

**NIST ALTERNATIVE PERSONNEL  
MANAGEMENT SYSTEM  
(APMS)**

**OPERATING  
PROCEDURES**

November 2007

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## I. EXECUTIVE SUMMARY

### A. RESPONSIBILITIES

#### 1. LEGISLATION

The Demonstration Project was mandated by Section 10 of the NBS (now NIST; National Institute of Standards and Technology) Authorization Act for FY 1987 (Public Law 99-574):

The Office of Personnel Management and the National Bureau of Standards shall jointly design a Demonstration Project which shall be conducted by the Director of the National Bureau of Standards.

#### 2. DESIGN

The Project was designed by the National Institute of Standards and Technology, with participation of and review by the U.S. Department of Commerce (DoC) and the Office of Personnel Management (OPM).

#### 3. EXECUTION

##### a. Management

The Director of the National Institute of Standards and Technology is conducting the Project through a Personnel Management Board (PMB); appointed by the Director, and the NIST Human Resources Officer.

##### b. Timing

The Project began January 1, 1988, to be conducted over a period of 5 years. It was extended to September 30, 1995 and was extended indefinitely by Section 10 of the National Technical Transfer and Advancement Act of March 7, 1996.

#### 4. DELEGATION OF HUMAN RESOURCES MANAGEMENT AUTHORITY

The NIST Director has delegated a number of human resources management authorities to the Operating Unit (OU) Directors. NIST is committed to positive affirmative action/equal employment opportunity goals. Line managers will be accountable for understanding and implementing policies designed to meet these goals.

## B. CONCEPTS AND OBJECTIVES

### 1. CONCEPTUAL FRAMEWORK

The Project is built upon the concepts of:

- a. Total compensation comparability, rather than pay comparability only;
- b. Market sensitivity, by surveying compensation for private sector positions similar to NIST positions, linking entry salary to market forces by occupation, and selectively granting recruiting and retention allowances;
- c. Performance, by linking performance to pay for all covered positions;
- d. Administrative simplicity, by simplifying paperwork and processing in classification and other personnel systems;
- e. Management flexibility and accountability, through the delegation of classification and other authorities to line managers; and
- f. Government-wide applicability, by designing an alternative system not just for NIST but for use by any agency.

### 2. HUMAN RESOURCES MANAGEMENT OBJECTIVES

The Project system is designed to:

- a. Improve hiring and allow NIST to compete more effectively for high-quality staff, through direct hiring, selective use of higher entry salaries, and selective use of recruiting allowances;
- b. Motivate and retain staff, through higher pay potential, pay-for-performance, more responsive human resources systems, and selective use of retention allowances;
- c. Strengthen the manager's role in human resources management, through delegation of human resources authorities; and
- d. Increase the efficiency of human resources systems, through installation of a simpler and more flexible classification system based on pay banding, through reduction of guidelines, steps, and paperwork in classification, hiring, and other human resources systems, and through automation.

## C. COVERAGE

### 1. PARTICIPATING ORGANIZATIONS

Both sites of the National Institute of Standards and Technology are participating in the Project. The two sites are located at Gaithersburg, Maryland, which is the headquarters of NIST, and at Boulder, Colorado.

### 2. CATEGORIES OF EMPLOYEES

a. All former General Schedule (GS) positions, Performance Management and Recognition System (PMRS) positions, Senior Executive Service (SES) positions, and 5 U.S.C. 3104 (ST) positions are covered by the Project. Wage Grade positions are not covered.

b. The human resources systems for SES positions have not changed. SES classification, staffing, compensation, performance appraisal, awards, and reduction in force will be based on current OPM regulations.

c. The human resources system for 5 U.S.C. 3104 positions changed only to the extent that 3104 positions are in the same performance appraisal, awards, and reduction in force systems as General Schedule positions. Classification, staffing, and compensation, however, did not change.

### 3. CONTINUING EFFECTS OF LAWS AND REGULATIONS

The PMRS and GS categories no longer exist as identified categories under the Project. Both were incorporated in the new career-path/pay-band system. The step increases of the General Schedule and the merit increases of the PMRS system were replaced by the annual performance pay increases described under "Pay Administration". Laws and regulations pertaining to the General Schedule that were not waived for this Project, however, such as those pertaining to overtime pay, continue in force for all covered positions to which they now apply.

### 4. UNION REPRESENTATION

A few employees covered by the Project are represented by labor unions. Firefighters at the Gaithersburg site are represented by the International Association of Firefighters (IAFF), Police Officers at the Gaithersburg site are represented by the International Association of Machinists, AFL-CIO, covered employees in the Visual Arts and Photography Group of the Facilities Service Division at the Gaithersburg site, and covered employees at the Boulder site are represented by the American Federation of Government Employees (AFGE).

## II. HUMAN RESOURCE SYSTEMS

### A. DEFINITIONS

#### *Appraisal*

The process of evaluating employee performance against established performance standards.

#### *Appraisal Period*

The official appraisal period begins October 1 of each year and ends on September 30.

#### *Benchmark Performance Standards*

Defined levels of performance used to evaluate the accomplishment of critical elements.

#### *Career Path*

Categories of occupations grouped by similarities in work, qualification requirements, pay ranges, and career progression.

#### *Change to Lower Pay Band*

Change of a NIST employee to:

(1) a lower pay band in the same career path. The personnel action is processed as *a change to lower grade*.

(2) a pay band in another career path in combination with a reduction in salary. The personnel action is processed as a *change to lower grade*.

#### *Comparability Increase*

An annual adjustment determined by the NIST Director for the purpose of making NIST pay rates comparable with non-Federal pay rates for the same levels of work.

#### *Critical Element*

A component of an employee's job consisting of one or more duties and responsibilities, which contributes toward accomplishing organizational goals and

objectives and which is of such importance that acceptable performance on the element is necessary for acceptable performance in the position.

#### *Critical Shortage Highly Qualified Applicants*

Applicants who meet high academic and training standards for direct hire into entry level positions, including:

- (1) ZP Career Path: Pay Bands I and II applicants having a bachelors degree with at least a 2.9, Grade Point Average (GPA) out of 4.0, or having a masters degree.
- (2) ZT Career Path: Pay Bands I or II applicants with at least a 2.9 GPA out of 4.0, in a two or four year programs in an accredited college, junior college, or technical institute.

#### *Critical Shortage Occupations*

Hard-to-fill occupations for which OPM has authorized a special salary rate which require essential job-specific skills that are in short supply, including:

- (1) ZP Career Path: All Engineer, Computer Scientist, Metallurgist, Mathematical Statistician, Information Technology Specialist, and Industrial Hygienist at pay band I through V. All other ZP series at Pay Band III and above.
- (2) ZT Career Path: Nuclear Reactor Operator at Pay Band III and above.
- (3) ZA Career Path: Accountant and Auditor at Pay Band I and II.
- (4) ZS Career Path: Positions with a requirement for typing, stenography, or office automation at Pay Band I - IV. Police Officers at Pay Band II-V.

#### *Evaluation Feedback Meeting*

A meeting conducted by a Rating Official to discuss an employee's final rating, performance pay increase and performance bonus, as applicable.

#### *NIST-01, Performance Management Record*

A form that documents an employee's performance plan, progress review(s), and appraisal.

#### *Objective*

A brief statement that defines what a critical element is intended to accomplish.



### *Pay Adjustment*

An adjustment in base salary within the same career path and pay band.

### *Pay Band*

A range of pay and a level of classification within each career path. Pay bands replace the grades of the General Schedule (GS). A pay band may be equivalent to one or more GS grades (see Career Paths and Pay Bands chart under *Classification*).

### *Pay Intervals*

A portion of the full pay range of a pay band. The normal range of pay in a band is divided into three intervals, the normal range being defined as the range from the minimum rate of the band to the non-supervisory ceiling, which is the highest pay rate of the highest GS grade in the band, including any special rates for occupations in the band. The maximum rate of Interval I is 4/9 of the normal range of the band, the maximum rate of Interval 2 is 7/9 of the normal range of the band, and the maximum rate of Interval 3 is equivalent to the non-supervisory ceiling of the band. The maximum rate of Interval 4 is 3 percent above the non-supervisory ceiling of the band. The maximum rate of Interval 5 is 3 percent above the maximum rate of Interval 4.

### *Payout*

Term used to describe the decision made regarding performance pay increases.

### *Pay Pool*

The organizational level, either Division or Operating Unit where employees are combined into one or more peer groups for performance decisions including, rating, score, pay increase and bonus.

### *Pay Pool Manager*

The Division Chief (and in some cases, the Operating Unit Director) who is responsible for rendering the final decisions on ratings, scores, performance pay increases and bonuses.

### *Performance Bonus*

A one-time, performance-based cash award.

### *Performance Improvement Plan*

A plan given to an employee whose performance is unsatisfactory in one or more critical elements for the purpose of identifying the deficiencies and how to correct them to attain and sustain performance at the Minimally Meets Expectations level.

### *Performance Management*

The process of setting performance expectations, monitoring progress, measuring results, and appraising and rewarding or correcting employee performance.

### *Performance Pay Increase*

An increase to base pay based on an employee's performance rating, career path and Pay for Performance 'I' Matrix.

### *Performance Plan*

The document developed at the beginning of the appraisal period which defines the critical elements and performance standards against which an employee's performance is appraised.

### *Performance Review Meeting*

An optional meeting between a Rating Official and employee; the purpose of this meeting is only to discuss the employee's accomplishments and give the employee an opportunity to present his or her assessment of the results achieved against the critical elements and standards established in their performance plan.

### *Progress Review*

A formal meeting between a Rating Official and employee to discuss the employee's progress toward meeting performance objectives. Necessary changes are also discussed at this meeting. Performance deficiencies and recommendations for improvement are also discussed at this meeting.

### *Promotion*

Change of NIST employee to:

- (1) a higher pay band in the same career path in combination with at least a 6 percent increase in pay
- (2) a pay band in another career path in combination with at a least 6 percent increase in pay.

### *Rating*

Six performance levels used to define performance: Exceptional Contributor, Superior Contributor, Significant Contributor, Contributor, Marginal Contributor and Unsatisfactory.

### *Rating Official*

The employee's first line supervisor who is responsible for informing the employee of the critical elements of his/her position, establishing performance standards for those elements, appraising performance and determining tentative ratings, and payouts.

### *Reassignment*

Change of an employee from one position to another position, without a change in salary. This definition covers changes in career paths, as long as there is no change in salary.

### *Required Activity/Results*

A task, duty or project which needs to be accomplished in support of a critical element.

### *Reviewing Official*

The person at an organization level above the Pay Pool Manager responsible for reviewing the decisions of the Pay Pool Manager when the Pay Pool Manager was also the Rating Official. The Reviewing Official has the authority to change the decisions of the Pay Pool Manager.

### *Shortage Categories*

- (1) Critical shortage occupations, and
- (2) Critical Shortage Highly Qualified Applicants

### *Supervisor*

An employee who has full supervisory authority over three or more employees. Full supervisory authority includes tasks such as assigning work, evaluating performance, approving leave, providing training and instruction to subordinates, revising work schedules, recommending or taking appointment and promotion actions, combining work with other units, and planning resource needs.

