a rating. This employee will receive a salary increase (outside of the CWB) based on the modal rating of the pay schedule and pay band within their current pay pool or most recent NSPS rating, whichever is higher.

NOTE: More information on performance ratings for other specially situation employees can be found at: <http://cpol.army.mil/library/general/nsps/about-pm.html> under the “Specially Situated Employees” heading.

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E-21Q: An employee is on an approved performance plan with 5 objectives. Each objective is considered equal and weighted at 20%. It is now close to the end of the rating cycle and the employee has not had an opportunity to perform under two of the objectives. What steps can be taken to ensure this does not harm the employee's performance rating?

A: Because the employee did not have the opportunity to perform under two of the objectives, these objectives should be rated as "NR" (not rated). The combined weight of these objectives (40%), should be "re-distributed" equally (or as close to equal as possible) to the remaining three objectives. The rating official must initiate the action.

E-22Q: If an employee leaves NSPS to accept a GS position prior to the end of the rating period, is there any requirement for an NSPS rating to be completed? If the manager prepares a rating, is it submitted to the pay pool for consideration?

A. If the employee has performed under standards for 90 days, a close-out assessment should be prepared. If it is within 90 days of the end of the rating cycle, a recommended early annual rating of record should be prepared. The early annual should be reviewed by the pay pool before being finalized; however, the employee is not entitled to a payout. Under each situation, i.e., a close-out rating or early annual rating of record, management may recommend the employee for an incentive award, if appropriate.

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F. PAY POOLS

F-1Q: How will the organization address a situation when the pay pool payout is processed later than the first pay period beginning on or after January 1?

A: DoD Implementing issuances state that “Performance-based payouts shall be effective the first day of the first full pay period beginning on or after January 1 of each year.” Payouts that are processed late will be retroactive to that first pay period.

F-2Q: Can funds be mixed during the pay pool process?

A: Regardless of whether or not a pay pool is comprised of employees paid from different funding sources, funds are not mixed during the pay pool process. This is because the pay pool is a virtual rather than an actual pool of money. No check is ever drawn on the pay pool. The pay pool concept simply facilitates allocating salary increases and bonuses to employees (based on performance) in a manner that meets a planned overall amount. The actual payments to employees are drawn on the program element that funds the employee’s position. In the case of a performance bonus, a lump sum payment is made on the first pay period starting on or after January 1 of the next year. In the case of a performance base salary increase, it is an ongoing bill which is paid 26 pay periods a year beginning with the first full pay period in January.

F-3Q: Can pay pools be comprised of organizations/employees funded from different sources?

A: Yes. There are currently pay pools within DoD that include persons from different funding sources, even from different components. While organizations participating in a pay pool contribute at relatively the same rate (“X” percent of base pay of the employees covered by the pay pool), the actual bill an organization incurs may be more or less than the organization’s virtual pay pool contribution. For this reason, it is recommended that organizations assess the design of each “mixed funded” pay pool to determine whether the impact on overall budget management of an organization is acceptable.

F-4Q: The implementing issuances require the Performance Review Authority or Pay Pool Manager to issue a General Pay Pool Notice to employees within 90 days from the beginning of the performance period to inform employees concerning the pay pool structure to which they are assigned. Does this mean a General Notice must be issued 90 days before the beginning of the appraisal period?

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A: No. The implementing issuances require that a Notice to Employees be provided within the first 90 days of the appraisal period but not less than 90 days prior to the end of the appraisal period.

F-5Q: How are pay pool funding levels determined? Who determines the funding levels - is it at the Command, UIC level, or other? Can it be adjusted by the Commands; e.g. can the pay out funding be increased, decreased, etc.?

A: Pay pool funding is comprised of three elements:

Element 1 is based on funds that were historically spent for promotions, within-grade increases and QSIs. DoD has required that Army, in the aggregate, meet a funding floor of 2.26% for Element 1. The actual amounts to be used for individual pay pools was delegated to Commanders of the Army Commands; Commanders of the Army Service Component Commands; Commanders of Direct Reporting Units; and to the Administrative Assistant to the Secretary of the Army for Principal Officials of the Headquarters, Department of the Army (HQDA), their staffs and other elements, Reserve Components, and those Direct Reporting Units headed by other than a Commander. Each were required to use their own historical funding levels, or, if not available, to at least meet the funding floor.

Element 2 consists of funds that are available after the Secretary of Defense funds any rate range adjustments. The National Defense Authorization Act of 2008 required that 60% of the General Pay Increase be used for rate range adjustments. The Secretary of Defense decided that the remaining 40% of the GPI would be applied to NSPS pay pool funding.

Element 3 provides funds for performance-based bonuses. There is no Army-wide requirement or floor for the Element 3 funding level.

F-6Q: Are Discretionary Performance Payout Funds paid from sources other than the pay pool?

A: Yes. Management may use appropriate funding sources; but not pay pool funds to provide for discretionary performance payouts. The word "may" is intended to imply the discretionary authority to use these flexibilities--not the source of the funding.

F-7Q: Can the membership of a pay pool be changed during the performance cycle?

A: Yes, pay pool panel managers may change during the course of the rating cycle. Therefore it is recommended that if pay pool panel members are identified by name that the employee notice advise that such membership is subject to change.

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F-8Q: If an employee leaves a pay pool and receives an early annual recommended rating, which pay pool considers the recommended rating and determines the final rating?

A: The "losing" rating official prepares the early annual recommended rating, share assignment, and payout distribution. This information will be considered by the "gaining" pay pool panel, and the gaining pay pool manager will approve the final rating of record and payout.

F-9Q: How is an employee's payout affected when he/she receives a salary increase after the end of the appraisal cycle, but before the effective date of the payout? For example, an employee earns \$50,000 on 31 October 2006, and receives a \$10,000 promotion on 15 November. Since the payout amount is the result of multiplying the employee's base salary times the number of shares times the share value (%), is the base salary used in the payout calculation the old (\$50,000) or the new (\$60,000) salary? In addition, when do rate range adjustments get added in?

A: The employee's salary as of the end of the appraisal cycle (September 30) is used during the pay pool process to calculate the employee's salary increase and bonus. When an employee receives a salary increase after the end of the appraisal cycle, but before the effective date of the payout, the salary increase coming out of the pay pool will be added to their salary as of the effective date of the payout. Rate range adjustments will be added first, and then the performance salary increase amount.

In the above example, the employee's base salary (\$50,000) on September 30th is used during the pay pool process. The employee receives a Level 3 rating and 2 shares. The share value in this pay pool is 2.1%. Therefore, the employee's performance payout equals \$50,000 x 2 x .021, or \$2,100. The pay pool manager approves a salary increase of \$1,440 and a bonus of \$660.

The \$1,440 salary increase is added to the employee's base salary on the day of the payout after the rate range adjustment is added. In this example, the \$1,440 would be added to \$61,020, and the employee's new base salary would be \$62,460.

