Nonappropriated Fund (NAF) Employees Handbook

NAF

Personnel Professionals
In Partnership
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1. INTRODUCTION

The United States Army welcomes you. As a NAF employee, you are one of our most valued resources. You are now a member of the Army team making an important contribution to the military community. We are committed to excellence. Teamwork, cooperation, and customer satisfaction are essential in providing the best possible service for our military personnel, their families and other members of the military community. We value all our customers. Our customers are the reason for our services and our jobs.

This booklet is provided for your use as a reference about the conditions of your employment as an Army NAF employee. It has been designed to explain basic employment information, and contains your obligations, responsibilities, rights and benefits. This booklet is not a contractual basis for employment.

NAF employees are not deemed to be Federal employees for purposes of most Office Personnel Management-administered laws and regulations. Thus, the policies, procedures, and entitlements relating to NAF employees are different than those for Appropriated Fund (Civil Service) employees.

Detailed information regarding employment can be located in Army Regulation (AR) 215-3, NAF Personnel Policy (Where ever this handbook and the AR 215-3 conflict, the AR 215-3 will take precedence). For questions about any specific conditions of employment, or clarification on various issues, contact your supervisor or your servicing NAF human resources representative for assistance.

We welcome your recommendations and comments. Please address them to Headquarters, Department of the Army, Office of the Assistant G-1 for Civilian Personnel, NAF HR Policy and Programs Division, ATTN: DAPE-CPD-NF, 2461 Eisenhower Avenue, Alexandria, Virginia 22332-0300.
2. THE ARMY VALUES

Duty, honor, integrity, courage, loyalty, respect, and selfless service, make up the Army ethic or values. As civilian employees of the Army, we are committed to the same values as our uniformed military team members.

Army Civilian Corps Creed

- I am an Army Civilian – a member of the Army Team
- I am dedicated to our Army, our Soldiers and Civilians
- I will always support the mission
- I provide stability and continuity during war and peace
- I support and defend the Constitution of the United States and consider it an honor to serve our Nation and our Army
- I live the Army values of Loyalty, Duty, Respect, Selfless Service, Honor, Integrity, and Personal Courage
- I am an Army Civilian

3. EMPLOYMENT POLICY

The Department of the Army is an equal opportunity employer. That means that positions are filled without regard to race, marital status, color, religion, age, sex, lawful political affiliation, labor organization membership, physical disability, or national origin. Also, positions are filled on the principles of merit. Employees are hired, promoted, and reassigned based on their qualifications for the job and any requirements of the law.

4. WHISTLEBLOWER PROTECTION

NAF employees and applicants will be free from reprisal in making protected disclosures, and the confidentiality of employees and applicants making such disclosures will be protected. Any NAF employee or applicant who reasonably believes that a personnel action was taken or not taken as
reprisal for making a protected disclosure, may file a complaint with the Department of Defense (DoD) Inspector General. Such a complaint may be filed by writing a letter addressed to the DoD Hotline, the Pentagon, Washington DC 20301-1900. Activities must publicize the procedures for filing a compliant.

5. SEXUAL HARASSMENT

Sexual harassment is prohibited by law, and will not be tolerated. Sexual harassment includes any unwelcome sexual advances or requests for sexual favors or any conduct of a sexual nature. Examples include deliberate or repeated unsolicited and unwelcome comments or gestures; or physical contact of a sexual nature which are unwelcome; or, implicit or explicit coercive sexual behavior to control, influence, or affect the career, salary, or job of an employee when:

- Submission to such conduct is made either explicitly or implicitly a term or condition of a person's job, pay, or career or,

- Submission to or rejection of such conduct by a person is used as the basis for employment decisions affecting that person, or

- Such conduct has the purpose or effect of substantially interfering with an individual's work performance or creates an intimidating, hostile or offensive working environment.

Any employee who perceives they are being sexually harassed by a supervisor, superior, co-worker, or peer, should make it clear that such behavior is offensive and report the harassment to either or all of the following: the individual's supervisor or second level supervisor; a representative in the NAF Human Resource Office (HRO), a representative in the Civilian Personnel Advisory Center (CPAC); a representative in the installation's Equal Employment Opportunity Office (EEO); or, the Commander or his representative.

6. LABOR ORGANIZATIONS

You have the right to join or not join a union. Depending on the labor organization, joining a union may require that
you pay dues on a regular basis. If your position is in the bargaining unit, you are covered by the collective bargaining agreement (union contract) and you should have been given a copy of the contract at the time you were placed in a bargaining unit position. Whether or not you choose to join the recognized labor organization, you are nonetheless covered by the collective bargaining agreement and will be represented by the recognized labor organization as specified in the collective bargaining agreement.

7. POLITICAL ACTIVITY

The Hatch Act Reform of 1993 took effect on February 3, 1994. It restored many of the rights of Federal employees to include NAF that were rescinded in the 1930's by the Hatch Act. The new provisions of the law are provided below:

What employees may do:

Be candidates for public office in nonpartisan elections.
Register and vote as they choose.
Assist in voter registration drives.
Express opinions about candidates and issues.
Contribute money to political organizations.
Attend political fundraising functions.
Join and be an active member of a political party or club.
Sign nominating petitions.
Campaign for or against candidates in partisan elections.
Distribute campaign literature in partisan elections.
Hold office in political clubs or parties.

What employees may not do:

Use their official authority or influence to interfere with an election.
Collect political contributions unless both individuals are members of the same Federal labor organization or employee organization and the one solicited is not a subordinate employee.

Knowingly solicit or discourage the political activity of any person who has business before the agency.

Engage in political activity while on duty.

Engage in political activity in any government office.

Engage in political activity while wearing a uniform or official insignia identifying the employee's office or position.

Engage in political activity while using a government vehicle.

Solicit political contributions from the general public.

Wear political buttons on duty.

Be candidates for public office in partisan elections.

8. GARNISHMENT FOR PRIVATE DEBTS

Public Law 102-94, allows the docking of pay in order to settle private debts. The law specifies the legal procedures that must be followed and places limits on the percentage of an employee's salary that can be garnished. This requirement became effective February 3, 1994, and states that agencies must honor a court order (writ) from any court of competent jurisdiction. Orders from state agencies also must be honored, when they are in alimony and child support cases. Child support and alimony orders take priority over orders for collecting any other debts. Call your installation legal advisor if you have questions concerning garnishment actions.