### *Supervisory Differential*

Immediate: An immediate increase in base pay given to supervisors who are classified within the ZP career path and who supervise three or more ZP employees (excluding those on Temporary, Student, or employees on WAE tours of duty). First line ZP supervisors receive 3%; Division Chiefs receives 6%.

Performance: An increase in pay for supervisors into the supervisory pay band through the Performance Appraisal System.

### *Supervisory Pay Interval*

The full extension of a pay band through Interval 5 in Pay Bands I – IV in all career paths and Interval 4 or 5 for ZA or ZP Supervisors in Pay Band V. Division Chiefs at Pay Band V can extend to Interval 5, Non-Division Chief supervisors at Pay Band V are limited to Interval 4.

### *Unsatisfactory*

The unacceptable level of performance where the employee failed to meet the minimum benchmark performance standard on one or more critical elements. An unsatisfactory rating renders an employee ineligible for a comparability increase, performance pay increase or bonus and subjects the employee to one of the following: reassignment, reduction in pay band or removal from the Federal service.

### *Veterans Preference (www.opm.gov)*

CP – 10 points are awarded to final score for a compensable service connected disability of 10% – 29%.

TP – 5 points are awarded to final score.

CPS – 10 points are awarded to final score for a compensable service connected disability of 30% or more.

XP – 10 points are awarded to final score.

## B. POSITION CLASSIFICATION

### 1. INTRODUCTION

#### a. Project Legislation

The authority for the classification system is Section 10(b)(3) of the Act:

Positions shall be classified under a system using pay bands which shall be established by combining or otherwise modifying the classes, grades, or other units which would otherwise be used in classifying the positions involved.

#### b. Coverage

(1) The Project Classification System covers all NIST positions under the Project, except Senior Executive Service (SES) and ST-3104 positions, which continue to be classified under the traditional system.

(2) Wage Grade positions are not covered by the Project.

#### c. Policy, Management, and Classification Authority

(1) The NIST Personnel Management Board (PMB) exercises overall authority, as set out in the Project Plan and in the PMB Charter, for setting policy, managing the system, delegating authority, monitoring and adjusting classification practices, and reviewing and deciding broad classification issues.

(2) The PMB delegated classification authority to Operating Unit (OU) Directors, who may delegate authority within their OU's.

#### d. Accountability

Individuals delegated classification authority are accountable for:

(1) complying with NIST classification policies and guidelines.

(2) classifying positions in accordance with substantial differences in their duties and responsibilities and in the knowledges, skills, and abilities required, as established in the NIST classification standards.

(3) Supervisors are responsible for maintaining up-to-date position descriptions (PD's) and classifications based on current duties and responsibilities.

e. Objectives

The objectives of the classification system are to:

- (1) provide an accurate, efficient, and understandable process for categorizing or classifying positions by career path, occupational series, and pay band.
- (2) provide an orderly grouping of positions in support of Institute organizational planning and in support of human resources management, including recruiting, examining, placement, compensation, promotion, reassignment, training, and reduction-in-force.
- (3) increase management flexibility, authority, and accountability in human resources management.

f. Distinction Between Classification and Pay

- (1) The classification system is not intended to solve pay problems affecting recruiting and retention.
- (2) The classification of a position must be based on NIST classification standards.

2. NIST CAREER PATHS AND PAY BANDS

CAREER PATHS	PAY BANDS														
SCIENTIFIC AND ENGINEERING (Pay Plan: ZP)	I			II			III		IV		V				
SCIENTIFIC AND ENGINEERING TECHNICIAN (Pay Plan: ZT)	I			II			III		IV		V				
ADMINISTRATIVE (Pay Plan: ZA)	I			II			III		IV		V				
SUPPORT (Pay Plan: ZS)	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Corresponding GS Grade	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15

3. AUTOMATED CLASSIFICATION SYSTEM <http://www-i.nist.gov/admin/pers/acs/acs.htm>

a. Automated Menu-driven Classification System

The automated classification system consists of three subsystems:

(1) User System--the program used by supervisors in the operating units to classify positions while creating position descriptions.

(2) Validation System--the program used by the Human Resources Management Division (HRMD) to certify that all parts of a classification action have been completed, that the action is signed by an authorized official, and that the action is ready for entry into the National Finance Center Personnel and Payroll System.

(3) Storage and Reporting System--the program that manages the central storage of position descriptions in the HRMD.

#### b. User System

(1) Supervisors are the authorized users of the system.

(2) Supervisors classify positions as they create position descriptions through the menu-driven User System and get approval for the classifications in accordance with OU delegations of authority. The position description created through the User System contains the classification of the position.

(3) In addition to creating new position descriptions, the User System stores PD's and allows the user to create a new PD based on one in the database; to revise, review, print, copy, or delete PD's; or to review and report on the PD's in the database in their entirety or by one or a combination of career path, series, band, organization, action number, incumbent name, or specialty.

(4) The User System prompts for classification and position description data in the following sequence of screens:

- Principal Objective
- Career Path                      Series                      Pay Band
- Career Path (Descriptor Review Screen)
- Series (Series Definitions Review Screen)
- Pay Band (Standards Review Screen)
- Official Position Title (multiple-title series only)
- Function (ZP Career Path only)
- Specialties
- Position-Specific Key Phrases

- Supervision Exercised  
Employee Name
- Name of Organization
- Motor Vehicle Operation (Y/N)  
Physical Requirements (Y/N)  
Position Sensitivity  
Financial Disclosure (Y/N)

#### 4. MAKING CLASSIFICATION DECISIONS

##### a. Purpose of Classification

- (1) Classification categorizes or *classifies* a position by career path, occupational series, and pay band.
- (2) Classification also provides an orderly grouping of positions in support of Institute organizational planning and in support of human resources management, including recruiting, examining, placement, compensation, promotion, reassignment, training, and reduction-in-force.

##### b. Classification Principles

The NIST classification system was designed in accordance with the following principles:

- (1) Positions must be classified by pay plan, occupation, and pay band for merit treatment and organizational efficiency.
- (2) The classification system must support the mission of the organization.
- (3) Position classification must be carried out in a way that is rational, understandable, and acceptable to managers, employees, and the public.
- (4) The *whole job* or narrative approach to classification is the most rational and productive way of viewing jobs for human resource administration and management.
- (5) The criteria of (1) *duties and responsibilities*, and (2) *knowledge, skills, and abilities* are the most broadly accepted classification criteria.
- (6) Performance is a broadly accepted compensation criterion and must be supported by the classification system.



### c. Supervisory Responsibility

(1) Supervisors are the users of the system. Whether or not they are delegated classification authority, supervisors are responsible for creating up-to-date position descriptions and classifications based on current duties and responsibilities.

(2) Supervisors create position descriptions through the menu-driven User System. A *position* is the work performed by a single employee.

(3) Supervisors classify positions as they create position descriptions through the menu-driven User System and get approval for them in accordance with OU delegations of authority. The position description created through the User System contains the classification of the position.

(4) The supervisor who creates the PD must sign the Position Description Cover Sheet (CD-516) in the block labeled *SUPERVISOR'S CERTIFICATION*. This signature certifies that the PD is *an accurate statement of the major duties and responsibilities of the position and its organizational relationships and that the position is necessary to carry out Government functions*.

(5) The supervisor who has delegated classification authority, often a higher-level manager than the supervisor who created the PD, must sign in the block labeled *CLASSIFICATION CERTIFICATION*. This signature certifies that the position has been classified *consistently with the most applicable published standards*.

### d. Classification Logic

(1) Classification logic begins with the *principal objective*. The purpose of the principal objective statement is to establish the essential and specific nature of the position. It also serves as an anchor to prepare the user for selections from the generic classification criteria. The principal objective, along with the broader nature of the position the user considers in formulating the principal objective, is the foundation for classifying the position by career path, occupation, and pay band.

(2) The classification logic should flow from the principal objective into the definitions and narrative standards for career paths, occupations, and pay bands. The nature of work implied by the principal objective should lead the user to the appropriate occupational series definition. The major responsibility expressed by the principal objective and the paramount qualification requirement inherent in that responsibility should lead the user to the commensurate pay band criteria expressed in the two classification factors of *duties and responsibilities* and *knowledges, skills, and abilities*.

## . Career Path Determination

(1) The principal objective of the position should suggest the appropriate career path. Note that the four career path definitions below are based on the criteria of whether the position is technical or administrative and, within each of these, whether the position is professional or nonprofessional. Thus technical-professional is *Scientific and Engineering (ZP)*; technical-nonprofessional is *Scientific and Engineering Technician (ZT)*; administrative-professional is *Administrative (ZA)*; and administrative-nonprofessional is *Support (ZS)*.

(2) The full definitions of the four career paths are:

(a) *Scientific and Engineering (ZP)*: professional technical positions in the physical, engineering, biological, mathematical, computer, and social sciences; and student positions for training in these disciplines.

(b) *Scientific and Engineering Technician (ZT)*: nonprofessional technical positions that support scientific and engineering activities through the application of various skills and techniques in the electrical, mechanical, physical science, biology, mathematics, and computer fields; and student positions for training in these skills.

(c) *Administrative (ZA)*: professional specialist positions in such administrative and managerial fields as finance, procurement, personnel, librarianship, public information, and program management and analysis; and student positions for training in these fields.

(d) *Support (ZS)*: positions that provide administrative support through the application of typing, clerical, secretarial, assistant, and similar knowledges and skills; positions that provide specialized facilities support, such as guard and firefighter; and student positions for training in these skills.

(3) Career Paths have the following advantages:

(a) Similar treatment for similar occupations

(b) Staffing, classification, pay, and development by career category

(c) Broader and simpler classification standards

(d) Broader and fewer qualification standards

(e) Fewer resources required for development and application

(f) Focus is on lines of work important to the agency

(g) More coherent career planning and development

#### f. Occupational Series Determination

(1) Each occupational series is assigned a numerical code, such as 830 *Mechanical Engineer*. The series are arranged in occupational groups, such as the *800-Engineering and Architecture Group* and the *500-Accounting and Budget Group*. The series code indicates the group to which it belongs. For example, *1310-Physicist* and *1320-Chemist* are both in the *1300-Physical Sciences Group*.

(2) By leaving the series entry blank, the user calls up a help screen that provides definitions for each occupational series. Another clue to proper selection of series is whether good applicants meet the basic qualification requirements for the series selected.

(3) The OPM series definitions were adopted for the NIST system, with some modifications for brevity and clarity and to emphasize the two-factor NIST classification criteria of (1) *duties and responsibilities* and (2) *knowledges, skills, and abilities*.

#### g. Mixed-Series Positions

(1) When two or more series appear appropriate for a position, the user would usually select the series with the highest pay-band classification. Occasionally, however, this is not the best series for the position. Other clues to proper series selection for these *mixed-series* positions are principal objective, qualification requirements, sources of recruitment, and lines of promotion.