Base Salary on September 30 th	\$50,000
Promotion on November 15 th	+ \$10,000
New Base Salary as of November 15 th	\$60,000
Rate Range Adjustment in January (1.5%) (actual amount for January 2009 not known at this time)	+ 900
New Base Salary on Day of Performance Payout	\$60,900
Performance Salary Increase	+ \$1,440
New Base Salary After Adding Performance Salary Increase	\$62,340
Local Market Supplement (12.64%) (varies between areas)	+ \$7,880

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New Total Salary

\$70.220

F-10Q: When an employee is rated unacceptable, the employee is ineligible for any rate range adjustment. Will the organization be able to roll the unused rate range value for unacceptable employees into their pay pool?

A: No. An activity will not be able to roll the unused rate range value for unacceptable employees into their pay pool. Money for rate range adjustments are not pay pool funds.

F-11Q: Can an organization's pay pool have panel members that belong to a different organization; e.g., could RDECOM managers serve as panel members over a CMA pay pool?

A: Best practices from years of experience with demonstration projects both in DA and DoD indicate pay pool panels and pay pools function best when the pay pool panel membership includes senior management officials of the organizations or functions represented by the pay pool. In rare instances, it may be desirable to include individuals from functions or organizations not represented by the pay pool. Such an instance might be where an organization practices significant matrix management and depends on input of the other organizations involved in the management of its employees, or when there is a desire to incorporate customer input into the performance management process. Usually participation of these individuals does not supplant the involvement of senior managers and a supervisor from the organization(s) represented by the pay pool, but rather supplements that involvement.

F-12Q: Can an employee who is absent due to military service receive a pay pool payout under NSPS? If so, how is that payout computed?

A: If an employee is absent due to military service, as defined by coverage in the Uniformed Service Rights and Reemployment Rights Act (USERRA), and is ineligible for a NSPS performance rating because he/she did not meet the 90 day minimum period under a NSPS performance plan, then he/she would receive the pay increase portion of the pay pool payout. The pay adjustment would be determined based either on the employee's former NSPS rating of record (if there is one), or on the average salary increase of employees who received the modal rating (the rating that occurred most frequently) given to employees in the same pay band and pay schedule in that pay pool. For example, if the modal rating for all employees in the same pay band is "3," then the employee's salary will be adjusted by the average pay pool salary adjustment occurring among all the employees in that pay band receiving the level 3 rating. The selection depends on which is most advantageous to the employee. The employee's pay will be adjusted prospectively to reflect this average base salary increase. If the employee is still on LWOP-US on the day of the payout the employee's salary increase amount will not be reflected in their earnings statement since they are not being paid by

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their civilian position. However, their salary will be updated in DPCDS, and when they return from LOWP-US their pay will reflect any salary increase.

F-13Q: In reference to Army NSPS Interim Policy and Instruction documents (1930.9.6.3.2) why is Army policy basing pro-rated payouts on longevity (i.e. LWOP, movement to NSPS from a non-NSPS position), when the basis of NSPS is to be a pay for performance system?

A: The pro-rating of performance based pay pool payout is to ensure consistency and equity in the system. Regardless of when the employee enters into NSPS the employee will receive a rating based on their performance and the same number of shares assignment based on established business rules for the pay pool. The payout is based on the employees' contribution to the organization. An employee with a Level 4 rating who has been contributing 12 months to the organization would have contributed more than an employee with a Level 4 rating with 6 months of contribution. Therefore, absence of pro rating might disadvantage other employees in the same pay pool if their contribution were at the same level.

F-14Q: Which pay action in January happens first, the rate range and local market supplement adjustment or the performance payout?

A: The rate range adjustment will be processed before the pay pool payout. If there is a performance-based salary increase as part of the payout, it is processed after the rate range adjustment. Local market supplement (if applicable) are reflected after any pay action.

F-15Q: If my performance payout is being paid in the form of a bonus because I am at the top of my pay range, will the payout be recomputed as a pay increase if the pay range is increased due to the January rate range or local market supplement adjustment?

A: No, because your performance payout is based on your salary and salary range as of the last day of the performance cycle, your payout is not recomputed as a result of changes in pay, even those occurring before the pay pool payout. If the upper end of the rate range increases, your base pay will be adjusted upward by the amount of the rate range adjustment as long as your rating of record is above unsatisfactory.

F-16Q: If a Command undergoes a reduction in force, will the pay pool money remain the same or be divided among fewer employees?

A: The amount of pay pool funds available for distribution is based on the number of employees who are eligible for an increase to base salary and/or a bonus at the end of the rating cycle (30 Sep). Financial management policies will permit the adjustment of

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funding levels to accurately reflect the number and composition of the pay pool at the close of the appraisal period, including changes that are expected prior to payout.

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G. STAFFING AND EMPLOYMENT

G-1Q: What is the definition of “new hire” in NSPS?

A: The term "new hire" refers to a person who is not currently employed as a Federal civilian employee. This includes a person receiving their first federal appointment as well as the reappointment of a former federal employee who has had a break in service.

G-2Q: Since there is no career-conditional status under NSPS, when does an employee acquire reinstatement eligibility?

A: An employee has reinstatement eligibility to NSPS positions as soon as he or she receives a career, i.e., permanent, appointment in NSPS.

G-3Q: What happens to employees who are Tenure II, Career-Conditional?

A: There is no "Career Conditional" category under NSPS. Employees who are Tenure II, Career-Conditional, at time of conversion will automatically convert to Tenure Group I. In the event of a reduction in force, employees who have not been employed for at least three years may be considered Tenure II for RIF purposes only. See the Workforce Shaping section for additional details.

G-4Q: Under NSPS, will Veterans Recruitment Authority (VRA) appointees be able to exceed the GS-11 equivalent salary since pay band 2 goes to the GS-13 salary?

A: Eligible VRA applicants may be appointed to positions in pay bands which include work up to and including GS-11 equivalent in a pay band; e.g., Pay Bands 1 and 2 of the Professional/Analytical pay schedules, Pay Band 1 of the Supervisory Pay Schedules, etc. The employee's salary may be set anywhere within the assigned pay band and is not capped at the GS-11 step 10 equivalent salary.

G-5Q: Will the “3-Rs” still be available for use under NSPS?

A: Yes, retention allowances, relocation bonuses, and recruitment bonuses may continue to be used as incentives under NSPS.

G-6Q: Do emergency hiring authorities continue under NSPS?

A: Yes, all current competitive and excepted hiring authorities may continue to be used when appointing individuals to NSPS positions.

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G-7Q: Is there a limit on term appointments?

A: Term Appointments under NSPS can be made for an initial period of 5 years, with a 1-year extension for a maximum of 6 years. Components may approve this 1-year extension and/or may re-delegate approval to lower levels. There is no provision for any extension of the term appointment beyond the 6-year maximum limit. An employee on a current term appointment upon conversion is subject to the time limits in effect at the time the appointment was made.

G-8Q: One of the criteria for conversion to career appointment is that an employee "be converted to a career position in the same pay band for which hired." Does that mean that if a term employee was subsequently promoted through competition to another term position, that the employee is eligible for a conversion to a career appointment at the higher pay band?

A: For a term employee to be converted to career appointment, the job vacancy announcement must clearly state that an employee hired on a time-limited basis may be converted to a permanent position if the position is in the same pay band for which hired and the employee has completed at least 2 years of continuous service with a performance rating at Level 2 or higher.