9. FINANCIAL DISCLOSURE

Some employees, such as auditors, attorneys, or officials with significant management responsibilities at certain organizational levels and employees who make decisions about awarding contracts, are required to make statements
describing their outside employment and financial interests. Other employees whose outside employment or financial interests may represent a conflict of interest, or the appearance of one, may also have to make financial disclosure. The installation's legal advisor can provide you with further information.

10. EMPLOYMENT OF MILITARY PERSONNEL

Off Duty Military (ODM) - Enlisted personnel may compete for part time or flexible NAF positions as vacancies occur. Upon selection and approval of employment by the individual's commanding officer, the individual may work for a NAF activity after duty hours.

Retired Military Personnel - Retired military members of the Armed Forces of the U.S. who are entitled to receive retired pay for such service may be considered as eligible for employment for Regular Full-time, Regular Part-time, Flexible, or Limited Tenure positions within Army NAF activities.

Employment in a NAF position within 180 days immediately following retirement requires approval of the Installation Commander. No approval is required for continued employment if the individual was employed as an ODM at the time of retirement and remains without change in the same position and same category of appointment during the 180-day waiting period.

11. YOU AND YOUR SUPERVISOR

The day-to-day management of your activity and its employees is the basic responsibility of your immediate supervisor. The role of the supervisor is to provide guidance and to help you do your job better. Your supervisor is responsible for and has the authority to:

1. Select or Separate Employees

2. Approve and disapprove leave requests and certify time and attendance

3. Set performance standards and goals

4. Assign work and evaluate performance
5. Train and develop subordinates

6. Recognize performance with appropriate awards

7. Discipline employees as necessary

8. Review employee grievances and resolve complaints

9. Determine requirements to conduct business based actions

You and your supervisor are working together to provide highly professional services to customers. Your supervisor will answer any questions you may have concerning the performance of your job. If there is something you do not understand about your job, discuss it with your supervisor. If problems still exist and questions cannot be answered or resolved by your supervisor, you may discuss the matter with the next higher level of supervision.

12. PAYMENT POLICIES

You will normally receive your paycheck on the same day every 14 days, 26 times a year. There will likely be a delay in getting your first paycheck. Delay occurs because of the time needed for processing your initial time and attendance record. If you have questions about your pay, talk it over with your supervisor. Direct deposit of your paycheck to a financial institution of your choice is a requirement of Defense Finance and Accounting Services (DFAS). DFAS can make exceptions to this policy in extenuating circumstances. Your servicing NAF HRO will provide you the proper forms for direct deposit upon request, or advise you on the procedures necessary to request that direct deposit be waived.

You may receive an on-line Leave and Earning Statement (LES) that shows the amount of your gross pay, the amount for each deduction, and the amount of your take-home pay. You may view your LES and more on “myPay” at www.mypay.dfas.mil or request a hardcopy. The following deductions are taken: Federal Income Tax; State Income Tax (except for overseas employees); and Federal Insurance Contribution Act (FICA) Tax. If you are eligible for NAF benefits and elect to participate, deductions will be made for the programs you choose such as: retirement; group life, medical and dental; and deductions for the 401(k)
savings plan. Deductions may also be made at your request for US Savings Bonds, contributions to the Combined Federal Campaign, union dues as applicable; and, allotments to financial institutions such as a credit union, bank, or other savings institution.

13. WORK SCHEDULE

The manager establishes and posts work schedules on the activity bulletin board two weeks in advance. From time to time it may be necessary to change schedules on short notice. When this occurs, every attempt will be made to give you advance notice.

14. ATTENDANCE

If for some reason you must be absent, or you will not be able to get to work on time, you must notify your supervisor as early as possible (generally within 2 hours of your scheduled time to start work). A good attendance record is important and may be considered in your performance evaluation. Being on time for work, well groomed and properly attired is the first step to good performance.

15. REST PERIODS

Short rest periods or breaks are permitted for protection of the employee's health such as relief from hazardous work; relief of fatigue caused by continuous physical exertion when work performed in confined spaces limits personal activities; or, for increased efficiency or productivity. A 15-minute rest period may be authorized for each 4 hours of continuous work. A rest period cannot be used as a continuation of the lunch or dinner period, nor can it be used to shorten the daily work schedule. Your supervisor establishes the rest period policy in writing and posts for all employees to observe.

16. MEAL PERIODS

If you are scheduled to work in excess of 6 hours, you will be scheduled a meal period. Meal periods are indicated on the work schedule and are no less than 30 minutes, or more than 1 hour. The meal period is not considered duty time and you are not paid for that period of time. Employees will not be required to work more than 6 hours in any
workday without a meal period. If however, the natures of your duties require that you remain at the duty station, an on-the-job meal period may be established. In this case, you will be paid for an on-the-job meal period not to exceed 20 minutes.

17. YOUR JOB DESCRIPTION OR POSITION GUIDE

Your servicing NAF HR office should have provided you a copy of your job description or position guide that describes the duties of the position for which you are required to perform. Your supervisor will discuss with you the duties of the position in detail. Ask questions if you do not fully understand what is required of you. Your position guide or job description may not identify every duty you may be required to perform. Therefore, refusal to perform reasonable assigned tasks may result in disciplinary action being proposed. If you question the validity of an assignment, discuss the matter with your supervisor. All NAF employees in the United States and US citizens’ employees overseas have the right to file a position classification complaint concerning their own positions. Complaints may be filed on the accuracy of the position, official title, series, grade, or pay category. The installation commander issues final decision on classification complaints for all NF and CY pay band positions. For NA, NL, and NS positions the installation commander issues decisions on the initial complaint. The employee has the right to grieve the installation commander's decision to Department of Army. If the complaint is not resolved at DA, the employee has the right to grieve the decision to the Office of Personnel Management (except for a decision on the accuracy of the job description) for final determination.