(2) The Human Resources Specialist should be consulted on difficult mixed-series issues.

#### h. Interdisciplinary Positions

(1) Some vacant mixed-series positions may be treated as *interdisciplinary*, allowing the vacancy to be advertised in each of two or more appropriate series, with the final classification established in accordance with the qualifications of the individual selected.

(2) This is both a classification and a staffing issue. The Human Resources Specialist should be consulted.

#### i. Pay Band Determination

(1) The experienced user may know the appropriate pay band for a typical position and may enter the designator directly when prompted. When uncertain about the proper pay band for a position, the user may refer to the narrative pay band standards for comparison and selection.

(2) The user determines the appropriate pay band by reviewing the definition or *standard* of each pay band and selecting the band most appropriate for the position, consistent with the *principal objective*. As a check on the selection, the user should *bracket* the appropriate pay band by reviewing the next lower band to make sure it is too low for the position and reviewing the next higher band to make sure it is too high. As a final check, after completing the PD, the user should review all parts of the PD to make sure they are consistent with the selected pay band.

(3) Pay banding has the following advantages:

- (a) Fewer, broader, and simpler classification standards
- (b) More understandable and more precise classification
- (c) Shorter position descriptions; easier to update
- (d) Fewer classification decisions
- (e) Less documentation and paperwork
- (f) Easier to automate; faster
- (g) Does not require trained specialists; facilitates delegation to line managers
- (h) Complements performance pay
- (i) More flexible entry pay
- (j) Facilitates employee mobility
- (k) Better link with career stages

#### j. Career Path and Pay Band Standards

(1) Each pay band of each career path has a *standard* which consists of a narrative description of the pay band in two factors: (a) *Duties and Responsibilities*, and (b) *Knowledges, Skills, and Abilities*.

(2) At each successively higher band, the *Duties and Responsibilities* factor describes a higher level of work performed under a greater freedom from supervision. For example, in the ZP standard, supervision changes as follows:

Band I...*close and detailed technical supervision*

Band II...*periodic technical supervision on all phases of assignments...*

Band III...*general direction and guidance on project objectives, limits, workplans, and conclusions...*

Band IV...*general guidance on policy, resources, and planning*

Band V...*general policy guidance*

(3) Simultaneously, at each successively higher band, the *Knowledges, Skills, and Abilities (KSA)* factor describes a higher level of KSA's that an incumbent must have to successfully perform the level of work described in the *Duties and Responsibilities* factor. Each higher band, therefore, requires a higher level of education, or more extensive experience in the occupation, or a combination of the two.

(4) The two factors of a pay band standard work together to define the band; they cannot be separated.

(5) Pay band standards are *inclusive*: each pay band standard builds on and subsumes the criteria of the lower pay band standards in the same career path.

(6) When a series of elements in a pay band standard are connected by the word *and*, all elements are intended to apply to the model position being described. When the elements are connected by *or*, each element is intended to refer to a different type of position.

(7) The classification standard for a career path consists of the individual pay band standards for that career path.

(8) The classification factor of *Knowledges, Skills, and Abilities* has a different purpose from the *OPM Qualification Standards for General Schedule Positions*, which still apply. The classification factor describes a level of accomplishment in concise terms as a means of distinguishing that level from lower and higher levels, while the qualification standard lists a broader range of qualification requirements and provides a means for examining the backgrounds of applicants to determine whether they have the potential to perform the work successfully.

#### k. The Normal Career Pattern

Each occupational standard describes the normal or typical career pattern found in that career path:

(1) The career pattern described by the Scientific and Engineering Professional Standard: professional researchers who begin their careers as subprofessional student trainees (Band I), move through a developmental stage that builds on professional knowledge gained through undergraduate work (Band II), proceed to independent research work or to full-member status on a research team (Band III), acquire program responsibility (Band IV), and achieve broad peer recognition as an authority in the field (Band V); New PhD graduates enter this career pattern at Band III. This career progression may be combined with, but does not require, an increasing supervisory and managerial responsibility.

(2) The career pattern described by the Scientific and Engineering Technician Standard: scientific and engineering support staff who begin their careers as trainees (Band I), then move through a developmental stage (Band II) that prepares them for full-performance Technician work (Band III). Some technicians move to a senior technician level (Band IV) because of their ability to acquire professional level knowledges and become creative members of research teams. In rare situations, a technician may supervise a group of technicians (Band V).

(3) The career pattern described by the Administrative Standard: administrative specialists who begin their careers as students or basic trainees (Band I), then proceed through a developmental stage (Band II) that eventually prepares them for independent full-performance work in all facets of an area of administration or program management (Band III). Some of the full performance specialists then advance to positions as Institute authorities in key areas of administration or to supervisory positions over other specialists (Band IV). Finally, some become chiefs of major divisions or offices, heads of administration for large technical OU's, or key program leaders under the direction of the NIST Director or Deputy Director (Band V).

(4) The Support Career Path has no single career pattern. Each of the Support standards has its own pattern.

#### l. Selecting an Official Position Title

(1) The official position titles in the User System database are linked to the occupational series. For series that have only one official title, such as the ZP-1310 series with the single title of *Physicist*, the User System automatically selects the title. For series that have more than one official position title, the user is prompted to make a selection from a title menu.

(2) Position title definitions appear with the titles. As the user moves the highlighter bar from title to title, the definition of the title changes to correspond to the highlighted title.

(3) In the Technician and Support Career Paths, only those position titles appropriate to the occupational series and pay band appear.

(4) *Supervisory* titles: The prefix *Supervisory* automatically appears as part of the official title where appropriate, when the user indicates, at the supervisory prompt, that the position has full supervisory responsibilities over three or more positions, 25 percent or more of the time.

(5) *Research* title: The *Research* prefix is an option on many of the title screens in the ZP Career Path. This prefix is sometimes appropriate for position titles in scientific and engineering occupations to distinguish research positions from nonresearch positions. Other scientific and engineering occupations, such as *403-Microbiologist* and *1310-Physicist*, are considered exclusively research in nature and therefore do not require the *Research* prefix.

(6) *Assistant* title: Two occupations in the Administrative Career Path have *Assistant* options: (a) The 341 series has the optional titles of *Administrative Officer* and *Administrative Assistant*, and (b) The 1654 series has the optional titles of *Printing Specialist* and *Printing Assistant*. The *Assistant* title is for trainee and developmental positions. *Assistant* should always be used for Band I; the regular title should always be used for Band III and above. For positions in Band II, the title should be selected according to the nature of the position.

(7) *Officer* title: An *Officer* title is a menu option in some Administrative Career Path occupations, along with one or more *specialist* titles. The *Officer* title may be used only for the top managerial position in the occupation at the Institute. *341-Administrative Officer* is an exception: *Administrative Officer* is the title for all positions in the series above the trainee and developmental levels.

#### m. Selecting an Organizational Position Title

An organizational position title, or *Working* Title, may be added by the user as a second position title for organizational and administrative convenience or as a more meaningful title for the public. This title is not reflected on the official position description. Examples of organizational position titles are: Group Leader, Division Chief, etc.

#### n. Functional Code Determination

(1) The user must select a single Functional Code for each position established in the ZP Career Path with the exception of positions in the Information Technology Specialist (ZP-2210) series and ZP Student Positions. The function selected

should be the one in which the employee is *primarily engaged* – the one which occupies the largest proportion of the employee's time or which best reflects a combination of functions in terms of the paramount requirements of the job. The choices are:

- 11 Research
- 12 Research Contract and Grant Administration
- 13 Development
- 14 Test and Evaluation
- 21 Design
- 22 Construction
- 24 Installation, Operations, and Maintenance
- 31 Data Collection, Processing, and Analysis
- 32 Scientific and Technical Information
- 41 Standards and Specifications
- 91 Planning
- 92 Management
- 94 Technical Assistance and Consulting
- 99 Other - Not Elsewhere Classifiable

(2) The user may view descriptions of any of these functions before making a selection.

#### o. Specialty Descriptor Determination

(1) Each occupational series may be further divided into specialties. Although the specialties are generally written at the full-performance level, they may be used for positions above or below the full-performance level.

(2) The User System lists the most common specialties associated with the occupational series selected by the user. The user may select up to three specialties for a position.

(3) The user may select specialties in three ways:

(a) from the list that appears with the occupation;

(b) from the general specialty database, by entering a key word or part of a word that the system uses to search through specialty titles in the database;  
and

(c) from a family of series, which allows the user to look at all the specialties within a broad occupational category of a career path; for example, in the Scientific and Engineering Career Path (ZP) the system lists the following suboptions:



0100 Social Sciences  
0334 Computer Specialist  
0400 Biology  
0800 Engineering/Architecture  
1100 Business/Industry  
1300 Physical Science  
1500 Mathematics/Statistics  
1550 Computer Science  
2210 Information Technology

Typing 800 would then list the codes and titles of all the specialties in Engineering and Architecture.

(4) Users may prepare and recommend new specialties through their OU's to the Human Resources Management Division as needed. A specialty descriptor should be written in two sentences, the first sentence to reflect the *Duties and Responsibilities* factor and the second sentence to reflect the *Knowledges, Skills, and Abilities* factor.

p. Entering Position-specific Key Phrases

(1) The user has five lines to enter specific information about the position not already addressed by the principal objective or the specialty descriptors.

(2) The recommended approach is to express these phrases in terms of one or both of the two classification factors: (1) the *duties and responsibilities* of the position, and (2) the *knowledges, skills, or abilities* required of the incumbent.

(3) The phrases entered should be in accordance with the classification of the position and fit the classification logic described above. After entering the position specific key phrases, the user should compare them with the principal objective, occupational descriptor, and pay band descriptors entered earlier as a final check for proper classification.

q. Designating Supervisory Responsibility

(1) The User System asks the user *how many employees does the incumbent of this position supervise? (None, 1, or 2, 3 or more.)*.

(2) If the user selects 3 or more, the User System asks the user *will employee spend at least 25% of time carrying out four or more of the following supervisory functions? (Y/N)*

- plan and assign work of unit, set priorities, and adjust schedules
- evaluates performance & develop performance standards of subordinates
- advise, counsel, or instruct subordinates

- interview, recommend for promotion, appointment, or reassignment
- hear, resolve, or refer to higher authority complaints & grievances
- effect minor disciplinary actions or recommend more serious actions
- identify, provide or arrange for staff's training & developmental needs

(3) Selecting 1 or 2

prints *Performs full range of supervision over one or two employees in performance appraisal, leave administration, and EEO* under Incumbent's Supervisory Responsibilities of the PD.

(4) Selecting 3 or more and less than 25% of the time:

- a. prints *Employee performs full range of supervision over three or more employees in performance appraisal, leave administration, and EEO less than 25% of the time* under Incumbent's Supervisory Responsibilities of the PD; and
- b. alerts the HRMD to determine whether the incumbent should be placed in a supervisory pay band.