G-9Q: Can a YA-3 employee with no supervisory experience be non-competitively reassigned to a YC-3 position?

A: Movement from YA-3 to YC-3 is considered a comparable level of work and competition is not required.

G-10Q: At what point does an NSPS employee have to compete for a GS position? For example, a GS-11 employee converts to a YA-2. Six months later, the employee becomes interested in a GS-12 position in another organization. Must the employee compete for the GS-12 positions?

A. When filling a GS position, the General Schedules rules apply. Employees who have held GS positions in the past 52 weeks are subject to time-in-grade (TIG) requirements. Applicants must also meet the specialized experience required by the GS position. That determination is made by the HR professional servicing the GS position.

Requirements for TIG can be found in 5 CFR 300.603. If the individual converted into NSPS less than 1 year ago, he/she would not meet the TIG requirement for the GS-12 position. If conversion in to NSPS was more than 1 year ago TIG does not apply.

The OPM Qualification Standards require 1 year of specialized experience equivalent to the next lower grade level, in this case GS-11, in order to be eligible for the GS-12. If

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the individual has been performing GS-11 equivalent duties for at least 1 year, then he/she meets the specialized experience.

G-11Q: An applicant who was a career GS-9, is eligible for reinstatement, and now wants to return to Federal service. Management wants to select her noncompetitively for a YA-2 position. Must she compete for the YA-2 position since it has "reassignment" potential to a higher salary level than previously eligible? Does it matter if the position they are being considered for is at the previous GS-11 level?

A: As with any move between pay systems the rules of the gaining system apply, in this case the NSPS rules. When GS employees apply for NSPS positions a comparable level of work determination is made to establish the level of work experience of the employee's current/previous position, which then identifies the nature of action.

SC1950.6.3.3.8.7 provides that comparable levels of work of employees or applicants from other pay systems may be determined using guidance found in SC1911 and SC1920, Appendix 5. If the previous GS 9 position is found comparable to the YA-2 position being filled, the individual could be noncompetitively reinstated. If the position being filled is determined to be a higher level of work, then the individual must compete.

G-12Q: Can you further define the differences between DoD SC 1950.5.3.1 and SC 1950.5.3.1.2, differentiating between quality of experience and specialized experience.

A: Quality of Experience – Must clearly demonstrate the possession of the knowledge, skills, abilities and / or competencies necessary for successful job performance.

Specialized Experience – Experience that equipped the applicant with the particular knowledge, skills, and abilities to perform successfully the duties of the position and that is typically in or related to the work of the position to be filled.

SC 1950.5.3.1 provides guidance on applying OPM qualification standards to NSPS positions. Specifically, the minimum qualifications for all positions within a pay band are the qualifications needed for the lowest level of work found within the band. This describes how **MINIMUM** qualifications are determined.

After minimum qualifications are reviewed, the Human Resources Specialist must apply the guidance in SC 1950.5.3.1.2 to further determine if applicants possess the specialized experience / quality of experience for the position being filled, e.g., does the applicant possess one year of experience applying the knowledge, skills and abilities necessary to successfully perform the duties of the position being filled. This step distinguishes minimally qualified candidates from well qualified candidates.

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The main focus is to understand the minimum qualifications for entry into a pay band is just the first step. The specific duties of the job being filled must be compared to the applicant's specialized experience. That will distinguish minimally qualified applicants from those that are well or best qualified.

G-13Q: Is it appropriate to have targeted positions in technician/support pay schedule?

A: Yes, it is appropriate to have targeted positions in all non-supervisory NSPS pay bands, including the technician/support bands. However, Accelerated Compensation for Developmental Positions (ACDP) only applies to pay band 01 employees in pay schedules YA, YD, YH, and YK

G-14Q: Is it possible for an employee to hold both a GS part time position and an NSPS part time position?

A: Yes, it is possible for an employee to hold both a GS position and an NSPS position as long as the total number of hours worked per week does not exceed 40 (excluding overtime).

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H. QUALIFICATIONS DETERMINATIONS

H-1Q: How will minimum qualifications be determined for employees moving to a new pay schedule/pay band?

A: To be eligible for promotion or placement, candidates must meet the minimum qualification standards for a position as prescribed by either OPM or the Department, as appropriate. Under NSPS, to be minimally qualified, candidates must meet the requirements for the lowest level of work within the band and must also meet any specific requirements (certification, education, selective factors) for the position being filled. Unless DoD-unique qualification standards are developed, OPM qualification standards will be used.

H-2Q: Is an applicant with a Masters' Degree and no experience qualified for Pay Band 2?

A: Yes, the OPM Qualification Standards identify either a master's degree or 1 year of lower level experience as qualifying for a GS-09 which constitutes the lowest level of work in (most) pay band 2 positions. Therefore, the applicant has met the minimum qualifications for entry level of pay band 2 through substitution of education for experience.

H-3Q: How is quality of experience determined for movement to a higher band?

A: Quality of experience relates to how closely, or to what extent, an applicant's background and recency of experience, education, and training are relevant to the duties and responsibilities of a particular position. This is a similar concept to "specialized experience" that is required for GS positions. Candidates must have the knowledge, skills, abilities and competencies to successfully perform the work of the position at the appropriate level. To qualify for a higher pay band, an individual must have at least 1 year of experience equivalent to the next lower pay band. Time-in-grade no longer applies and this experience may be Federal or non-Federal.

H-4Q: When announcing positions, how do I ensure that I receive applicants with the level of experience required for the position?

A: Because of the broad range of duties found within a pay band, announcements must state the specific specialized experience the manager is looking for in a qualified candidate. Simply reiterating the OPM qualifications statements will not suffice. Candidates must be able to assess the requirements of the job to determine if they meet the qualifications for the position. The specialized experience statement should

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clearly differentiate between qualification requirements for positions at the lower end of the pay band and those at the higher end of the band.

H-5Q: When announcing a position equivalent to the GS-3/4 level on the technician/support pay schedule, would the minimum qualification requirement be U.S. citizenship as it is for GS-1 (the lowest level of work in PB1), or could some period of experience be set (e.g., 6 months), in addition to U.S. citizenship, as a minimum for qualifying for the position?

A: For a position with duties 'classified' at the lowest level of PB1 of the technician/support pay schedule, U.S. citizenship would be all that is required. No specific number of months or years of experience are required to qualify for positions in PB1 of the technician/support pay schedule—and months of experience should not be used as a screen-out factor. For positions in this band that involve more complex work, applicants must demonstrate possession of the knowledge, skills, abilities and competencies required to perform the work, in addition to meeting any other requirements, such as licensure, certification, medical requirements, etc.

H-6Q: Under the GS system, managers could modify the experience requirements of the OPM qualification standards. Is this flexibility available for use under NSPS since there are no grades?

A: In special situations, such as a reduction in force or transfer of function, an agency may determine that an individual can successfully perform the work of a position even though that person may not meet all the requirements stated in the OPM qualification standard. In these situations agencies can modify OPM qualification standards for reassignment, voluntary reduction in band, transfers, reinstatements, and re-promotions to a level not higher than previously held. Employee/applicant must have related experience that provided the KSA's necessary for successful job performance.