18. TRAINING AND DEVELOPMENT

When you first begin work, you are given a general orientation by your NAF Human Resources (HR) representative and by your supervisor. There is some immediate on-the-job training given by your supervisor or (someone delegated by your supervisor) so that you know exactly what tasks and what procedures are used. In addition to on-the-job training that you receive, you may receive formal training aimed at helping you improve your skills in your work. Such training may involve classroom instruction, meetings, or conferences, exposure to new equipment, and reading
 manuals. You may be rotated through different work assignments or enrolled in a series of courses as part of an approved career-training program. The many training opportunities provided to employees are directly related to the needs of the activity and the size of the activity's training budget.

19. YOUR SERVICING NAF HUMAN RESOURCE OFFICE (HRO)

Your Civilian Personnel Advisory Center (CPAC) Director has responsibility for providing administrative staff supervision over the NAF personnel program. Your NAF HR representative serves as a liaison between employees and management. If you have questions concerning personnel matters, you may either call or visit the NAF HR Office (HRO). If you want to visit their office during duty hours, make sure you have your supervisor's permission to leave your place of duty.

20. PERSONNEL RECORDS

An official personnel folder (OPF) is established at the civilian personnel advisory center, NAF HRO at the time you enter on duty. It will contain a complete record of your NAF work history. Performance ratings, personnel actions, disciplinary actions, letters of commendation, orders, and other authorized documents are a part of the permanent file. You will be provided copies of all documents as they are processed. It is recommended that you establish and maintain your own file of these documents. You have the right to review your official personnel file in the presence of a NAF human resources office representative. You must promptly report any changes such as, address change, name change, or change in beneficiary to your NAF HRO who will ensure that payroll and employee benefits are notified of your changes. As an employee, you also have access to "My Biz", your personnel information. This information is made available to you on the web-site at www.cpol.army.mil. You may view and update certain personnel information related to your employment.

21. THE PRIVACY ACT

You are covered by the Privacy Act, meaning that under Federal law, you cannot be asked to provide information unless the collection of such information is needed and justified by a legal authority. Your personnel office has
an obligation to assure that all information contained within your OPF is secured and safeguarded.

22. JOB OPPORTUNITIES

Positions are usually filled by use of a job vacancy system administered by your NAF human resources office. Job posting is a formal program for listing position vacancies, as they occur. If a position is advertised and posted, it is considered to be a competitive recruitment action. Vacancy announcements are posted on the Army employment site at http://acpol.army.mil/employment/naf.htm. You can also visit your servicing NAF HRO or the employee bulletin boards located at your activity. The details of the jobs, including selection criteria/requirements and instructions about applying for the position, appear on the vacancy announcement. You are encouraged to apply for any positions for which you believe you are qualified. Appropriate forms are available at http://cpol.army.mil/library/naf/jobkit/ or from your servicing NAF HRO.

23. CAREER REFERRAL PROGRAM FOR NAF EMPLOYEES

The career referral program was established to attract and retain highly qualified employees by providing greater career opportunity for promotion, transfer and reassignment to managerial, professional, technical, and administrative positions. An applicant must apply against a specific vacancy announcement to receive consideration. Employees may apply at www.cpol.army.mil/employment. A referral list of eligible candidates is established and issued to the hiring official by Family and Morale Welfare Command (FMWRC).

All NAF employees who are eligible for positions NF levels 4 and above may register in the program through the MWR Resume Builder – www.mwrjobs.army.mil. Employees identify geographical location preferences and positions for which they want to be considered for employment.

24. OFFICE OF PERSONNEL MANAGEMENT (OPM) INTERCHANGE AGREEMENT

The Department of Defense/OPM interchange agreement, approved September 21, 1991, allows eligible NAF employees to apply for APF or civil service positions without being referred from civil service registers, and it allows
employees serving in positions in the competitive civil service to be appointed to NAF positions. Appointments under the interchange agreement are considered voluntary. Eligible DoD NAF employees may apply for positions at any grade level (e.g., eligible NAF employees may apply for Army APF civilian career program positions filled through the Army Civilian Career Evaluation System by registering in that system). NAF employees applying for APF positions will be considered along with applicants who are eligible to transfer from other government agencies.

NAF employees who are appointed in the competitive civil service under the terms of the Interchange Agreement will receive competitive civil service status. Thereafter, such employees will be entitled to the benefits and privileges provided by the civil service rules and by OPM's regulations. Employees of the competitive civil service who are appointed to NAF positions under the terms of this agreement will have benefits and privileges in accordance with Army NAF personnel regulations.

25. KINDS OF APPOINTMENTS

Flexible - The employee serves in an indefinite position either on a scheduled or on an as needed basis. Employees paid on the NA, NL, NS, or CC pay schedule and who are regularly scheduled must have a documented guaranteed number of hours per week. An employee serving under a Flexible appointment category is not eligible to receive benefits. Service is credited toward completion of the 1-year probationary period up to a maximum of 6 months, if the position is converted to a regular category without a change in duties, and there is no break in service.

Regular Part-time - The employee serves in a continuing position on a scheduled basis for 20 to 39 hours a week. The minimum workweek is 20 hours. The Employee is eligible to participate in benefits plans, and accrues annual and sick leave, and must serve a one-year probationary period upon initial appointment (or as identified under Flexible appointment.).

Regular Full-time - The employee serves in a continuing position on a scheduled basis for 40 hours a week. The employee is eligible to participate in benefits plans, and accrues annual and sick leave, and the incumbent must serve
a one-year probationary period (or as identified under Flexible appointment).

**Concurrent** - An employee may hold more than one civil service or NAF position as long as the employee does not work more than a total of 40 hours per week. An employee may not serve concurrently in more than one part-time position. However, they may hold a part-time position and a flexible position or multiple flexible positions.

**Regular Limited Tenure (Regular Part-time or Regular Full-time)** - The employee serves in either a part-time or full-time appointment for a limited period in excess of one year. The employee is eligible to participate in the benefits plans, and accrues annual and sick leave. This service is credited toward completion of the one-year probationary period up to a maximum of 6 months if the position is converted to a regular appointment with no change in duties and no break in service.

**Seasonal (Regular Part-time or Regular Full-time)** - The employee serves in a continuing position on a seasonal basis, with a minimum of 6 months in a work status. Employee is eligible to participate in benefits plans, and accrues annual and sick leave, and the employee must serve a one-year probationary period upon initial appointment.