(5) Selecting 3 or more and 25% or more of the time:

- a. prints *Supervisory* as the first word of the official position title, unless the basic title is already supervisory in nature, such as an Officer title;
- b. prints *Employee performs full range of supervision over three or more employees at least 25% of the time* under Incumbent's Supervisory Responsibilities of the PD; and
- c. alerts the HRMD to determine whether the incumbent should be placed in a supervisory pay band.

(6) *Full Supervisory Authority* includes assigning work to subordinates and formally evaluating the performance of the work; planning and revising work schedules; training and instructing subordinates; interviewing applicants; recommending appointments, promotions, reassignments, training, and awards; coordinating work with representatives of other units; planning resource needs; and reporting to higher level supervisors and managers on workload and accomplishments.

(7) This definition is intended to generally continue past practice in the degree of supervision required for assigning the *Supervisory* title.

## 5. PROCESSING CLASSIFICATION ACTIONS

### a. Action Package

The supervisor must send the following items with a classification action:

- (1) Form SF-52 (Request for Personnel Action), completed and signed;
- (2) Form CD-516 (PD Cover Sheet), completed and signed; and
- (3) The Position Description (PD).

### b. Routing

After the official with classification authority has signed as classifier, the unit should route the action package to the servicing Human Resource Specialist in accordance with OU procedures.

### c. Human Resources Management Division (HRMD)

The HRMD checks the package for completeness, assigns an effective date, enters the action into the NFC automated personnel/payroll system, and enters the PD into the Storage and Reporting System.

### d. Reorganizations and Realignment

To accommodate reorganizations and realignments, the HRMD will make global changes to Division and Group numbers and names in the official PDs in the NIST database by downloading new division and group information from the NFC database into the PDs to match current NFC data.

## 6. CLASSIFICATION APPEALS

### a. Eligibility

An employee may appeal the career path, occupational series, or pay band of his or her position at any time.

### b. Action Level

- (1) The first level for a formal classification appeal is the official having classification authority for the position. The second level is the OU Director.
- (2) If an APMS employee is dissatisfied with the decision of the OU Director, a further appeal can be made to the PMB Chair. The decision of the PMB Chair is final.

c. Evaluation

The evaluation of a classification appeal is based on the NIST Alternative Personnel Management System classification standards.

7. REVISING THE NIST CLASSIFICATION STANDARDS

a. Authority

The Personnel Management Board (PMB) has authority for major revisions to the NIST Position Classification Standards.

b. New Occupational Series

(1) Only those Office of Personnel Management (OPM) occupational series being used at NIST are in the database. Other OPM series are still available, however, if needed.

(2) When a user cannot find an appropriate occupational series in the database for an unusual position, the user should contact the unit's Human Resources Specialist for assistance. The Human Resources Specialist will discuss the position with the user and examine other OPM occupational series for a possible fit.

(3) When the user and the Human Resources Specialist settle on an occupational series not in the database, but one that exists at OPM, the HRMD will write a description for the series and enter it in the database.

c. New Position Titles

(1) The automated system uses a more concise and straightforward approach to official position titles than the former system.

(2) When a user believes there is no appropriate position title provided by the database for the selected occupational series, the user should consider whether an available position title, supplemented by an organizational or working title constructed by the user, suffices. If the two titles together are still not adequate, the user should contact the unit's Human Resource Specialist for assistance.

d. New Specialty Descriptors

(1) The user may select up to three specialties for a position description.

- (2) The automated system first offers the user a list of specialties most commonly found within the occupation selected by the user. The user may also select from other specialties in the database.
- (2) A user who wants to add a specialty descriptor to a position description, but cannot find an appropriate specialty in the database, should contact the unit's Human Resource Specialist for assistance. The Human Resources Specialist will help the user write a specialty descriptor for the position.
- (4) The HRMD approves new specialty descriptors and adds them to the database.

## C. STAFFING

### 1. INTRODUCTION

#### a. Project Legislation

The Project legislative authorities for the staffing provisions are Sections 10(b)(7), (9), and (10):

(1) Section 10(b)(10) provides that "The methods for establishing qualification requirements for, recruitment for, and appointment to positions shall, at the discretion of the Director, include methods involving direct examination and hiring."

(2) Section 10(b)(7) provides that "recruitment and retention allowances, shall be awarded in appropriate circumstances (but shall not be considered a part of base pay)."

(3) Section 10(b)(9) provides that "Payment of travel expenses shall be provided for personnel to their first post of duty in the same manner as is authorized for members of the Senior Executive Service under section 5723 of title 5, United States Code, at the discretion of the Director."

#### b. Coverage

The staffing provisions apply to all positions covered by the Project, except SES and 5 U.S.C. 3104 (ST) positions, which are covered by OPM and Department of Commerce staffing procedures.

#### c. Objectives

(1) To attract high-quality applicants.

(2) To make the hiring process shorter and more efficient.

(3) To retain good performers.

#### d. Overview

(1) New examining and hiring procedures coupled with simplified classification procedures shorten the hiring process. Other features, such as payment of recruiting allowances, help attract applicants in essential occupations. Retention allowances are used to retain highly skilled and productive employees.

(2) NIST uses several staffing options including Direct Hire (critical shortage occupations and critical shortage highly-qualified applicants), Delegated Examining, Agency-Based Staffing, Merit Assignment, Reinstatement, Reassignment and other appointing authorities. Managers, working with Human Resources Management Division (HRMD) staff, determine the appropriate hiring strategy in each case.

(3) All vacancies are treated on a case-by-case basis and managers have the option of choosing one or a combination of the applicable staffing options.

(4) Examination and hiring procedures are administered by NIST.

## 2. DIRECT EXAMINATION AND HIRING: CRITICAL SHORTAGE OCCUPATIONS

### a. General Coverage

Status and non-status applicants may be hired under this authority.

### b. Critical Shortage Occupational Coverage

The following direct hire critical shortage occupations are defined as hard-to-fill occupational series which have special pay rates or require critical job-specific skills that are in short supply. The following categories are currently covered; other categories may be included depending upon the annual listing of special rate of pay.

#### ZP Career Path:

- All Engineer, Computer Scientist, Metallurgist, Mathematical Statistician, and Information Technology Specialist at Pay Band I through Pay Band V. All other ZP series at Pay Band III and above.

(2) ZT Career Path: Nuclear Reactor Operator at Pay Band III and above.

(3) ZA Career Path: Accountant and Auditor at Pay Band I and II.

(4) ZS Career Path: Positions with a requirement for typing, stenography, data transcribing, or office automation; at Pay Band I through Pay Band IV. Police Officer positions at Pay Band II - V.

### c. Recruitment Procedures

(1) Applications are received in response to open continuous announcements advertised through OPM's USA Jobs Website. Applications received are maintained in the NIST Applicant Supply File (ASF).

(2) For employment consideration, applicants must submit a complete application along with all required supplemental information.

d. Examination of Applicants

(1) Authorized staff of the Human Resources Management Division are trained as examiners.

(2) OPM , Operating Manual, *Qualifications Standards for General Schedule Positions*, is used to determine an applicant's minimum qualifications, except that NIST is exempt from written test requirements.

(3) Applicants are examined only for the occupation and level of the position being filled.

(4) Selective placement factors are used when warranted. All applicants must be accorded the opportunity to address selective placement factors, if used.

e. Rating, Ranking, and Referral of Applicants in the Applicant Supply File (ASF)

(1) When there are not more than three qualified applicants and none is a veteran preference eligible or an ICTAP eligible, or an applicant who lost consideration due to erroneous certification, no rating or ranking occurs and all qualified applicants are referred for consideration. If a name request is the only qualified applicant, no referral list is prepared.

(2) When there are more than three qualified applicants or when at least one applicant is a veteran preference eligible, or an ICTAP eligible, or an applicant who lost consideration due to erroneous certification, further rating and ranking is required. A crediting plan is used and applicants are rated according to the plan. Qualified applicants are awarded 70 points for meeting the basic qualification requirements. An additional 30 points may be awarded through the application of the crediting plan, i.e., the rating and ranking process. In addition, applicants eligible for veterans preference will receive an additional 5 or 10 points, as appropriate. After the scores are totaled, the names of the top three applicants will be referred to the selecting official on a Certificate of Eligibles, as follows:

(a) For all positions except scientific and engineering positions at or above the pay band III, the names of ICTAP eligibles are listed first. Second are eligibles who lost consideration due to erroneous certification. Third are veteran preference eligibles with a service-connected disability of 10% or more (CP and CPS applicants) regardless of their score. Thus, a lower scoring veteran preference eligible with a disability of 10% or more is referred ahead of a higher scoring veteran preference eligible with no disability or a disability lower than 10% (TP and XP applicant). Fourth are all remaining eligibles; the names are



listed in score order, with preference veteran eligibles listed ahead of non-preference eligibles who have the same score.

(b) For scientific and engineering positions at or above pay band III, the names of ICTAP eligibles are listed first, then the names of applicants who lost consideration due to erroneous certification and then the names of all other applicants in score order, with preference eligibles listed ahead of non-preference eligibles who have the same score.

(c) If a tie score occurs among candidates ranked third, all individuals with that score are referred. OPM suggested tie-breaking methods are used to break ties.

f. Objecting to an Eligible/Passing Over a Veteran Preference Eligible.

The NIST Human Resources Officer may approve a selecting official's written request to object to an eligible based on proper and adequate reasons; i.e., suitability and/or qualifications.

The NIST Human Resources Officer may approve a selecting official's written request to pass over a TP, XP, or CP veteran preference eligible other than for medical reasons. The request must be supported by adequate justification that the veteran's qualifications or personal characteristics are objectionable, or that hiring the veteran would present a security risk. Veterans will receive notification that a pass over is being considered and provided an opportunity to provide any relevant information for the HR Officer's consideration in deciding upon the pass over. Pass over requests for CPS veteran preference eligibles are referred to OPM for adjudication along with any request to pass over a veteran preference eligible for medical reasons.

g. Notification of Applicants.

Applicants receive automatic notification of the receipt of their application.

h. Reconsideration

Applicants may request, in writing to the Human Resources Officer, reconsideration of the qualifications, rating, and ranking determinations made by the Human Resources Management Division staff (the Human Resources Officer is not involved in initial qualifications, rating, and ranking determinations). A request must explain why the original determination was improper and what factors were not considered, and should provide any other pertinent information which would enable the Human Resources Officer to reevaluate the decision. Applicants determined to have "lost consideration" receive priority referral for the next vacancy in the same career path, series, and pay band for which qualified.

They have priority consideration over all other applicants, including preference eligibles and RPL, CTAP, and ICTAP eligibles.

i. Retention of Records

ASF applications are retained for 90 days. Case files are retained for two years after completion of the selection process.

3. DIRECT EXAMINATION AND HIRING:  
CRITICAL SHORTAGE HIGHLY QUALIFIED APPLICANTS

a. General Coverage

Status and non-status applicants may be hired under this authority.

b. Applicant Coverage

(1) Applicants who meet high academic standards are critical shortage highly qualified applicants. They are eligible for direct hire into the Scientific and Engineering (ZP) and Scientific and Engineering Technician (ZT) career paths as follows:

ZP Career Path: Pay Bands I and II applicants having a bachelor's degree with at least a 2.9 GPA out of 4.0 or a Master's Degree.