Use of a modified standard must be documented sufficiently to show that it was intentional and that the assignment did not result from misinterpretation of the OPM standards. Managers must furnish documentation either with the RPA/Gatekeeper or via e-mail that the employee has the necessary skills to successfully perform in the position.

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I. PROBATIONARY PERIODS

I-1Q: Is the probationary period for new hires still 1 year?

A: Yes, under NSPS, initial probationary periods are at least 1 year. DoD has the authority to establish probationary periods up to 3 years for categories of positions or types of work that require a longer period to evaluate the employee's ability to perform the work.

I-2Q: Will the option of establishing up to a 3-year probationary period be delegated to components?

A: No. This determination must be made at Department of Defense.

I-3Q: Federal Career Intern Program (FCIP) employees are required to serve a 2-year probationary period now. Will that change under NSPS?

A: No.

I-4Q: What is an 'in-service' probationary period?

A: An 'in-service' probationary period is a period of time used to determine whether the employee fulfills the requirements of the position to which assigned. Currently, supervisory probationary periods are the only type of in-service probationary period. Time already served in a supervisory probationary period is creditable under NSPS, whether the entire period was completed, or if the employee is currently serving the supervisory probationary period upon conversion. The time does not restart.

I-5Q: If an employee is currently serving a 1-year probationary period and will not complete the probationary period before the organization converts to NSPS, will the employee have to serve the remaining months?

A: Yes. An employee who is serving an initial probationary or trial period or an in-service probationary period (i.e., supervisory probationary period) upon conversion to an NSPS position will complete the time remaining toward completion of the NSPS probationary period after conversion. Time served in the non-NSPS position will count toward the 1-year requirement.

I-6Q: If a Federal employee transfers to DoD, will they be required to complete a new probationary period?

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A: No, an employee who has completed an initial probationary period will not be required to serve another initial probationary period when selected for an NSPS position. With some exceptions, employees who have not completed an initial probationary period will be required to complete a 1-year initial probationary period when selected for an NSPS position. Probationary periods of DoD employees will not start over upon conversion into NSPS.

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J. ANNOUNCEMENTS AND COMPETITIVE EXAMINING PROCEDURES

J-1Q: What salary range should be stated on the vacancy announcement?

A: Management has the discretion to advertise the full salary range of the pay band or a limited range within the pay band. If a narrow salary range is used, supervisors will be limited to this range when setting pay, regardless of the qualifications of the selectee.

J-2Q: What happens if a position is advertised with a specific salary range and a specific employee's salary cannot meet the advertised salary range using the appropriate pay setting rules? For example, a YA-02 position is advertised with a pay range of \$66,951 - \$87,039 and the employee selected is currently a YA-02 earning \$58,178. With a 5% maximum increase for a reassignment (\$61,654), the employee's projected salary falls below the minimum salary advertised.

A. An employee cannot receive a higher increase than allowed under pay setting rules, unless the increase is needed to reach the minimum of a pay band. This does not apply to "internal ranges" set by the organization. In the above scenario, the employee is not able to be selected for this position. Placing limitations on pay ranges also places limitations on the "reachable" applicants. Managers should select a salary range that truly represents their targeted skill level required. Also, the advertised range should reflect any limitations found in organizational pay setting policies. Advertised salary ranges should be an accurate reflection of the amount of salary a hiring official is willing and able to pay for a particular position.

Applicant's who's current salary cannot be increased within the pay setting rules to reach an advertised salary range should be scrutinized to determine if their qualifications are such that they meet the quality of experience requirements of the position.

J-3Q: Must every position in YA, YD, YK and YH Pay Band 1 be recruited as targeted to the Pay Band 2?

A: Yes, these bands are defined as developmental band, therefore every position in YA, YD, YH and YK PB1 must have a full performance band of at least PB2. If the position is announced as PB1, the announcement must reflect that the full performance level is at the PB-2.

J-4Q: If a position is advertised as YA-1 target YA-2, must all selected applicants be placed in the YA-1 pay band?

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A: No. If an applicant already meets the qualifications for the full targeted position, it is inappropriate to place that employee in the developmental position.

J-5Q: When a manager wants to fill a vacancy using an alternative form of competition, must employees be notified of the vacancy or will a general announcement suffice?

A: Organizations must ensure employees are aware that alternative forms of competition may be utilized. An annual general notice is sufficient since vacancy announcements are not required when using alternative forms of competition. The notice will include which alternative forms of competition may be used. This may be accomplished through newsletters, bulletin boards, websites, or other methods of communication.

J-6Q: When management recruits for a position that was previously a GS-11 with full promotion potential to GS-12, would they announce the position, for example, as YA-1 with FPL to YA-2, or is it announced as a YA-2 position?

A: The position should be announced according to management's organizational needs. If management wants to fill the position at entry/developmental level, then the position should be announced as a YA-1, target YA-2. However, if the employee is expected to be capable of performing journey level work immediately, then recruitment at pay band 2 would be appropriate.

J-7Q: Are there restrictions in determining the area of consideration for competitive examination (formerly known as Delegated Examining)?

A: When using competitive examining procedures, the vacancy announcement must be open to all U.S. citizens. If management desires, first consideration may be given to applicants in the local commuting area and other targeted sources, the announcement must clearly indicate this targeted recruitment.

J-8Q: What is the narrowest area of consideration that management may select for external applicants?

A: The minimum area of consideration is all U.S. citizens. Managers may first consider applicants within the local commuting area, or other targeted sources, and then expand beyond that if needed. The announcement must clearly indicate targeted source recruiting.

J-9Q: Army has delegated authority to administer the Administrative Careers With America (ACWA) examination for GS-5 and GS-7 occupations. Under NSPS, candidates selected from the ACWA examination will be appointed to pay band 1. If a candidate has a master's degree and qualifies for a GS-9 appointment and is

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therefore exempt from the ACWA examination, can that candidate be appointed to pay band 1 without taking the exam?

A: NSPS has not changed ACWA requirements. In the absence of more specific guidance, activities must evaluate positions on a case-by-case basis to determine if the ACWA examination is required.

J-10Q: Under competitive examination, must a manager select the highest scoring applicant? For example, if there are candidates scoring 99, 98, 97, 95 (TP vet), 94, and 90 (CPS vet), must the manager select the candidate who scored 99?

A: Competitive examining procedures under NSPS will follow the OPM DEU handbook, including following the "Rule of Three", except in those instances where the DoD implementing issuances specifically provide for variation. Under NSPS, all qualified applicants may be referred on the certificate in score and veterans' preference order, following the same rules as today for rating an applicant and applying veterans' preference entitlements. If categorical rating is used, qualified applicants will be referred in group order.

Therefore, in the scenario above, let's first assume this is a non-scientific/professional position, and there is only one vacancy. In that case, the compensable veteran will float to the top of the list, just as today. The manager may initially select one of the candidates with the following scores: 90CPS or 95TP. The manager may not select the candidates with a score of 99, 98, or 97, unless he/she has selected, or successfully objected to, the compensable veteran (90CPS).

J-11Q: Under competitive examination, if a pay band covers professional positions at the GS-7 and GS-9 level, do compensable disabled veterans (CPS) 'float to the top'?