**Emergency Hire (Not to exceed 30 days)** - Employee is appointed noncompetitively to a flexible position for emergency purposes not to exceed 30 days. The appointment must be terminated within the 30-day period, and cannot be converted to a regular appointment. In unusual circumstances, the appointment may be extended an additional 30 days with appropriate approval. The individual must compete as an outside candidate for further employment within NAF. The emergency hire period is not creditable towards any future credit for service computation or probationary period purposes.

**26. PROBATION**

The purpose of the probationary period is to afford a final test of the employee's ability and fitness for the position as demonstrated by actual performance on the job. Each individual receiving an initial appointment to a regular full-time or regular part-time position is required to
serve a one-year probationary period. Individuals with prior service in a Department of the Army Nonappropriated Fund Instrumentality are required to serve a new probationary period upon reemployment in a regular full-time or regular part-time position if the break in service exceeds 3 years. Service in a DoD position paid from appropriated funds counts toward completion of the probationary period only if the NAF appointment was without a break in service of more than 3 days. An employee may be separated during the probationary period for failure to demonstrate the skills and character traits required for satisfactory performance in the position.

27. PERFORMANCE RATINGS

Employees serving under a regular appointment and flexible employees in the NF pay system will be issued a performance evaluation and rating. The system was established to evaluate the quality of employee performance on a continuing basis against realistic performance requirements. Employees are advised of requirements of their jobs, evaluated on their performance, recognized for exceptional performance, and provided necessary information in order to improve performance where identified. Performance is evaluated fairly and objectively and discussed with each employee. An annual performance rating remains in effect until superseded by the next successive annual rating. There are 5 official performance ratings that may be assigned to the employee's level of performance as follows:

**Outstanding** - This rating is authorized when all aspects of an employee's performance or goals and objectives have exceeded the requirement for satisfactory performance for a 12-month period and are sufficiently outstanding to deserve special commendation and recognition.

**Excellent** - This is authorized when the majority of the aspects of an employee's performance or goals and objectives are exceeded. Employee performance is of a quality clearly exceeding the requirement for a satisfactory rating.

**Satisfactory** - A satisfactory rating is authorized when the employee's performance meets, but does not exceed the aspects of performance or goals and objectives to the degree required for a rating of excellent.
**Minimally Satisfactory** - The employee marginally meets the aspects of performance or goals and objectives and is often below the satisfactory level. The employee will be counseled on duty requirements and given the opportunity and necessary training to improve performance.

**Unsatisfactory** - An unsatisfactory rating is authorized when an employee's performance fails to meet the aspects of performance or goals and objectives for satisfactory performance, in spite of a written warning notice and effort by the supervisor to help the employee improve. This level may only be assigned after the supervisor has warned the employee, in writing about work performance that fails to meet the performance standards or goals and objectives. Action will be immediately taken to reassign or separate the employee.

### 28. INCENTIVE AWARDS

The Incentive Awards program applies to all Army NAF employees including military personnel employed during off-duty hours. The term incentive awards include cash awards, length-of-service awards, honorary awards, and pay adjustments for pay band employees or suggestions. The program recognizes an employee's performance, special achievements, or contributions made to the Army mission. Your supervisor will explain your activity's policy regarding the issuance of awards.

**Suggestions** - You may receive cash or honorary recognition for a suggestion that contributes directly to doing a better or more economical job. Your suggestion may be concerned with an improvement within your activity or entirely outside your present job. If your idea is adopted, you receive a certificate and usually a cash award in proportion to the benefits of the idea. The Suggestion Program Manager can assist you with all suggestions at your installation.

**Special Achievements** - Your performance may be recommended by your supervisor in order to receive a cash award in recognition of outstanding work performance. Exceptional work performance for one year may merit a lump sum cash award, or your work performance may be recognized by a permanent increase in your pay known as a performance based adjustment. You may receive an on-the-spot cash award for a
one-time special effort or service that exceeds the normal requirements of your job. You may also be recommended for a cash award in recognition of a special act or special service outside your normal job performance. Examples of special acts or services might be, putting out a fire in the storeroom of the club, or perhaps, you administered CPR to a customer or co-worker, or you saved a child from danger.

Time Off - The Time Off award is given for special achievements or acts, or exceptional performance. It may be given instead of cash awards. The employee's immediate supervisor authorizes a time off award. Up to 40 hours may be authorized for a specific achievement, and up to 80 hours maximum is authorized during any 12-month period. There is no charge to the employee's annual leave balance. The amount of Time-Off should be proportionate to the value of the contribution being recognized.

Honorary Awards - Honorary awards may be given for outstanding performance and achievement and are usually accompanied by a medal, certificate, plaque, or other item that can be worn or displayed.

29. PAY SYSTEMS

Pay Band System - The Army NAF (NF) Pay Band System includes all clerical, administrative, sales, technical services, and managerial, executive professional and personal service positions. Positions in this category are identified as "NF" with pay levels from NF-1 through NF-6. This system does not require a mandatory waiting period for pay increases. The lower pay band rates (NF-1, NF-2, and the minimum for NF-3) are determined by local wage surveys conducted by the Department of Defense Wage Setting Division. The higher pay band minimums and maximums (the maximum rate for NF-3, NF-4, NF-5, and NF-6) are related to the General Schedule (GS) and the Senior Executive Service (SES) pay ranges. Pay increases for these bands are effective when changes are made to the GS pay scale.

Child and Youth Personnel Pay Program (CYPPP) - Positions in the Child, Youth and School Services that provide direct care and supervision of children are identified as "CY". The CY pay-band system is comprised of two pay levels, CY-I and CY-II. The ranges for CY pay bands are equal to the hourly rate of the General Schedule (GS) employees. Pay
band I is equal to the hourly rate of the GS-2 step 1 through GS-3, step 10, Pay Band II is equal to the hourly rate of GS-4, step 1 through GS-5, step 10. The employee will advance to next level noncompetitive upon completion of required training and demonstration of satisfactory performance.

Federal Wage System (FWS) (NA, NL, NS) employees - This category includes positions in a recognized craft or trade, or manual labor occupation. The positions in this category are identified as NA (Worker), NL (Leader), and NS (Supervisor). The pay of these positions is fixed and adjusted annually in line with the rates paid by private employers to full-time employees in wholesale, retail, services, and recreational establishments in the locality of employment. Wage schedules are transmitted directly to installations by the DoD wage Fixing Authority. Within each grade are five steps of increased rates of pay. Upon serving the appropriate waiting period in a step and continued satisfactory performance, an employee will automatically advance to the next higher step and level of pay until the maximum step 5 is reached.