ZT Career Path: Pay Bands I and II applicants with at least a 2.9 GPA out of 4.0 in a two or four year program in an accredited college, junior college, or technical institution and candidates for positions at Pay Band II who have at least a 2.9 GPA in 4 years of college study.

c. Recruitment Procedures - Refer to Section 2.c.

d. Examination of Applicants - Refer to Section 2.d.

e. Rating, Ranking, and Referral of Applicants in ASF- Refer to Section 2.e

f. Objecting to an Eligible/Passing Over a Veteran Preference Eligible--Refer to Section 2.f.

g. Notification of Applicants – Refer to Section 2.g.

h. Reconsideration – Refer to Section 2.h.

i. Retention of Records – Refer to Section 2.i.

#### 4. AGENCY-BASED STAFFING

##### a. General Coverage

Status and non-status applicants may be hired under this authority.

##### b. Position Coverage

All positions in all occupations and pay bands are covered by agency-based procedures.

##### c. Recruitment Procedures

(1) Each position filled under agency-based procedures is advertised a minimum of five days. The minimum area of consideration is “All Qualified Applicants.”

(2) For employment consideration, applicants must submit a complete application and any required supplemental information.

##### d. Examination of Applicants

(1) Authorized staff of the Human Resources Management Division are trained as examiners to review applications.

(2) OPM Operating Manual, *Qualifications Standards for General Schedule Positions*, is used to determine an applicant's basic qualifications, except that NIST is exempt from written test requirements.

(3) Applicants are examined only for the occupation and level of position being filled.

(4) Selective placement factors are used where warranted.

##### e. Rating and Ranking and Referral of Applicants

NIST uses the Department of Commerce's automated vacancy announcement and application system. This is a web-based system that provides for the on-line announcement of vacancy announcements, on-line application for vacant positions, automatic ranking of applicants against the criteria established and advertised in the vacancy announcement, and the on-line issuance of the certificate of eligibles to the selecting official.

OPM Delegated Examining rating and ranking requirements are built into the DOC automatic vacancy announcement and application system. (See 2e – Rating, Ranking and Referral of Applicants in the Applicant Supply File (ASF)).

f. Objecting to an Eligible/Passing Over a Veteran Preference Eligible – See Section 2.f.

g. Notification of Applicants

Applicants receive automatic notification of the receipt of their application from the system when they apply for the job.

h. Tracking of the Status of the Staffing Action

Applicants can track the status of their application by going to the NIST home page and clicking on “Employment Information”, then clicking on “Current NIST job openings”. At this web site applicants can check the status of Current and closed NIST job vacancies.

i. Reconsideration – See Section 2.h.

j. Retention of Records – See Section 2.i.

## 5. MERIT ASSIGNMENT PROGRAM

a. General Coverage

The Merit Assignment Program covers status applicants only. The NIST Merit Assignment Program is found in the NIST Administrative Manual, and on the Human Resources Web Site at <http://www-i.nist.gov/admin/pers/hrhomepg.htm>

## 6. PAID ADVERTISING

a. Methods

NIST uses paid advertisements in journals, professional magazines, e-commerce and newspapers to expand recruiting sources and attract the best applicants.

b. Authority

Selecting officials have authority for paid advertising, including authority to use paid advertising in the initial stages of recruitment. The Human Resources Management Division reviews the content of the advertisement for regulatory compliance.

## 7. ONE TO THREE-YEAR PROBATION PERIOD

The probation period for the ZP career path is a minimum of one year but can be extended up to a maximum of three years.

a. Coverage

All Scientific and Engineering Career Path hires after January 1, 1988, are covered.

b. Exclusions

(1) If a ZP selectee is already in the Federal Service, has status, and has completed a probation period and was selected under the Merit Assignment Program procedures, no new probation period is required.

(2) If a ZP selectee is already in the Federal Service and has status but is appointed under direct hire or agency based procedures, a new probationary period must be served. Credit may be granted toward the completion of this new probationary period if the prior service:

- (a) Was in the same agency, e.g., Department of Commerce
- (b) Was in the same line of work based on the actual duties and responsibilities; and
- (c) Contains or was followed by a single break in service of less than thirty calendar days.

c. Options

Each year that the employee is on probation (up to three years), the supervisor is asked to decide whether to:

- (1) end probation (change the employee from probationary to nonprobationary status);
- (2) continue the employee on probation; or
- (3) terminate the appointment.

8. QUALIFICATION REQUIREMENTS

a. The qualifications required for placement within a pay band and within a career path are based on present qualification requirements in *OPM Operating Manual, Qualification Standards for General Schedule Positions* except that testing requirements are not used.

b. The minimum qualification requirements for a position are the OPM Qualifications Standards for the occupational series and for the lowest General Schedule grade incorporated in the pay band.

c. NIST may update these standards to reflect current practices in the scientific, engineering, and computer science fields and recent curricula in recognized degree

programs. When new occupation series are defined, new minimum qualification standards are written following the pattern of *OPM Qualification Standards*

## 9. RECRUITMENT ALLOWANCES AND BONUSES

### a. General

(1) Recruitment Allowances and Bonuses are used to provide incentives for individuals in professional or hard-to fill positions to enter in the Federal service.

(2) Decisions on allowances and bonuses are based on market factors such as salary comparability and salary offer issues; relocation and dislocation issues; programmatic urgency; emerging technologies; turnover rates; special qualifications; and shortage categories or scarcity positions unique to NIST as defined by the PMB.

(3) A Recruitment Allowance authorized under the NIST Alternative Personnel System may be a lump sum payment or paid in increments over a period of time determined by the OU Director, not to exceed 36 months and not to exceed \$10,000. It is not considered part of an employee's rate of base pay for any purposes.

(4) A Recruitment Bonus authorized by Title 5 U.S.C. 5753 shall be calculated as a percentage of the employee's annual rate of basic pay (not to exceed 25 percent) and paid as a lump sum. It is not considered part of an employee's rate of basic pay for any purpose.

### b. Coverage

All scientific, engineering and other hard-to-fill positions are covered.

### c. Service Agreement

Before a recruitment bonus may be paid, the employee must sign a written service agreement to complete a specified period of employment. The minimum period shall be six (6) months.

### d. Authority

Based on the determination factors above, Recruitment Allowances and Bonuses are approved by the appropriate OU Director.

## 10. RETENTION ALLOWANCES

### a. General

(1) Retention allowances may be paid to a current employee or group of employees if the unusually high or unique qualification of the employee or group, or a special need of the agency for the employee's services makes it essential to retain the employee or group of employees.

(2) A Retention Allowance authorized under the NIST Alternative Personnel System must be paid in increments over a period of time determined by the Chair, PMB, not to exceed 36 months and not to exceed \$10,000. It is not considered basic pay for any purpose.

(b) A Retention Allowance authorized by Title 5 U.S.C. 5754 allows payment of a retention allowance of up to 25 percent of basic pay to a current employee or up to 10% for a group of employees. It is paid in the same manner and at the same time as basic pay, however, it is not considered basic pay for any purpose.

### b. Service Agreement for Retention Allowances/Bonus

(1) Receipt of a Retention Allowance/Bonus authorized under the NIST APMS represents a commitment by the employee to remain at NIST for a specified time period of from 6 to 36 months, to be determined between the individual and the hiring official.

(a) The service agreement outlines amount of allowance, time requirements of agreement, payment schedule, and repayment requirements if the individual separates from NIST before the end of the agreed period, other than having been involuntarily separated from NIST before the agreement expires.

(b) The Chair, PMB, must approve all waivers of repayment when a service agreement has not been fulfilled. The general policy is that repayment must be made.

(c) Actions to collect repayment may be terminated under appropriate circumstances and in accordance with generally applicable standards for termination upon approval of the Chair, PMB.

(2) A Service Agreement is not required under Title 5 USC 5754.

### C. Authority

(1) The head of the agency approves this payment of a retention allowance under Title 5. The approving official must certify annually that the conditions for the original determination still exists.

(2) The Chair, PMB (NIST Deputy Director) approves allowances under this NIST APMS authority.

## 11. TRAVEL EXPENSES

### a. General

At the discretion of the OU Director, travel and transportation expenses, advancement of funds, per diem expenses incident to travel, and/or relocation expenses may be provided to new hires in the same manner as is authorized in sections 5723, 5724, 5724a, 5724b, and 5724c of Title 5, U.S. Code.

### b. Service Agreement for Travel Expenses

(1) Recipients must sign service agreements indicating commitment of at least 12 months continued service.

(2) Service agreements must contain a repayment obligation in the event the recipient separates from NIST before the agreement expires.

(3) Actions by NIST to collect repayment may be terminated by the OU Director under appropriate circumstances and in accordance with generally applicable standards for termination.



## D. REDUCTION IN FORCE

### 1. INTRODUCTION

NIST follows all reduction-in-force (RIF) regulations contained in 5 CFR-351, except as provided in Project Federal Register Notices and in this document.

#### a. Career Paths and Pay Bands:

(1) OPM reduction-in-force regulations on assignment rights (5 CFR 351.701) are applied to this project by substituting “one band” for “three grades” and “two bands” for “five grades.”

(2) In the APMS, an employee may bump into a position held by another employee in a lower retention subgroup, provided the position is in the same career path and pay band or one pay band lower. An employee may retreat into a position held by an employee with a lower RIF service computation date in the same subgroup, provided the position is in the same career path and pay band or one pay band lower. An employee with a compensable service connected disability of 30% or more may retreat to a position held by a lower standing employee in the same subgroup, provided the position is in the same career path and pay band or two pay bands lower.

(3) OPM severance pay regulations (5 CFR 550.703) are applied to this project by substituting “one band” for “two grades” and for “two grade or pay levels.”

#### b. Competitive Areas

(1) Within a geographic location and local commuting area, each of the four career paths will be a separate competitive area.

(2) Bumps and retreats will occur only within the competitive area and only to positions for which the employee is qualified.

#### c. Competitive Levels

The definition and function of "competitive level" was not changed by the APMS and continues to be applied as described in 5 CFR Part 351.

#### d. Link Between Performance and Retention

An APMS employee with an overall performance rating of Exceptional Contributor, Superior Contributor, Significant Contributor, or Contributor is credited with additional years of service for retention purposes. The number of additional years is dependent on an employee's rating level: Exceptional Contributor receives ten (10) additional years; Superior Contributor receives eight

(8) additional years; Significant Contributor receives three (3) additional years; and Contributor receives one (1) additional year. This credit is applied for each of the last three annual performance scores of record received under this system during the four-year period prior to the date of issuance of the reduction-in-force notice, accumulating for a potential total credit of 30 years for an employee. No RIF credit converts to the NIST performance system from any other performance appraisal system.