A: Yes, in pay band 1. PB-1 professional and scientific positions are subject to preference eligibles 'floating to the top,' regardless of the salary range covered by that band. Pay Band 2 of the professional and scientific pay schedules also covers work at the GS-9 level, so when filling professional or scientific positions in PB-2 or PB-3, preference eligibles who have a compensable service-connected disability of 10% or more will not 'float to the top' of the list.

J-12Q: Objections to veterans must go to OPM in order to 'bypass' them. Do all objections to veterans go to OPM in order to 'bypass' them or just the compensable disabled veterans?

A: OPM retains the authority to approve or disapprove requests to bypass preference eligibles with a service-connected, compensable disability of 30% or more. The NSPS

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implementing issuances continue DoD's authority to adjudicate requests to 'pass over' preference eligibles with less than a compensable service-connected disability of 30%.

J-13Q: Can applicants from a certificate be eliminated once they have been non-selected three times?

A: Three valid considerations leading to the non-selection of a preference eligible, as set forth in 5 USC 3317(b), can lead to discontinued consideration of that candidate. However, the preference eligible is entitled to advance notice of discontinuance of certification.

J-14Q: Does DoD retain authority for non-citizen hiring or does that authority reside with the Component and, if so, how far down can that be delegated?

A: Army has the authority to authorize filling positions with non-citizens; there are no further delegations.

J-15Q: What is the authority that implemented category rating and how long has it been in place?

A: Category rating is not unique to NSPS and is currently authorized by the OPM Delegated Examining Operations Handbook. Within DoD, category rating is conducted in accordance with the Category Rating and Selection Procedures memorandums issued by the DUSD (CPP) on June 19 and June 20, 2004.

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K. PROMOTIONS

K-1Q: How is pay set on a promotion?

A: Upon promotion, pay must be increased by a minimum of 6%, up to a maximum of 12% however, pay may not be lower than the minimum rate of the higher band and may not exceed the maximum rate of the higher band. Higher-level management must approve an increase greater than 12%, unless the greater increase is needed to set the employee's pay at the minimum of the higher band.

K-2Q: What happens to the 'time-in-grade' requirement that an employee must complete before being eligible for promotion?

A: Time-in-grade restrictions do not apply to NSPS positions.

K-3Q: If an employee is on a targeted position where conversion to a PB-1 target PB-2 is not appropriate, e.g. GS-12 target GS-13, how will the target promotion be handled?

A: During the first 12 months following conversion, an employee who is not eligible for Accelerated Compensation for Developmental Positions (ACDP) is eligible to receive a pay increase for noncompetitive promotion equivalent when the grade level of the promotion is encompassed within the same pay band of the converted position.

K-4Q: An employee was hired as a GS-07 target GS-13 with the understanding that he/she would progress through GS-09, GS-11, GS-12, to GS-13 if performance was satisfactory. How does NSPS affect an accelerated promotion path?

A: NSPS provides for Accelerated Compensation for Developmental Positions (ACDP) which allows management to accommodate the general schedule promotion path. In Army, this is a method under which management can increase an employee's base salary when the employee is participating in a formal training program or other developmental program defined by Army. This accelerated compensation is provided in recognition of the employee acquiring defined, job-related competencies combined with successful performance of job objectives. The accelerated compensation payment is in addition to any annual performance payout.

K-5Q: Is ACDP only for Pay Band 1 employees? Is a rating of record required to give an accelerated compensation?

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A: Yes, accelerated compensation is restricted to employees in PB-1 of the professional and analytical pay schedules and the investigative pay schedule (YA, YD, YH and YK). A Rating of Record is not required to receive ACDP, however, an authorized management official must determine that the employee is performing at Level 3 or better during a performance assessment period.

K-6Q: If I had an employee in a YA-1 target YA-2 position and after one year promoted them to the YA-2 can I still use ACDP increases until their salary is at the level it would have been under GS?

A: No, once an employee leaves the developmental band, he/she is no longer eligible for ACDP increases. The promotion to the YA-2 band should not occur until the employee is ready to be placed in the full performance level of the position.

K-7Q: Does an employee retain their promotion potential upon conversion to NSPS? (e.g., promotion potential to non-supervisory GS-14)

A: In many cases, the existing full performance level will be subsumed by the pay band the employee is assigned to at the time of conversion and the employee will be eligible for the one-time promotion equivalent exception. However, if the full performance level (GS grade) at the time of conversion is in a higher band, the employee will be eligible to be promoted non-competitively to the full performance band upon meeting qualifications requirements and the approval of the supervisor.

K-8Q: How is the one-time exception processed?

A: Employees who are eligible for the one-time promotion equivalent increase will receive a pay adjustment and a personnel action will be processed. The action must be processed within 12 months from the date of conversion.

K-9Q: In order to receive an Exceptional Performance Promotion, does the level 5 rating have to be a current rating of record?

A: Yes.

K-10Q: Does an employee who is currently a GS-13, but previously held a permanent GS-14, have non-competitive promotion eligibility to the next pay band?

A: Yes, an employee, who previously held a GS grade level that is now in a higher pay band than the employee is currently assigned, is eligible to be considered for noncompetitive promotion to the higher pay band provided she/he held that grade on a permanent basis.

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K-11Q: A GS-13 employee is converted to NSPS pay band YA-2. The employee applies and is selected for a GS-14 position. What is the nature of action, and how is pay set?

A: When filling a GS position, the General Schedules rules apply. The nature of action in this case is a promotion. Since NSPS does not have “conversion out” rules, 5 CFR 531.17 does not permit application of the GS pay setting rules, other than applying the maximum payable rate. Therefore, the employee’s salary would be set using the highest previous rate (HPR).

K-12Q: A GS-14 supervisor from another agency has been selected for a YC-3 position. Is it a promotion or reassignment? How is the pay set?

A: The command has the discretion to determine the comparable level of work, but it is reasonable to conclude the supervisory GS-14 is comparable to YC-2 in light of the default conversion in Table SC1911-4 in Subchapter 1911. Therefore, the action can be processed as a promotion with a minimum pay increase of 6%. A promotion increase may not exceed 12% without higher level management approval.

K-13Q: Can movement within a pay band be considered a within band promotion if it is to higher level duties?

A: No. There is no such thing as a within band promotion. Promotions can only occur when there is movement to a higher pay band or movement to a higher level of work (i.e. from technical/support to professional/analytical).

K-14Q: Is movement from a PB-3 non-supervisory position to a PB-3 supervisory position considered higher levels of work (i.e. a promotion)?

A: No. Movement from a PB-3 to PB-3 (movement between the same or comparable pay bands) is a reassignment. Just like under GS, acceptance of supervisory duties does not necessarily equate to a promotion (GS-12 non-supervisory to GS-12 supervisory is a reassignment)

K-15Q: Are duties at the higher salary end of a pay band considered “higher levels of work” than a lower salaried position in the same band? What is considered higher levels of work?

A: No, duties within a pay band are considered comparable levels of work. DoD 1400.25-M, SC1950.6.3.3.8 establishes guidelines for determining levels of work within pay schedules and pay bands. Levels of work progress within the same pay schedule from lower to higher level of work beginning with pay band 1. Also, work classified to a professional and/or analytical pay schedule is always a higher level of work than work classified to a technician/support pay schedule, regardless of career group or pay band.