30. OVERTIME

On occasion, your supervisor may require you to work additional time outside your usual work schedule. If it becomes necessary for you to work overtime, you may be eligible to receive overtime payment.

All CY, NF levels 1, 2, and some NF level 3, employees must be paid overtime when permitted or allowed to work in excess of 40 hours per week. All FWS employees are entitled to overtime pay for work in excess of eight hours in a day, or in excess of 40 hours in the work week, whichever is greater. These employees are identified as “Non-Exempt”. However, all reference above employees may request compensatory time off in lieu of overtime pay. An employee whose NF level position is "Exempt" may receive overtime pay or compensatory time only if approved by the supervisor in advance.

The Fair Labor Standards Act does not apply to positions in foreign areas.

Your supervisor will tell you about your entitlement to receive overtime pay, or provide you the installation
policy for "Exempt" employees working overtime. Your NAF personnel representative will also assist you with any concerns or questions you may have.

31. HOLIDAYS

All regular full-time employees and regular part-time employees with a basic workweek of 5 or 6 days are entitled to holiday pay for all holidays. Legal holidays observed are:
First day of January
Third Monday of January
Third Monday of February
Last Monday of May
Fourth day of July
First Monday of September
Second Monday of October
Eleventh day of November
Fourth Thursday of November
Twenty-fifth day of December
Any other day designated as a holiday by Federal statute or Executive order.

32. LEAVE

Earning

Regular Full-time and Regular Part-time and Regular Limited Tenure employees earn both annual and sick leave. Flexible employees do not earn leave. If you are eligible for leave, you may use your leave as it accrues. There is no waiting period.

Sick leave is earned at the rate of 5% of the total hours in a pay status, up to a maximum of 40 hours per week. This is without regard to the length of your prior creditable service. There is no limit on the amount of sick leave you may accumulate; however, you will not be given a lump-sum payment for your unused sick leave if you separate from employment. If you are re-employed with Army NAF, the accumulated sick leave balance at the time of your separation will be re-credited to your account.

Annual leave is earned at rates based on your total creditable service. The following rates apply:
- Less than 3 years of service - 5% of the total hours in a pay status up to a maximum of 40 hours per week.
- 3 or more years and less than 15 years of service - 7 1/2% of the total hours in a pay status up to a maximum of 40 hours per week.
- 15 or more years of service - 10% of the total hours in a pay status up to a maximum of 40 hours per week.

You will receive a lump-sum payment for your unused annual leave if separated from employment, transferred or reassigned to another NAFI, or if your position is converted from a regular appointment to a Flexible appointment. If you move from one NAFI to another, you may request that your leave credit be transferred instead of receiving a lump-sum payment.

**Use**

If you accrue annual leave you have a right to use the annual leave you earn. However your supervisor must approve your use of leave. Your supervisor will make sure you are familiar with the leave policy of your activity. You have a responsibility to cooperate by requesting and scheduling leave as far ahead as possible. Remember that your supervisor has the responsibility for determining when you may use leave. Planning ahead will avoid any possibility of conflict. In emergency situations, where you could not foresee the need to schedule leave, you should request leave approval from your supervisor as soon as possible.

If you accrue sick leave it may be used when you are unable to work because of sickness, injury, pregnancy, or medical confinement, or when your presence at work would jeopardize others because of exposure to a contagious disease. Sick Leave may be used for medical, dental, optical examination or treatment, or in certain instances for family bereavement, and adoption. Additionally, it may also be used to care for an immediate family member for the same reasons authorized for use by the employee. There are a few simple rules on the use of sick leave:

Use sick leave only for the reasons given above. Sick leave is not to be used to supplement annual leave. If you are too sick to come to work, let your supervisor know as soon as possible, prior to your scheduled time to report for
duty. Any unused sick leave may be added to an eligible employee's credited service at the time of retirement. However, the participant must have 5 years of service and must have more than 80 hours of unused sick leave. Unused sick leave is added to normal, early or deferred retirement. For details regarding hours of unused sick leave for actual months of credited retirement service, see your servicing NAF HRO representative.

Carrying Over Annual Leave

If employed in the United States and eligible for annual leave, the maximum amount of leave you may save and carry forward from year to year is 30-days (240 hours). If hired in the United States for employment in a foreign area and eligible for annual leave, you are authorized a maximum accumulation of 45-days (360 hours). Any leave you have to your credit over the 30-day limit or 45-day limit at the end of the leave year is liable to be forfeited. There are some exceptions to the maximum limits: Administrative error, including correction of an unwarranted or unjustified personnel action, when the error causes the loss of annual leave otherwise accruable; sickness, provided that the period of absence occurred at such a time late in the year that the annual leave could not be rescheduled before the end of the year; and, operation exigencies, providing that the leave was approved and scheduled in advance. Additional leave, allowances, and differentials may be authorized for employees hired in the U.S. for employment in a foreign area. Check with the NAF HRO for information.

Family and Medical Leave Act

The Family and Medical Leave Act (FMLA) of 1993, Public Law 103-3, was enacted on February 5, 1993. It is intended to allow you to balance your work and family life by allowing 12 weeks of unpaid leave during any 12 month period of time for the birth or adoption or foster care of a child, and for the care of a child, spouse, family member or parent who has a serious health condition. Eligible employees may substitute accrued or accumulated annual or sick leave for personal health reasons for any part of the 12-week FMLA period. Sick leave may be used in an amount not to exceed a total of 104 hours for full-time employees. Part-time employees may use the average number of hours in the employee's scheduled tour of duty week. A serious health
condition requires an absence from work, school, or other regular daily activities of more than 3 calendar days. In addition, a serious health condition must require continuing treatment by, or be under the supervision of a health care provider. To be eligible for FMLA, an employee must have completed at least 12-months of NAF service or civilian service with the Federal Government, and must provide sufficient medical certification. Your servicing NAF CPU can answer any questions you may have regarding your rights under the Law.