## 2. RIF ASSIGNMENT PANEL AND SUBPANELS: MEMBERSHIP

The NIST Director or Deputy Director appoints the permanent members of the RIF Assignment Panel. They shall be the Deputy Directors from each of the NIST Organizational Units (OUs) plus two additional members, one representing the Office of the Director and the other the Office of the Chief Information Officer. A senior personnel specialist serves as Technical Advisor and Executive Secretary to the Panel. A Subpanel consists of two general subject matter specialists appointed by the Chair, RIF Assignment Panel. A Human Resources Generalist serves as Technical Advisor and Executive Secretary to a Subpanel.

## 3. PROCEDURES

a. Managers have the responsibility to decide which programs and positions will be abolished. When that determination is made, the manager must: (1) inform the Human Resources Generalist and RIF Specialist; (2) pursue lateral placement opportunities (reassignment) within NIST for the affected employee; (3) in the absence of lateral placement opportunities within NIST, obtain written approval from the Operating Unit Director; (4) notify the affected employee of the proposed RIF and request an updated resume or Application for Federal Employment (OF-612); and (5) submit an SF-52 (Request for Personnel Action) and justification for the RIF to the NIST Human Resources Officer (in Boulder, MASC Human Resources Officer.)

b. The Human Resources Generalist in Gaithersburg or Boulder determines whether the employee is released from his/her competitive level, and conducts a survey of positions at NIST for which the employee meets the minimum OPM X-118 qualifications. The survey is based on the employee's retention standing and the Human Resources Management Division's analysis of the employee's qualifications.

c. The Human Resources Generalist convenes appropriate subpanels as needed. The number of subpanels to be convened is determined by the number of different occupational series for which the RIFed employee qualifies. Also, additional Subpanels may be convened if the number of positions to be reviewed in a specific series is more than can be adequately handled by one Subpanel. The subpanels review the affected employees' qualifications and the qualifications required for the positions under consideration. Positions for which the Subpanels determine employees are not qualified are eliminated from further consideration. Other positions are referred to the RIF Assignment Panel.

d. The Chair convenes the RIF Assignment Panel. The Panel (1) reviews the positions referred; and (2) determines which positions, if any, require further information to determine whether the RIFed employee can perform the duties of the position without undue disruption. The Panel notifies the organization in which the incumbent of the affected position is located. As appropriate, the Panel requests information and documentation which will assist the Panel in making its recommendations. Also as appropriate, the Human Resources Officer and the Panel meet to discuss the recommendations.

e. The Panel is responsible for making final recommendations to the NIST Human Resources Officer of the best offer, if any. The Human Resources Officer makes the final decision on the action.

## E. PAY ADMINISTRATION

### 1. INTRODUCTION

#### a. Project Legislation

The Project legislative authorities for the pay administration system are Sections 10(b)(1), (2), (5), and (6), and 10(c)(4) and (6).

(1) Section 10(b)(1) requires that the basic pay for a position be within the minimum and maximum rates of the pay band in which the position is placed.

(2) Section 10(b)(2) requires that the minimum and maximum rates of each pay band be adjusted by the amount of the Director's comparability decision.

(3) Section 10(b)(5)(A) requires that the basic pay of each "participating" employee be reviewed and adjusted annually on the basis of performance.

(4) Section 10(b)(5)(B) requires that all employees rated at least "fully successful" [Contributor] receive at least the annual comparability increase.

(5) Section (10)(b)(6) requires that "Appropriate supervisory and managerial pay differentials (which shall be considered a part of basic pay) shall be provided."

(6) Section 10(c)(4)(A)(i) places a ceiling on an employee's basic pay of level IV of the Executive Schedule.

(7) Section 10(c)(4)(A)(ii) places a ceiling on the fiscal year aggregate of an employee's basic pay, bonuses, and allowances of Level I of the Executive Schedule.

(8) Sections 10(c)(4)(B)(i) and (ii) require that any amount not paid in a fiscal year because of the aggregate ceiling be paid in a lump sum at the beginning of the following fiscal year, and that this amount count toward the aggregate of that fiscal year.

(9) Sections 10(c)(6)(A) and (B) allow an employee's position to be placed in the next lower pay band when the annual comparability increase raises the minimum rate of the employee's current pay band above the employee's basic pay, and provide that this action is not "a reduction in grade or pay for purposes of subchapter II of chapter 75 of title 5, United States Code, or a comparable provision under the Project." Additionally, Title 5, Code of Federal Regulations (CFR) Chapter 530, 531, 536, 550, and, 551 as appropriate and Department of Commerce (DoC) Administrative Orders 202-550, 551,536, and 550 as appropriate also covers pay issues.

b. Coverage

The Project pay administration system applies to all positions covered by the Project, except:

- (1) Senior Executive Service (SES) positions, and
- (2) 5 U.S.C. 3104 (ST) positions.

c. Objective

The objective is to establish a pay system that will improve the ability of NIST to attract and retain quality employees.

d. Delegation of Authority

The authority to set pay is delegated to supervisors of NIST, within the delegations issued by each OU Director and by this document.

2. PAY FOR PERFORMANCE

a. Eligibility

Employees must receive an Exceptional Contributor, Superior Contributor or a Significant Contributor performance rating at the end of the appraisal cycle to receive a performance pay increase.

b. Amount

Performance pay increase amounts are based on the I% selected by the NIST Director. The I% selected by the NIST Director will be multiplied by each pay band mid-point salary to determine a dollar amount for 'I'. (See F. Performance Management)

The performance pay increases are based upon multiples of the dollar amount for one (1) increment of 'I'. An Exceptional Contributor will receive 5 x I; a Superior Contributor will receive 3 x I; and a Significant Contributor will receive 1 x I.

c. Effective

Performance pay increases are effective the third full pay period in the new fiscal year and are paid to the employee the fourth full pay period in the new fiscal year.

### 3. PAY SETTING

#### a. New Appointments

- (1) Initial salaries for new appointees may be set at any point within the pay band.
- (2) Pay setting criteria include salary comparability, special salary rates, special qualification requirements, turnover rates, scarcity *of* qualified applicants, or programmatic urgency.
- (3) The minimum starting salary rate for positions in Pay Band I *of* the ZP and ZA career paths is not less than the rate of GS-5, step 1, except for students and CO-Ops.
- (4) The minimum starting salary rate for special salary rate occupations must be at least the minimum special salary rate of the lowest grade in the pay band to which appointed.
- (5) When promoting a special salary rate employee, the promotion salary must be at least the minimum special salary rate of the lowest grade in the pay band to which promoted.
- (6) Policies regarding pay setting for employees appointed under the National Research Council (NRC) Post Doctoral Research Associateships are found in Chapter 10.22 of the NIST Administration Manual.

#### b. Pay Adjustments

Adjustments to base pay within the pay band may be made under the following circumstances:

- (1) Movement of an employee from one position to another position within the same career path and pay band as result of a competitive selection for a vacancy;
- (2) Granting a pay increase as a result of a competitive selection for a vacancy that is within the same career path and pay band.
- (3) Granting of the annual comparability increase by the NIST Director;
- (4) Granting of the locality increase by the President;
- (5) Granting of supervisory differential;
- (6) Removal of supervisory differential;

(7) Granting of pay adjustments to employees under Student (STEP, SCEP) or Faculty appointments upon completion of another academic school year or another year of teaching in lieu of the annual performance increase;

(8) Granting of a performance pay increase;

c. Conversion Actions

Management may adjust pay upon conversion to permanent appointments. A Conversion action from a temporary or excepted appointment to another temporary or excepted appointment may include an increase in pay only if the conversion action is to a higher pay band.

d. Promotions

The minimum basic pay increase accompanying a promotion to a higher pay band is 6 percent (see definition under Staffing). This minimum does not include the additional increase of a supervisory differential which is given upon entry into a ZP supervisory position (3% increase) or a ZP Division Chief position (6% increase).

e. Change to Lower Pay Band (The personnel action is processed as a change to Lower Grade)

(1) Automatic - Loss of Comparability Increase

An employee whose performance rating is Marginal Contributor or Unsatisfactory will not receive the annual comparability or the locality increase or a performance increase. Because the minimum pay rate for each pay band will be increased each year by at least the amount of the comparability increase and any locality increase, it is possible that the new minimum rate of a pay band will exceed the basic pay of an employee who did not receive the comparability increase or the locality increase, although there is no actual reduction in pay. As a result, the employee will automatically be placed in the next lower pay band with a pay range commensurate with the employee's basic pay. It is not an adverse action and there is no right of appeal. The nature of action is 713, Change to Lower Grade. The legal authority is USM P.L. 99-574 10(c)(6) and N2M/Reg 335.102.

(2) Voluntary - Request of Employee

A voluntary change to lower pay band occurs at the request of the employee. Pay is set based on NIST highest previous rate policy. This policy states that current or former Federal employees selected for positions must be paid their

highest previous rate unless the OU Director approves a justification to not grant the highest previous rate.

(3) Involuntary - Performance or Conduct

An employee who is changed to a lower pay band based on a performance or conduct decision will be placed in the lower pay band and pay will be set within the pay range of that pay band, based on the pay band and pay decisions contained in the performance or conduct decision letter.

Appropriate notification procedures and appeal rights apply to the decision to place the employee in a lower pay band.

f. Change to Lower Interval

As in e(1) above, the base pay of an employee who because of a Marginal Contributor or Unsatisfactory rating does not receive a comparability increase or locality pay may fall into a lower pay interval within the pay band, although no actual reduction in pay takes place. The nature of action is 899, Step Change. The legal authority is ZSV/Sec 10(b)(5), P.L. 99-574. This is not an Adverse Action and there is no right of appeal.

g. Pay Ceilings

(1) The maximum rate of basic pay authorized in Public Law 99-574 is the rate payable for Level IV of the Executive Schedule.

(2) The maximum amount any employee may receive in basic pay, bonuses, and allowances in a fiscal year is the rate payable for Level I of the Executive Schedule.

(3) Basic pay for non-supervisory positions is limited to the maximum rate of Interval 3 of the pay band.

(4) Basic pay for supervisory positions is limited to the maximum rate of Interval 5 of the pay band, with the following exceptions:

(a) The basic pay for supervisors who are non-division chiefs in ZA & ZP Pay Band 5 is limited to the maximum rate of Interval 4 (division chiefs may be paid up to the maximum rate of Interval 5).

(5) The minimum and maximum rates of pay bands and the maximum rates of pay band intervals are adjusted by the percentage comparability increase granted in January, by applicable special rate changes and/or by locality rate changes.



#### h. Special Salary Rates

The salaries of employees in OPM special rate occupations are not changed by an increase, decrease, or elimination of OPM's special rates, but NIST has the option to change the minimum and maximum pay band rates to reflect the change in the special rates.

#### i. Highest Previous Rate

It is the NIST policy to apply the highest previous rate provision. This policy states that current or former Federal employees selected for positions must be paid a minimum of their highest previous salary rate unless appropriate justification is approved by the Chief, Office of Personnel and Civil Rights. For further information contact the servicing Personnel Specialist.