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K-16Q: Is it considered a promotion if an employee moves from pay band 2 or 3 in a technician pay schedule to pay band 1 in a professional and/or analytical career group?

A: Yes, movement from any technician/support pay band to a professional and/or analytical pay band is considered movement to a higher level of work and therefore a promotion.

K-17Q: Why is movement from YE, pay band 2, to YD, pay band 1, a promotion?

A: Work in the professional/analytical pay schedule is always considered a higher level of work than work in the technician/support pay schedule. Therefore, any move from the technician/support pay schedule to the professional/analytical pay schedule is always a promotion.

K-18Q: If a non-NSPS employee moves to a position that is a higher grade equivalent than his/her current position is that considered a promotion? For example a GS-09 moving to a YA-02 position which is considered a GS-11 equivalent.

A: Unless the movement is a promotion to the full developmental level (YA-1 target YA-2 equivalent), The GS-09 and the NSPS positions are considered comparable levels of work that action is a reassignment not a promotion.

K-19Q: An employee has held his current GS-11 position for at least one year and has applied for a YA-2 position. Does the employee qualify for a salary at least at the GS-12 equivalent or is he only eligible for the 5% increase?

A: Movement of an employee in a GS-11 position going to a YA-2 is a reassignment and pay may be increased, at management's discretion, by up to 5%. A pay increase upon reassignment is not mandatory.

K-20Q: Will accretion of duty promotions exist under NSPS?

A: Yes, the authority for accretion of duties still exists under NSPS as an exception to merit promotion. Promotions as a result of accretion of duties will be less frequent in NSPS due to the variety of positions included within a pay band, or comparable pay bands. Supervisory duties may not be accreted if it results in classification to a higher pay band.

K-21Q: How are salary increases computed (base salary, round up, round down)?

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A: Salaries will be rounded in a way that ensures the implementing issuances are followed. For example, the issuances provide that an increase on a reassignment cannot exceed 5%; therefore, to ensure that the limitation is not exceeded, fractional amounts must be rounded down. For example, if the calculation of a 5% increase on a reassignment results in \$2617.65, the product must be rounded down to \$2617.

Conversely, the issuances provide for a minimum increase of 6% on a promotion; therefore, to ensure the minimum requirement is met, fractional amounts must be rounded up. For example, if the calculation of a 6% increase on a promotion results in \$3278.34, the product must be rounded up to \$3279.

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L. TEMPORARY PROMOTIONS

L-1Q: How long can a temporary promotion be made before competition is required?

A: Temporary promotions effective before June 10, 2008, can be made for up to 180 days without competition. Actions effective after June 10, 2008, can be made for up to 120 days before competition is required.

L-2Q: Can an employee have more than one non-competitive temporary promotion?

A: There are no changes to the rules on sequential temporary promotions. All time spent on noncompetitive temporary promotions and details to higher graded positions during the preceding 12 months counts toward the 120-day total. If the temporary promotion is extended beyond 120 days, competition is required.

L-3Q: Is there a time limit on competitive temporary promotions?

A: There are no changes to the rules on competitive temporary promotions. The maximum time period for a temporary promotion is 5 years, unless OPM authorizes the agency to make and/or extend it for a longer period. A temporary promotion that was originally made under competitive procedures can be extended up to 5 years without further competition. A temporary promotion may be made permanent without further competition provided the temporary promotion was originally made under competitive procedures and the fact that the temporary promotion might lead to a permanent promotion was made known to all potential candidates

L-4Q: How is pay set for employees who are on temporary promotions and returned to their permanent positions?

A: When an employee is returned to their permanent NSPS position, the employee receives appropriate adjustments for pay increases such as rate range adjustments and performance payouts that occurred during the time the employee was assigned to the temporary position.

L-5Q: A GS-14 is on temporary promotion to GS-15 position. Both positions convert to NSPS and the temporary promotion is subsequently made permanent. Will the employee's salary remain where it was set for the temporary promotion?

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A: Yes, the employee may be returned to the temporary position after conversion, and the NSPS promotion pay-setting rule will provide the opportunity to match what the employee received on the GS- temporary promotion prior to conversion.

L-6Q: An employee competed and was selected for a temporary supervisory GS-13 position that could be made permanent without further competition. The employee converted to NSPS from the permanent GS-12 position to YA-2 and was placed back on the temporary promotion at YC-2 with the pay that was earned before the conversion using the exception from the conversion guidance. How will the employee's pay be set if the employee's temporary position is made permanent?

A: The base salary the employee was receiving is continued when the temporary reassignment is converted to permanent.

L-7Q: An employee has been selected for a promotion to a temporary GS-15 position NTE 5 years at a BRAC activity. The permanent GS-14 position and the temporary GS-15 position both convert to pay band 3. At the end of the 5-year promotion, the employee will be reassigned back to the previous pay band 3 (formerly GS-14) position. How will the employee's salary be set upon reassignment to the previous position?

A: Upon expiration of a temporary reassignment which resulted in a pay increase, the employee's base salary is set at the same rate prior to the temporary reassignment and then recalculated with appropriate adjustments for rate range increases and performance payouts, as shown in the example in SC1930.10.10.1. In addition, employees should be notified in writing of the conditions of their time-limited reassignments.

L-8Q: An employee is temporarily promoted and deployed from a GS-12 position to a GS-13 position. The permanent GS-12 position has converted to YA-2 and the employee was placed back in the GS-13 deployed position at the same rate of pay on the day of conversion to NSPS. The employee stayed in Iraq on the temporary promotion more than one year, and under the legacy personnel system, would have been eligible to retain the higher pay upon the change to lower grade to the permanent position. Can the employee be reassigned to the YA-2 permanent position at the higher salary she was earning as a GS-13?

A: NSPS does not have a highest previous rate (HPR) provision, so the rate earned during a temporary promotion/reassignment cannot be used as an HPR in setting an employee's salary. When the employee returns from the temporary GS-13 position to the permanent YA-2 position, she cannot keep the temporary increase in pay which was earned in Iraq. The pay must be set in accordance with SC1930.10.10.

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L-9Q: A GS-12 employee was temporarily promoted to a GS 13 position as a noncompetitive action. The employee had never held a GS 13 position on a permanent basis. After conversion to NSPS based on his permanent GS-12 position, he was re-promoted to the GS-13 equivalent in accordance with NSPS conversion guidance. Can the employee be converted to the permanent position without competition? Can they do so and keep the employee's pay at the same level? Will they have to set his pay as a reassignment under NSPS?

A. Upon expiration of the temporary promotion, the employee must be returned to his former salary in accordance with SC 1930.10.9 (to include any increases that would have occurred if the employee had not been temporarily promoted). Although the GS-12 and GS-13 are encompassed in the same pay band, making this pay increase permanent goes against merit principles. Since the action was not competitive other employees in the organization who may be in similar series and pay band were not afforded the opportunity to compete for the temporary promotion. The organization has the option to reassign the employee back to the GS 13 equivalent duties, but the increase would be limited up to 5% increase.