Expanded Sick Leave to Care for A Family Member with a Serious Health Condition

An employee may use up to 12-week of sick leave each year to care for a family member with a serious health condition. A full time regular employee who maintains a sick leave balance of 80 hours may use no more than 480 hours of sick leave each year to care for a family member with a serious health condition. A part time employee may not use more than an amount of leave equal to 12 times the number of hours in his or her weekly scheduled tour of duty. His or her account must maintain a balance of two weeks. A medical certificate is required to support leave taken under these expanded rules.

Other Absences

Excused Absence - You may be excused from work without charge to leave for various reasons, such as, voting, taking certain employment examinations, blood donations, mandatory physical examinations, emergency conditions, weather, etc. Your supervisor is responsible for approving administrative leave.

Unauthorized Absence - Absence from duty that is not authorized or approved is charged on the time and attendance record as absent without leave (AWOL). Pay is withheld for the entire period for such absence. If it is later determined that the absence is excusable, the charge made as AWOL may be changed to annual leave, sick leave, or leave without pay, as appropriate. AWOL may also result in disciplinary action.

33. LEAVE TRANSFER PROGRAM
Each installation commander may establish a NAF voluntary leave transfer program for regular employees. This program permits Army NAF employees to donate annual leave to other Army NAF employees for medical emergency situations installation wide. A medical emergency means a medical condition of an employee, or a family member (to include any individual whose close association with the employee is the equivalent of a family relationship). The emergency is likely to require an employee's absence from work for at least two weeks, and will result in a loss of income to the employee because of the unavailability of paid leave. Your servicing NAF human resources representative can tell you the installation point of contact for the program.

34. SAFETY

Your good health and welfare are important to the Army. You are needed on the job and not at home with an injury. Accident prevention is your responsibility. In order to remain injury free, you must comply with all safety rules and regulations. Report any safety violations or hazardous conditions you may observe. If you are injured on the job, you must report your injury immediately to your supervisor or any other management official in absence of your supervisor. It is your supervisor's responsibility to ensure that you receive prompt medical treatment.

35. WORKERS' COMPENSATION

The Nonappropriated Fund Instrumentalities Act of November 18, 1958, extended the provisions of the Longshore and Harbor Workers' Compensation Act to NAF employees. The Law provides compensation benefits for the disability or death of an employee due to personal injury sustained in the course of employment or to an employment related disease. For this reason, it is important that all injuries be reported to your supervisor immediately. Your supervisor will complete the necessary forms once you have reported your accident or illness. Off-duty military personnel are excluded from this coverage but are still required to make the necessary accident and injury reports. If injured on the job employees make seek medical attention from any medical source.

36. GROUP INSURANCE
Only regular employees may participate in the group life, health and dental insurance plans. The cost of this significant part of your benefits package is shared by you and your employing NAFI. Participation in the plan is optional. Off-duty military personnel are not eligible to participate. If you are eligible, and want to join, you must enroll within 31 days of your eligibility date, or wait until there is an "open season" enrollment period. Information on plan options is outlined in separate Army NAF Employee Benefit publications, available at your servicing NAF HRO.

37. RETIREMENT AND 401(k) SAVINGS PLAN

Effective January 2001, retirement participation for all eligible employees is mandatory for the first 6 months of employment. At the 6-month anniversary of employment, employees will have the choice to continue contributions and continue participation or opt out of the retirement program with contribution reimbursement. The 401(k) savings plan is voluntary and offered to all regular employees immediately upon appointment or at any later time. The plans are designed to give you income when you retire based on your length of service, or if you become disabled. The plan benefits, when combined with social security, will provide you or your eligible survivors with a degree of financial security.

Information on these plan benefits, contributions and administration is outlined in the Army NAF Employee Benefits Retirement and Savings Plans available at your servicing NAF HRO. For additional information see the benefits web-site, [http://www.nafbenefits.com/](http://www.nafbenefits.com/)

38. PORTABILITY OF BENEFITS FOR NAF EMPLOYEES ACT OF 1990

In 1987, Congress directed the re-categorization of activities to limit the use of appropriated funds in Morale, Welfare and Recreation programs. In so doing, many positions changed from one employment system to another (Civil Service to NAF or vice versa) impacting employee benefits and entitlements of incumbents of the affected positions. To prevent loss of entitlements, the Portability of Benefits Act was enacted retroactively effective January 1, 1987. The Portability of Benefits Act provides pay, leave, health and life insurance coverage, and for eligible
employees election in retirement coverage. To be eligible for provisions contained within the law, the move between employment systems must have been made without a break in service of more than 3 days. The law applies regardless of whether the move is involuntary or voluntary. Provisions are applied differently depending on how the move is made; therefore, it is important to consult with your APF and NAF personnel representatives when anticipating a move between the two systems so that you know your entitlements under the law.


39. EMPLOYEE GRIEVANCES

It is Department of the Army policy that all employees be treated fairly and equitably in all respects, and that those who feel they have not been so treated have a right to present their grievances to appropriate management officials for prompt consideration. An employee will be free from restraint, coercion, discrimination, or reprisal. A grievance is a request by you or a group of employees for personal relief regarding working conditions or personnel actions that are under the control of your employing installation. It is your obligation to seek assistance from your supervisor in resolving such a complaint. You will find that a discussion between you and your supervisor can solve most concerns before they become a problem. If at some point, however, you have an issue and have tried to resolve the matter through your supervisory chain of command without resolution, you may use the following grievance procedures. You may also contact your NAF HRO for additional guidance regarding this process.

Informal Procedures:

The informal grievance procedure is intended to resolve grievances at the lowest organizational level at which relief can be granted, and in the shortest time possible. However, when management officials and the employee agree that the informal procedure would serve no useful purpose, a formal grievance may be filed.
1. The employee and/or representative will, within 15 calendar days of the occurrence, present the grievance to the employee's immediate supervisor. Grievances over continuing conditions may be submitted at any time.

2. The supervisor or official to whom the grievance is presented will make every effort to resolve the matter promptly and fairly. Every effort at resolution should be made including requesting assistance from the next level of command. A written response will be provided to the employee within 7 calendar days. The response will summarize the issue, the consideration given, and advise the employee of the right to file a formal grievance within 7 calendar days if the employee is not satisfied.