#### j. Cap of Pay Band

Salary increases are capped at interval 3 of the pay band except for supervisors who may exceed their pay band through performance pay increases (see section 6). ZA and ZP pay band V supervisors are capped at pay interval 4 and ZA and ZP non-SES Division Chiefs are capped at interval 5. All other supervisors in pay bands I through IV can achieve interval 5 through performance.

#### k. Pay Comparability

a. The APMS authorizes a total compensation comparability system. All positions covered by the APMS are also covered by annual appraisal comparability system and locality pay system. The objectives of the annual appraisal comparability system and locality pay system are to determine the overall difference between compensation for NIST positions and compensation for private sector positions.

b. The percentage of annual comparability increase authorized by the Director will apply to the minimum and maximum rates of pay for each pay band.

c. The basic pay of each employee who receives an Contributor or higher rating will be increased by the percentage of annual comparability increase authorized by the Director and locality pay if authorized. An employee receiving a Marginal Contributor or Unsatisfactory rating will not receive an annual comparability increase or a locality pay increase in basic pay.

#### l. Pay and Compensation Ceilings

a. The ceiling of each pay band is the highest rate payable for a position within that pay band, whether a regular or special General Schedule rate, except for supervisory positions (see Section 6). Pay band ceilings will be adjusted in

succeeding years by the amount of the Annual Comparability Increase and Locality Pay Salary rate adjustments if appropriate.

b. The maximum rate of basic pay authorized in Public Law 99-574 is the rate payable for Level IV of the Executive Schedule. The PMB, however, has limited payable pay to interval 5.

b. The maximum amount any employee may receive in basic pay, bonuses, and allowances in a fiscal year is the rate payable for Level I of the Executive Schedule.

#### 4. SALARY RETENTION

a. Pay (salary) retention is granted to an employee, meeting the basic eligibility and regulatory requirements, whose rate of basic pay would otherwise be reduced as a result of:

(1) Expiration of the two-year period of pay band retention.

(2) Reduction-in-force or reclassification when the employee is not eligible for placement in the assigned pay band.

(3) Placement in a different pay schedule.

(4) Placement in a formal employee development or upward mobility program recognized and utilized government-wide.

b. The salary of an employee who has been reduced in pay band due to inefficiency of service will not be less than the employee's salary at the time of promotion. Salaries of employees who were not previously promoted from a lower pay band will have their salary set anywhere in the lower pay band. Special salary schedules must be taken into account when setting pay.

#### 5. RECRUITMENT AND RETENTION ALLOWANCES

See Staffing Section.

#### 6. SUPERVISORY PAY DIFFERENTIALS

The APMS legislation provides that "appropriate supervisory and managerial pay differentials (which shall be considered a part of basic pay) shall be provided."

a. There are two types of Supervisory Pay Differentials.

(1) Initial Pay Increase for ZP Career Path Supervisors

(i) New supervisors in the Scientific and Engineering (ZP) Career Path may be eligible for an immediate increase in base pay as a supervisory differential.

(ii) Eligible employees are ZP supervisors who supervise at least three permanent employees in the ZP Career Path (not including temporary, student, and employees on WAE tours of duty).

(iii) The amount of the differential is 3 percent of base pay for ZP supervisors below division chief and 6 percent of base pay for ZP division chiefs. The base pay of ZA & ZP pay band V supervisors below division chief is limited to interval 4 of Pay Band V and the base pay of ZA & ZP Pay Band V division chiefs is limited to interval 5 of Pay Band V.

(iv) The base pay for newly hired or newly promoted supervisors in the ZP Career Path may be set according to flexible pay-setting, but is assumed to include the appropriate supervisory differential. The base pay of ZP supervisors below division chief must be at least 3 percent above the minimum rate of the pay band, and the base pay of division chiefs must be at least 6 percent above the minimum rate of the pay band.

## (2) Supervisory Pay Intervals for all Career Paths

(i) Supervisors in all career paths may be eligible for an increase into the supervisory intervals (intervals 4 and/or 5 of each pay band).

(ii) Eligible employees are supervisors in all career paths with at least three subordinates (not including temporary, student, and employees on WAE tours of duty).

(iii) The supervisory pay ceiling of each supervisory pay band is interval 5, except for Pay Band V of the ZP and ZA Career Path. For Pay Band V, the ceiling for ZP and ZA division chiefs is interval 5, the ceiling for all other ZP & ZA supervisors is interval 4.

Intervals: Interval 3 is the highest interval in a pay band for non-supervisors. The maximum rate of interval 4 is calculated by adding 3 percent to the maximum rate of interval 3. The maximum rate of interval 5 is calculated by adding 3 percent to the maximum rate of interval 4.

## b. Statement by Employee

All personnel actions involving placement in a supervisory position require the following statement signed by the employee:

“I understand that the supervisory differential will be terminated at the time I leave or am reassigned from this supervisory position and, upon reassignment, my pay will not exceed the cap of interval 3 of the non-supervisory pay band.”

c. Pay setting procedures upon movement out of a Supervisory Position

All personnel actions involving a reassignment from a supervisory to a non-supervisory position require a memorandum to be sent to the employee by the supervisor. (See sample letter attached.)

**MEMORANDUM FOR (Employee)**

From: (Supervisor's Name)

Subject: Reassignment and Pay Adjustment

As we discussed, effective \_\_\_\_\_, you will be reassigned to a non-supervisory position of (pay plan), (title), (series), (pay band), (interval), (salary) in (Division), (Group).

Upon leaving a supervisory position the supervisory differential is removed from your basic pay or, upon being reassigned from a ZP division chief position to a ZP group leader position, the supervisory differential is reduced.

Your new salary (NS) will be calculated from your former salary (FS) as follows:  
(Choose one of the following)

- (a) For a reassignment from a ZP Supervisory position to a non-supervisory position,  $NS = FS \div 1.03$ , except that the new salary may not be higher than the maximum rate in the pay band for Interval 3.
- (b) For a reassignment from a ZP Pay Band V division chief position to a non-supervisory position,  $NS = FS \div 1.06$ , except that the new salary may not be higher than the maximum rate in the pay band for Interval 3.
- (c) For a reassignment from a ZP Pay Band V division chief position to a ZP Supervisory Non-Division Chief Position,  $NS = FS \div 1.03$ , except that the new salary may not be higher than the maximum rate in the pay band for Interval 4.
- (d) When a ZT, ZA, or ZS supervisor is reassigned to a non-supervisory position, the new salary will be no greater than the maximum rate in the pay band for Interval 3. If, at the time of the reassignment, the supervisor's salary is greater than the maximum rate for Interval 3, the new salary is set at the maximum rate for Interval 3. If at the time of the reassignment, the supervisor's salary is equivalent to or less than the maximum rate for Interval 3, there is no reduction of pay.

The removal of a supervisory differential does not constitute a demotion or a reduction in pay under 5 U.S.C. Chapter 75. Therefore, there is no right of appeal.

## 7. FACULTY AND STUDENT APPOINTMENTS

Employees on Student or Faculty appointments may be given pay adjustments to base pay at the completion of each academic school year or each additional year of teaching or research. They are rated if they have worked 120 days in the performance cycle; however, they are not eligible to receive a pay for performance increase or performance bonus.

## 8. REPRESENTATIVE RATE

To determine the representative rate of a pay band for APMS employees subtract the lowest rate of the band from the highest rate of the band. Calculate 40% of this difference. Add the 40% determination to the lowest rate of the pay band. This figure is the representative rate of the pay band.

**EXAMPLE:** Representative rate of ZS-III.

a. From Highest Rate:	\$24,840.00
Subtract Lowest Rate:	<u>-16,305.00</u>
Difference:	\$ 8,535.00
	=====
b. Take 40% of difference (8,535.) =	\$ 3,414.00
c. Add the 40% figure	\$16,305.00
to the lowest rate:	<u>+ 3,414.00</u>
	\$19, 719.00
d. <b>REPRESENTATIVE RATE =</b>	<b>\$19,719.00</b>
	=====

## F. PERFORMANCE MANAGEMENT

### 1. INTRODUCTION

#### a. Project Legislation

(1) The Project legislative authority, Public Law 99-574, Section 10(b)(4) provides that:

Employees shall be evaluated under a performance appraisal system which (A) uses peer comparison and ranking wherever appropriate; and (B) affords appeal rights comparable to those afforded under Chapter 43 of Title 5, United States Code.

(2) Other sections of the legislation linked to performance appraisal are:

10(b)(5)(A) The rate of basic pay of each participating employee will be reviewed annually, and shall be adjusted on the basis of the appraised performance of the employee.

10(b)(7) Performance-recognition bonuses ... shall be awarded in appropriate circumstances.

#### b. Project Plan

(1) Federal Register Notice, Vol. 52, No. 191, 10/2/87, pages 37082 - 37096

(2) Federal Register Notice, Vol. 55, No. 91, 5/10/90, pages 19689 - 19692

(3) Federal Register Notice, Vol. 55, No. 186, 9/25/90, page 39220

(4) Federal Register Notice, Vol. 62, No. 203, 10/21/97, pages 54604 – 54613

(5) Federal Register Notice, Vol. 70, No. 87, 05/06/05, pages 23996 - 23999

#### c. Coverage

(1) The policies contained in this Performance Management section apply to all employees covered by the NIST Alternative Personnel Management System (APMS), which excludes employees covered under the Senior Executive Service (SES) and Federal Wage System. Employees occupying scientific and professional positions (ST) authorized by 5 U.S.C. 3104 are covered by this performance appraisal system and are eligible for performance ratings and bonuses, but are ineligible for performance pay increases. Pay increases for ST positions are processed through the SES performance system. Employees on student and faculty appointments are also

covered by the APMS, but are ineligible for both performance pay increases and bonuses.

(2) Employees from other pay systems detailed to positions covered by the APMS performance management system are not covered.

(3) An employee whose service is temporarily interrupted by service in any Federally-sponsored program (e.g., Intergovernmental Personnel Act (IPA), military) which calls for the employee's return to the same or like position, continues to be covered by the APMS performance management system while on the NIST approved assignment and the rating will be the modal rating for the employee's pay pool.

#### d. Objectives

(1) To establish critical elements and related performance standards for each covered position, which will, to the maximum extent feasible, permit the accurate evaluation of job performance on the basis of objective criteria related to the position;

(2) To use performance plans to communicate and clarify NIST and Department of Commerce goals and objectives and to identify accountability for their accomplishment;

(3) To use performance appraisal results as a basis for paying, rewarding, promoting, training, reassigning, retaining, assisting employees in improving marginal or unsatisfactory performance, and reducing in pay band or removing employees when such action is warranted;

(4) To increase the productivity of all covered employees and their organizations; and

(5) To use performance appraisal results as the basis for granting comparability and locality increases, performance pay increases, and performance bonuses, and evaluating and improving individual and organizational performance.