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M. REASSIGNMENTS/DETAILS

M-1Q: What is the difference between a management-directed and an employee initiated reassignment?

A: Management directed reassignments are initiated by management and are generally used as a management tool to address specific mission needs. Examples include, but are not limited to: avoiding reduction in force, improving operational efficiency, filling personnel/skill gaps to meet short term organizational goals, special/ongoing projects or to promote efficiency of the service. Management must have organizational control over an employee to direct such movement.

Employee initiated reassignments occur when an employee actively seeks a new position or duties by applying for a position via a vacancy announcement, responding to informal inquiries of interest by management or by requesting assignment within the same or comparable pay band currently held.

M-2Q: Is a reassignment between Components eligible for a salary increase?

A: Yes, an employee who transfers to another Component and is assigned a comparable level of work may receive up to a 5% increase in any 12-month period.

M-3Q: How will the pay be set for NSPS employees who are reassigned to GS positions outside of their current commuting area?

A: The pay setting rules of the gaining system dictate how their pay will be set (including their locality pay). Since the employee will be moving from a non-GS position to a GS position, pay may be set using the GS maximum payable rate rule (5 CFR 531.221(d)).

M-4Q: What is the difference between reassignments versus reduction in band when moving between Professional/Analytical Pay Schedule to Technician/Support Pay Schedule?

A: Movement from the professional/analytical pay schedule to a technician/support pay schedule is always a reduction in band because work in the technician/support pay schedule is a lower level of work. Within the respective pay schedules, movement from a higher pay band (higher level of work) to a lower pay band (lower level of work) is also a reduction in band. Across the respective pay schedules, movement between comparable pay bands is a reassignment. For example, movement from Pay Band 2, Professional/Analytical Pay Schedule, Standard Career Group, to Pay Band 2, Professional/Analytical Pay Schedule, Scientific and Engineering Career Group is a

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reassignment. Movement from Pay Band 1, Technician/Support Pay Schedule, Standard Career Group to Pay Band 1, Technician/Support Pay Schedule, Scientific and Engineering Career Group is also considered a reassignment.

M-5Q: Who determines how/when employees move up within a pay band based on new work assignments?

A: Managers may move employees within the pay band based on new work assignments and may grant an increase to base salary within their pay band through reassignments in accordance with pay setting procedures. Reassignment under NSPS is the movement of an employee from his or her position of record to a different position or set of duties in the same or a comparable pay band.

M-6Q: How will reassignments work within the pay schedules? Will Priority Placement Program (PPP) registrants have to be cleared?

A: At a minimum, reassignments resulting in a change to occupational code, pay schedule, pay band, pay rate, or assigned pay pool will be accomplished by an official personnel action. If an employee is reassigned to a new position, with new duties and qualifications requirements, a personnel action must be processed. PPP does not need to be cleared for a management-directed reassignment of an employee to a position with no known promotion potential to a higher pay band. PPP will be cleared for all other reassignment actions.

M-7Q: How are details processed under NSPS?

A: Details are limited to 120 days. There is no requirement to process an official personnel action to record a detail, unless the detail crosses Component or agency lines or is needed to temporarily reassign an employee from NSPS to another pay system within the Component (e.g., NSPS to General Schedule). If the employee is being assigned to a substantially different position and is qualified, a temporary reassignment or a temporary promotion may be appropriate to either compensate the employee or record the difference in duties being performed.

M-8Q: If an official personnel action is not required for a detail, how will an employee receive credit for work performed for future position consideration?

A: The employee receives credit for work performed on a detail by claiming and describing such work on his or her application for employment or résumé.

M-9Q: NSPS requires details be documented only if the detail crosses Agency lines. Will documenting details remain an option if an activity/agency would like to continue to document them if details are within that activity/department?

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A: The implementing issuance does not preclude Components from processing details if they choose to do so.

M-10Q: How can an employee be detailed (does not cross Component or Agency lines) who does not qualify for the position? Can an employee be detailed without a personnel action?

A: With the exception of positive education, licensure and certification requirements, an employee does not need to meet qualification requirements to be detailed to another position. Under NSPS, this would not require a personnel action, and the employee could gain credit by delineating their experience on their resume.

M-11Q: Army has selected a YA-2 employee from another component for a YA-2 position. The employee is on a temporary reassignment and received a 5% increase. Can her current salary be used as the basis to set her pay for the reassignment to Army?

A: No. Based on SC1930.10.10, when a temporary reassignment expires or terminates, the employee's pay must be set at the same rate received prior to the temporary reassignment, with appropriate adjustments. Therefore, you cannot use the rate earned on the temporary reassignment to set her pay for the permanent position. It is not possible to use the authority under SC1911.4.6. to set pay for a position in a different Component. The employee's temporary reassignment, and associated salary increase will terminate upon movement to the Army position. Army can, however, authorize a new salary increase effective the date of movement into the Army position.

M-12Q: How are personnel actions processed for NSPS employees who are being deployed?

A: For employees in an NSPS position and moving to another NSPS position the action is processed as a 921 – reassignment not to exceed. This NOA allows the use of the legal authority codes associated with deployed civilians.

For individuals who leave an NSPS position for a GS position the action could be a reassignment or a promotion. If the salary does not change the action is a reassignment as noted above. However, if there is any increase in pay, the action would be a temporary promotion. If the employee previously held the grade level (i.e., formerly a GS 12 returning to a GS 12) competition would not be required.

M-13Q: A GS-14 supervisor applies and is selected for a promotion to a temporary position (YD-3). The employee receives a pay increase. The employee is subsequently selected for another pay band 3 position which is permanent. Will the employee's pay band 3 salary remain the same?

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A: The movement from the temporary YD-3 to the permanent YD-3 is a reassignment and pay will be set in accordance with reassignment rules. This is different than if the employee was temporarily promoted to the YD-3 and then that same position was made permanent. See Section L Temporary Promotions for more information.

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N. WORKFORCE SHAPING (RIF)

N-1Q: Since SC1960 no longer applies, how are RIFs run in NSPS?

A: All RIFs will be conducted under the provisions of 5 CFR 351. Army has Interim Guidance to assist in applying these provisions to RIFs with competitive areas which encompass both GS and NSPS employees.

N-2Q: How far in advance of restructuring actions should competitive areas be defined?

A: Competitive areas must be defined within 90 days of a reduction in force (unless otherwise approved by the Component Head).

N-3Q: Is an employee on a retention list fully qualified to displace a lower standing employee if they are both in the same competitive area?

A: Not necessarily. A retention list may contain employees in multiple occupational series who are performing a variety of duties and responsibilities. Therefore, qualification determinations must be made prior to displacing a competing employee with lower retention standing.

N-4Q: What are the changes to transfer of function (TOF) rules under NSPS?

A: The rules of 5 CFR 351 apply to TOFs involving NSPS positions.

N-5Q: Do employees on probationary status go to the bottom of the tenure group or the veterans' subgroup?

A: Employees on probationary status go to the bottom of their tenure group as shown in the example below:

Alice	Tenure I	AD
Susan	Tenure I	A
Rick	Tenure I	B
Tim (probationary)	Tenure I	A
Tracy (probationary)	Tenure I	B

N-6Q: Do employees with a Level 1 performance rating have displacement rights?