Formal Procedures:

1. A formal written grievance is submitted to the installation commander (or equivalent). At HQDA or MACOM level the grievance is submitted to the next higher official.

2. Upon receipt of the grievance, the deciding official may resolve the grievance on the basis of the record, or designate a disinterested third party to review the facts and make a recommendation to the deciding official.

3. The deciding official may approve and implement the recommendation or make their determination.

Certain matters cannot be grieved and will not be accepted by your servicing personnel office:

1. Grievances covered by a negotiated agreement. Whenever such a procedure is negotiated it applies only to the unit and is the only procedure available to employees in the unit for resolving grievances.

2. Grievances from actions taken under the security program.

3. Separation during probation period provided all procedural requirements pertaining to the separation were met.
4. Separation from a flexible appointment unless the separation was for business based reasons and the employee had been on the rolls for 3 continuous years.

5. Allegations of discrimination because of race, age, color, religion, sex, disability, or national origin can be grieved. These cases should be referred to the Equal Employment Opportunity (EEO) Officer.

6. Personnel actions voluntarily requested by the employee.

7. Granting or not granting a performance award, pay adjustment, or any honorary or other discretionary award.

8. The content of published policy applicable to NAF employees of the Department of Army, unless the complainant questions the interpretation of higher authority policy or those local requirements are different from those of higher authority policy. See your servicing personnel representative for detailed instruction on this process.

9. Wage or salary rates or schedules established by appropriate authority.

10. Termination of a temporary promotion

11. Matters relating to application for appointment.

12. Non-selection from a properly constituted referral list of candidates.


14. Management decisions regarding budget, workload, organization, and mission, which result in business based actions.

15. Allegations of mismanagement when no form of personal relief to the employee is appropriate.

16. Employee performance ratings other than unsatisfactory.
17. Release of information and records from Army files.

18. Reassignments, which assign an employee from one position to another position of the same job category grade and pay in the same NAFI in the same or different geographical location.

19. The content of performance standards.

20. Separation for disqualification.


22. Separation of off-duty military employees upon withdrawal of their commanding officer's permission to work.

23. Letters of reprimand.

24. Matters accepted by the Inspector General or Auditor General for review.

40. SEPARATION

From time to time it is necessary for employees to leave their jobs. This can be voluntary (for personal reasons) or involuntary (at the request of the Army). Examples of voluntary separation might be that you resign because you are leaving the area, or that you accept a non-government job locally. An involuntary separation could occur if the agency was forced, because of budget restrictions, to reduce its number of employees. Also, an employee could be removed for unsatisfactory conduct or poor work performance.

Key Points to Remember:

- Upon separation, all government property, travel vouchers, correspondence, records, etc. must be accounted for, and any indebtedness must be settled before final salary payment is made.

- The Department of Army wants to retain its productive employees, whenever possible. However, no one will be hindered from resigning or from transferring to another job.
Supervisors may neither force an employee to resign nor refuse to accept a resignation, whatever the reason. If, however, the employee resigns after having received official notice of proposed separation for cause, the separation action will include a statement to that effect.

As your part in keeping your voluntary separation fair and equitable, you are expected to advise your supervisor at least two weeks in advance of the date on which you plan to leave. This allows a reasonable time to find a replacement.

If an employee is participating in the Army Indemnity Medical Plan, the employee and eligible family members may elect extension of benefits, the same as coverage in effect as an active employee. Coverage is available up to 18 months for the employee and eligible dependents may continue this coverage for 36 months. The employee must enroll within 30 days after separation. For cost or application of continued insurance, you may request information from the NAF Employee Benefit Office, P.O Box 107 Arlington, Virginia 22210-0107.

An employee who has been participating in the 401(k) Savings Plan must complete a pay-out form identifying the election of the distribution of funds in the plan. This form is mailed directly to the employee from the NAF Employee Benefit Office. There can be a substantial tax penalty to the employee if the information requested is not completed or promptly returned.

An employee participating in the retirement program should contact the NAF HRO for eligibility options. Various options include: eligible for retirement annuity, receipt of a lump sum refund plus interest, or leaving contributions on deposit for a maximum of five years, or if vested, leaving contributions on deposit for a deferred annuity.

Be certain to provide your forwarding address to your NAF HRO in order that you receive important Federal tax documents on time and any other official correspondence from Department of Army.
41. SEPARATION DURING PROBATION

If you are a new employee with a regular appointment, you must serve a one-year probationary period. An employee may be separated with minimal notice anytime during the year for deficient performance, or unacceptable conduct. The employee cannot grieve a separation during probation if all the procedural requirements pertaining to the separation were met.

42. SEPARATION - PERFORMANCE BASED ACTIONS

Performance evaluation is an ongoing process that includes continuing communications between the employee and the supervisor. The supervisor immediately upon occurrence will immediately address performance problems. Counseling employees about specific performance deficiencies when they arise, and offering assistance can often prevent more serious performance problems.

Any time that an employee fails to meet established levels of performance, the supervisor must notify the employee in writing of the specific elements for which performance is unsatisfactory. The employee will also be informed of the level of performance that must be attained and the time that will be allowed to provide a reasonable opportunity to achieve the required level of performance. An employee, whose performance has been determined to be unsatisfactory after having been afforded an opportunity to improve, is entitled to a 30-day advance notice of action to be taken. The notice will also inform the employee the right to grieve the action after the effective date of the action to be taken.

Performance based actions include reduction in pay rate (NF employees only), reduction in grade or pay level, or separation.

43. SEPARATION FOR CAUSE

Army policy requires that any employee be separated whose conduct or performance is such that retention would not be in the best interest of the Army. Separations are taken for reasons as will promote the efficiency of the Service.
Supervisors are responsible for recommending separations for cause.

The following offenses warrant disciplinary action to include separation. This list is not intended to be all inclusive:

1. Insubordination

2. Fighting or creating a disturbance resulting in an adverse effect on morale, production, or proper discipline.

3. Sleeping on duty (where safety of personnel or property is not endangered).

4. Sleeping on duty (where safety of personnel or property is endangered).

5. Drinking intoxicants on duty; or reporting for duty intoxicated to such a degree as to interfere with performance, be a menace to the safety of persons or property; or, be prejudicial to the maintenance of discipline.