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A: Yes. They are only taken out of competition if they have a final written decision of removal prior to the effective date of the RIF.

N-7Q: Is there an automated RIF system?

A: Yes, DoD's AutoRIF tool accommodates RIFs with both NSPS and non-NSPS employees.

N-8Q: If term employees are terminated early, must RIF procedures be used?

A: Yes. Unless the term employee does not satisfactorily meet probationary period requirements, RIF procedures must be used to terminate him/her when the position is abolished. The RIF will only involve other term employees within that competitive area.

N-9Q: Upon conversion to NSPS, are employees with exceptional ratings of record treated the same as employees with average or poor ratings.

A: Under NSPS, a uniform appraisal program will be consistently applied throughout DoD. To facilitate uniformity, acceptable ratings will be converted to a Level 3 NSPS rating and will be replaced with an actual NSPS rating, once received.

N-10Q: How is a RIF processed in an organization with employees in the legacy personnel system and the NSPS?

A: Employees in both personnel systems will compete in the same RIF action. In the first round of competition, employees will only compete with employees in the same personnel system. In the second round (Bump and Retreat) employees may compete across system lines.

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O. LABOR

O-1Q: If employees in administrative jobs are responsible for assisting management in NSPS personnel-related functions, but are not scheduled for conversion under NSPS, can these individuals receive NSPS-related training?

A: Yes, individuals not spiraling under NSPS, but who will be responsible for certain NSPS-related functions, should receive training addressing the specific NSPS-related functions they will be performing. This may be effectively accomplished by scheduling the employees for relevant HR modules or desk-side briefings focusing exclusively on the future duties. This is true regardless of the employees' bargaining unit affiliation.

O-2Q: To accomplish the successful implementation of NSPS, individuals are assigned to our Transition Management team, but are not scheduled for conversion into NSPS, can they still be part of the transition management team?

A: Yes, these individuals can be part of the transition management team, though it may be more advantageous to appoint individuals scheduled to convert into NSPS as they may have a better understanding of the system, as well as a more pressing interest in its successful conversion. However, individuals best qualified to perform the transition management functions should be given those assignments, regardless of Spiral or bargaining unit affiliation. Of course, access to internal agency labor relations matters should be limited to only management officials.

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P. PRIORITY PLACEMENT PROGRAM AND RPL

P-1Q: In the PPP Manual, Chapter 19, there are issues such as Transfer of Function, Registration Ineligibility, etc. that are not addressed. Where can one find information on these items dealing with PPP and NSPS?

A: IAW PPP Manual, Chapter 19, A. "All standard PPP policies and procedures apply except as modified in the Chapter." If a PPP issue is not addressed in Chapter 19, then the corresponding chapters in the PPP manual will apply.

P-2Q: A GS-2210-12 employee in Fort Sill, OK accepts a GS-2210-13 in Germany and has return rights to the GS-2210-12. While in Germany, the employee's position at Fort Sill converts to NSPS as a YA-2210-02. The employee has completed a three-year tour and is ready to return to the United States. The employee wants to register in PPP. Is the employee eligible?

A: No, this employee is not eligible to register in PPP. IAW PPP Manual, Chapter 19, D.1.b.(1), a non-displaced overseas employee with return rights to a position in the same pay band, a comparable pay band, or higher pay band, is not eligible to register in the PPP.

P-3Q: A manager is recruiting for a YA-0801-02 that is equivalent to a GS-0801-09. The manager has requested that PPP be cleared at the GS-09 level only. Can the managers' request be accommodated?

A: Yes, management has the choice to clear PPP using GS equivalent or the NSPS pay band. For competitive actions, the method chosen to clear PPP should be reflected in the salary range advertised on the vacancy announcement. In other words, if PPP is cleared at the GS-09, then the advertised salary range should be the equivalent GS-09 step 1 through step 10.

P4Q: Does PPP have to be cleared for a reassignment within pay bands?

A: PPP does not need to be cleared for a management-directed reassignment of an employee to a position with no known promotion potential to a higher pay band. Employee initiated reassignments, are not exempt from PPP clearance requirements. (See M-1Q for more information on the different types of reassignment)

P5Q: An organization in Korea is converting to NSPS. An employee is registered in PPP for a GS-0301-11, with return rights to a GS-0301-09. Since this employee was registered in PPP prior to conversion to NSPS, can the employee be grandfathered in the current GS PPP rules?

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A: When an overseas NSPS employee has return rights to a GS position, a GS equivalency for his/her NSPS position must be determined in accordance with the PPP Operations Manual. Once the PPP GS equivalent is determined, the registering activity can determine the employee's eligibility for registering in PPP. In this case, if the employee's GS equivalent were determined to be a GS-11 and he/she has return rights to a lower grade, they would be eligible for registrations at the GS-11 or equivalent.

P6Q: Because grade retention no longer exists under NSPS, what happens to Program R? How do employees retain their pay under NSPS if they are placed in a position that is lower than their current salary?

A: Program R is still used under the GS system and will be used during the transition until all positions are fully converted to NSPS. Although grade retention has been eliminated under NSPS, employees may still be eligible for pay retention.

P7Q: A YB-0203-02 employee has performance problems so their supervisor assigns the employee to a vacant YB-0203-01 position through adverse action procedures. The employee's performance improves and the manager subsequently submits an RPA to promote the employee back to his former pay band. Is this action subject to PPP clearance?

A: Yes, because the employee was previously demoted due to adverse action procedures.

P8Q: Has the Reemployment Priority List (RPL) been updated to accommodate NSPS?

A: Yes, the RPL has been updated to accommodate NSPS; however, unlike the PPP, the ASARS equivalency tables for NSPS have not been built into the RPL. Therefore, Human Resources Specialists registering employees in the RPL, will have to enter the skills data for both NSPS and non-NSPS skills and grades/bands.

P9Q: Currently, a competitive service employee in tenure group I or II, recovering from compensable injuries, who is separated (or accepted a lower graded position in lieu of separation) due to a compensable injury or disability, is entitled to be placed on the RPL, if the employee has fully recovered following more than one year from eligibility for compensation began. Under NSPS, has the Tenure II requirement been removed and has lower graded position changed to position in a lower pay band?

A: Yes. For NSPS, eligibility is "a competitive service employee in tenure group I (since there is no tenure group II under NSPS) who was separated (or accepted a lower graded band position in lieu of separation . . ."

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P10Q: Under NSPS is a present or former employee still removed from the RPL, for all positions, when the employee declines an offer of a permanent position at the same pay band and with the same work schedule as the position the employee held at the time of separation? Additionally, does an employee who declines an offer of a position from the RPL to a lower-banded position lose eligibility for other positions at that and lower pay bands?

A: Yes. Under NSPS, a present or former employee is removed from the RPL, for all positions, when the employee declines an offer of a permanent position at the same pay band and with the same work schedule as the position held at the time of separation. An employee who declines an RPL offer of a lower-banded position can remain registered in the RPL for his/her current band but loses eligibility for positions at the band for which they declined as well as any equivalent or lower bands.