6. Absent from duty, which has not been authorized, and which pay must be denied.

7. Debt complaints (neglecting or avoiding payment without sufficient excuse or reason).

8. False statements, misrepresentation, or fraud in completing application for employment or promotion or in other official records submitted to the Department of Army. Apparent oversights and errors, where satisfactorily explained, may be excused where not otherwise disqualifying.

9. Loafing

10. Theft

11. Gambling on duty

12. Notorious misconduct off duty

13. Failure to observe any written regulation or order
prescribed by appropriate authority.

14. Immoral or indecent conduct

15. Transferring, selling, or introducing intoxicants on government property.

16. Off-duty misconduct to such a degree that the employee cannot fulfill job responsibilities.

17. Knowingly making false or malicious statements against other employees, supervisors, or officials with intent to harm or destroy the reputation, authority, or official standing of those concerned.

18. Unauthorized use of an official motor vehicle.
19. Threatening or inflicting bodily harm, or physical resistance to competent authority.

44. BUSINESS BASED ACTIONS (BBA)

Reductions in the work force are sometimes necessary because the activity lacks funds, there is reorganization, or the work is no longer required. BBAs are non-disciplinary, involuntary actions taken by management to adjust personnel resources with a minimum disruption to operations. While some activities are not businesses, they still must be staffed in the most economical manner consistent with maximum efficiency. BBA include, but are not limited to:

- Reduction in pay rate (NF employees only).
- Change in employment category.
- Furlough of a regular employee for eight calendar days or more.
- Separation

Notice Periods

An employee, who is involved in a BBA, will be given advance notice before the action is taken.
Separation - Regular employees will receive a minimum 30-day advance written notice. Covered flexible employees (employees who have been on the rolls of the NAFI for 3 continuous years) receive a minimum 7-calendar day’s advance written notice.

Reduction in pay rate - This action may only be taken on positions within the NF category and requires a minimum 7 calendar day advance written notice for both regular and flexible employees.

Reduction in pay level or grade - A NF employee may be reduced in pay level. An NA, NL, or NS employee may be reduced in grade only in consonance with a change to the position. A minimum advance written notice of 7 calendar days will be provided to all employees.

Reduction in hours of work - Regular part-time employees will be given a minimum 7-calendar day advance notice. Flexible employees will be given a minimum 24 hours advance notice.

Change in employment category - An advance minimum written notice of 30 days will be given when a regular full-time employee is changed to regular part-time or flexible, or when a regular employee is changed to seasonal.

Furlough - Furlough is a non-duty, non-pay status and is appropriate only for regularly scheduled employees. During a furlough period no type of leave may be used. Advance written notice will be provided that is equal to the length of the furlough up to a maximum of 30-days. For furloughs of 30 days or longer, a 30-day advance notice is required.

45. SEVERANCE PAY

Regular employees who have completed at least 12 consecutive months of regular service will receive severance pay when as a result of a BBA:

1. The employee is separated. An employee who resigns following receipt of a specific written notice of separation due to BBA or general written notice that announces all positions will be abolished is considered to have been involuntarily separated.
2. The employee's basic pay is reduced, and the employee resigns instead of accepting the reduction.

3. The employee's employment category is involuntarily changed from regular full-time to regular part-time and the employee resigns instead of accepting the change.

4. The employee's employment category is involuntarily changed from regular to flexible.

5. The employee is furloughed for more than 60 consecutive days and resigns instead of accepting the furlough.

**Computation**

Eligible employees will receive:

1. One week of pay at the rate of basic pay for the position held by the employee at the time of separation for each full year of creditable service through 10 years.

2. Two weeks of pay at the rate of basic pay for the position held by the employee at the time of separation for each full year of creditable service beyond 10 years; and,

3. Twenty-five percent of the otherwise applicable amount for each full 3 months of creditable service beyond the final full year.

4. The amount of severance pay will be paid in a lump sum payment. In no case will severance pay exceed 52 weeks of basic pay.

**Creditable Service Used in Computing Severance Pay**

1. Each year of regular service with an Army NAFI, and service in a pay status as a regular employee in one or more DoD NAFI. Credit will not be given for service used to determine previous severance pay entitlement.

2. Each year of service in a continuing APF position if the employee moved to a NAF position without a break in service of more than three days since January 1,
Exclusions

Severance pay is not paid when the employee:

1. Was separated because of misconduct, unsatisfactory performance, delinquency, disqualification, separation during a probationary period or from a limited tenure position, or any reason other than as result of a BBA.

2. Has refused an offer of a DOD NAFI position that would not result in a rate of basic pay that is lower than the rate of basic pay received immediately before the BBA, or in a loss of employment category. Offers must be in the same commuting area, unless covered by an agreement in which mobility is a condition of employment.

3. Is employed, without a break in service of more than 3 calendar days after separation, in another DOD NAF regular position or a DOD Appropriated Fund (APF) position, without a time limit on the length of the appointment.

4. Is entitled to an immediate annuity that is not reduced because of the employee’s age at the time of retirement. (This exclusion covers an annuity from a NAF retirement plan or from civil service retirement plan in which the employee elected to remain following movement between employment systems under 5 U.S.C.8347 (q) and 8461(n)).

5. Is receiving payments from Department of Labor’s Office of Workers Compensation Programs for a job-related injury.

6. Separation is due to voluntary separation incentive pay (VSIP).

7. An announcement is made by an authorized official that an official notice of BBA separation or general written notice, has been rescinded.
46. UNEMPLOYMENT COMPENSATION

Upon separation you may be entitled to unemployment compensation benefits. This program is the responsibility of the state where you live. For application of unemployment compensation, you must provide the SF 8, (Unemployment Compensation for Federal Employees form) received upon separation from the personnel office, and apply for unemployment compensation at the State Unemployment Office. When you apply, the NAF financial services payroll division will be asked to provide the reason for separation. The reasons given will be considered by the state in determining eligibility for receiving unemployment compensation.

WELCOME TO ARMY NAF

We hope that the information contained in this employee booklet is helpful to you as you begin your career with Army NAF. If you have questions or concerns about your employment with Army, your NAF HRO is there for you and will be glad to assist and answer your questions as they may arise. Once again, welcome to the Army team!