## 2. ROLES AND RESPONSIBILITIES

### a. NIST Director

(1) Determines and communicates overall policy regarding the NIST APMS performance management system;

(2) Determines organizational and appropriation levels at which funds are available for the NIST APMS performance pay increases and bonuses;

(3) Allocates performance pay increase and bonus pools to organizational unit (OU) Directors;



(4) Determines I% each year for each career path and approves an OU's request for a lower I% as appropriate;

(5) Reviews and approves overall expenditures for performance pay increases and bonuses;

(6) Authorizes transmission of performance data to NFC Personnel/Payroll System; and

(7) Monitors and evaluates the APMS performance management system; ensures that performance appraisal results are used in making personnel decisions; and encourages the use of bonuses, honorary awards and other official commendations as appropriate.

b. Personnel Management Board (PMB)

Manages, evaluates, and makes policy and procedural changes to NIST APMS performance management system.

c. OU Director

(1) Reviews and approves performance plans of employees directly supervised;

(2) Makes request to the NIST Director for a lower I%, as necessary and appropriate;

(2) Serves as the Deciding Official on performance-based actions that propose a reduction in pay band or removal from the Federal Service;

(3) Serves as the Deciding Official on the extension of the advance notice period on proposals to reduce in pay band or remove from the Federal Service in accordance with 5 CFR 432.105(a)(4)(I)(B)(1-6); and

(4) Recommends changes to the APMS performance management system and forwards recommendations to the PMB.

d. Reviewing Official

(1) Reviews and signs the performance plan and makes final performance and pay decisions when the Pay Pool Manager and the Rating Official is the same person. The OU Director is the Reviewing Official since Division Chiefs are Pay Pool Managers; and

(2) When the Pay Pool Manager and the Reviewing Official (OU Director) do not concur, the Reviewing Official (OU Director) makes the final determination.

e. Pay Pool Manager

- (1) Reviews performance plans developed by subordinate Rating Officials to ensure that they are integrated into the total management process and are consistent with overall organizational objectives;
- (2) Reviews, signs, and dates performance plans developed by subordinate Rating Officials to ensure equity and consistency within his or her organization;
- (3) Receives recommendations from Rating Officials, makes appropriate adjustments, and assigns final rating, performance pay increase, and/or bonus;
- (4) Approves bonuses up to \$10,000;
- (5) May reallocate a maximum of \$5,000 of a performance pay increase authorization from one career path to another;
- (6) May reallocate excess performance pay increase authorization to the performance bonus authorization. (Note: Excess performance bonus authorization may not be reallocated to the performance pay increase authorization.);
- (7) Forwards recommendations to Reviewing Official for approval when the Pay Pool Manager is also the Rating Official;
- (7) Completes and signs NIST-01, Section II, Performance Summary Rating Sheet and returns completed forms to Rating Officials;
- (8) Reviews and evaluates the effectiveness of the NIST APMS performance management system within his or her organization and forwards recommended changes to the system to the OU Director; and
- (9) Responds to employee grievances.

f. Rating Official

- (1) The Rating Official is the first-line supervisor;
- (2) Considers the overall mission, objectives, goals, long-range plans and activities of the work unit and related employee duties and responsibilities;
- (3) Develops performance plans with employee participation. Rating Officials approves performance plans and submits the plans to Pay Pool Manager for approval;
- (4) Obtains signature of Pay Pool Manager, Reviewing Official (when appropriate), and the employee, in this order;
- (5) Provides each employee with a copy of their performance plan;

- (6) Monitors employee's performance during the rating period and provides feedback to employee about their performance;
- (7) Conducts and documents at least one formal performance progress review at approximately the mid-point of the appraisal cycle and conducts and documents additional reviews as deemed appropriate or when requested by the employee;
- (8) Modifies performance plans as necessary, obtains Pay Pool Manager's, Reviewing Official (if appropriate), and employee's initials on revised plan, and provides a copy of the revised plan to employee;
- (9) Assists employees to improve aspects of performance identified as deficient;
- (10) Notifies Human Resources (HR) Specialist if an employee's performance is deficient;
- (11) Notifies employee to submit end-of-cycle accomplishments and of the opportunity to have a Performance Review meeting;
- (12) Conducts an end-of-cycle Performance Review meeting if requested by employee or Rating Official. This meeting, if conducted, takes place prior to completing the employee's appraisal;
- (13) Completes performance appraisals, including determining and evaluating employees' actual accomplishments;
- (14) Rates employee's performance based on their performance plan and submits recommended rating and any performance pay increase and/or performance bonus to the Pay Pool Manager. Does not discuss tentative decisions with employee prior to Pay Pool Manager's review and approval;
- (15) After receipt of Pay Pool Manager's decisions, conducts Evaluation Feedback Meeting with employee to discuss the employee's rating and any performance pay increase and/or bonus;
- (16) Signs and dates the employee's NIST-01, Section II, Performance Summary Rating; and
- (17) Recommends other personnel actions based on the employee's performance.

g. Employee

- (1) Participates with Rating Official in developing performance plans;

- (2) Reviews performance plan and makes recommendations for changes, if appropriate;
- (3) Signs and dates the NIST-01 coversheet;
- (4) Assures clear understanding of the Rating Official's expectations and requests clarification as necessary;
- (5) Manages performance to achieve expectations and brings to the Rating Official's attention any circumstances that may affect the achievement of expectations;
- (6) Submits mid-cycle accomplishments as required by the OU policy;
- (7) Participates in mid-cycle progress review and initials and dates progress review section (NIST-01, Section I, Item 3) at the mid-point of the performance cycle;
- (8) Submits a list of accomplishments that pertains to each critical element at the end of the performance cycle to the Rating Official and participates in Performance Review meeting, if requested by employee or Rating Official;
- (9) Participates in the Evaluation Feedback meeting and signs and dates the NIST-01, Section II, Performance Summary Rating; and
- (10) May request reconsideration of performance decisions (excluding bonuses) to the Pay Pool Manager using the appropriate grievance procedures.

#### h. Human Resources Staff

- (1) Communicates the purpose and procedures of the performance management system to managers, supervisors, and employees;
- (2) Provides assistance, as requested, to managers and supervisors in identifying critical elements and related performance standards within NIST;
- (3) Provides training in the maintenance of performance plans and appraisals in order to ensure that managers and supervisors are knowledgeable regarding the provisions of the Privacy Act, Freedom of Information Act, and other legislative and regulatory requirements;
- (4) Provides training in the performance appraisal process and in the operation of the automated performance appraisal system;
- (5) Provides for training of managers, supervisors, and employees to inform them of their rights and responsibilities under the NIST APMS performance management system;
- (6) Develops and distributes yearly performance appraisal instructions to each OU;

- (7) Provides the NIST Director with data for use in determining I% for each career path NIST-wide;
- (8) Prepares data for use in determining performance pay increase and bonus authorizations and informs each OU of authorization amounts;
- (9) Reviews and corrects performance data transmitted by OUs, as needed;
- (10) Develops and distributes instructions on automated performance appraisal/payout system;
- (11) Creates file to be transmitted to NFC for rating, performance pay increase, and bonus decisions;
- (12) Obtains the NIST Director's approval for performance appraisal decisions;
- (13) Transmits performance rating, performance pay increase, and bonus decisions to the National Finance Center (NFC) after the NIST Director's approval;
- (14) Develops performance data reports and periodically evaluates performance system effectiveness; and
- (15) Provides technical review of performance-based actions and advises OU Director on requests for extensions of advance notice periods for performance-based actions.

i. Business Systems Division, Office of the Chief Financial Officer

Provides technical assistance and maintenance of the automated performance appraisal/payout system.

3. FUNDING

a. Performance Pay Increase Authorization

The NIST Director establishes the performance pay increase authorization for each NIST Division. This Division authorization is based on a percentage of the estimated aggregate amount of the ratable employees pay within the Division. Pay Pool Managers may move a maximum of \$5,000 of the pay increase authorization from one career path to another. Pay Pool Managers may also move authorization from a performance pay increase authorization to a bonus authorization, but may not move bonus authorization to a performance pay increase authorization.

## b. Performance Bonus Authorization

The NIST Director establishes the performance bonus authorization for each OU. This OU authorization is based on a percentage of the estimated aggregate amount of the OU payroll. Pay Pool Managers may move authorization from a performance pay increase authorization to a bonus authorization, but may not move bonus authorization to a performance pay increase authorization.

## 4. PERFORMANCE MANAGEMENT PROCESS - Overview

The APMS performance management process has three distinct stages: performance planning, progress review, and appraisal. The annual appraisal cycle begins October 1 and ends September 30. The performance plan is used to communicate organizational goals and employee accountability. Progress reviews are conducted to monitor employee performance and provide performance feedback. The performance appraisal is used to measure individual and organizational results.

There are six performance ratings: Exceptional Contributor, Superior Contributor, Significant Contributor, Contributor, Marginal Contributor, and Unsatisfactory. These performance ratings determine employee eligibility for performance pay increases, performance bonuses, and comparability and locality increases. Supervisors also use performance appraisal results as a basis for making decisions on training, reassignment, promotion, retention, performance improvement and, if necessary, reduction in pay band or removal.

## 5. PERFORMANCE PLANNING

Rating Officials must develop and effect written performance plans within 60 calendar days of the beginning of the performance cycle. Rating Officials must develop and effect written performance plans within 30 calendar days of a change in position, a new appointment, or a detail or a temporary promotion of 120 calendar days or more.

Each year, Rating Officials and employees jointly develop written performance plans for the coming performance cycle.

If a Rating Official and employee disagree on the contents of the performance plan, the Rating Official, in consultation with the Pool Manager, makes the decision regarding the contents of the plan.

Performance plans must be recorded on Form NIST-01, *Alternative Personnel Management System Performance Management Record*. Performance plans must be signed in the following order: Rating Official; Pay Pool Manager; Reviewing Official, if appropriate; and employee.

Employees must be given a copy of the signed NIST-01, which includes the NIST Benchmark Performance Standards.

Performance plans, including the critical element content or weight assigned, cannot be grieved.

a. Critical Elements

(1) Only critical elements are used. A critical element is a component of an employee's job consisting of one or more required activities/results, which contributes toward accomplishing individual and/or organizational goals and objectives and which is of such importance that acceptable performance on the element is necessary for acceptable performance in the position and unacceptable performance on the element would result in a determination that the employee's overall performance is unsatisfactory. An employee must sustain a level of performance in all critical elements at the Minimally Meets Expectations descriptor level of the NIST Benchmark Performance Standards in order to be retained in their position. Critical elements reflect an employee's major duties and responsibilities and must be consistent with current job assignments and with the level of duties described in the employee's position description.

(2) Performance plans must have a minimum of three critical elements and a maximum of six. Elements may be drawn from a number of sources, including but not limited to mission and functional statements, position descriptions, strategic plans, operating plans, operating budget justifications, and affirmative action plans.

(3) Critical elements and required activities/results must include only those aspects of the work over which the employee has control.

(4) For any job designated as supervisory, duties appropriate to the supervisory position, such as recommending or approving personnel actions, developing and appraising subordinates, approving leave, diversity, controlling funds, etc., must be addressed as a critical element or as required activity/result of a critical element.

(5) Similar jobs should have similar critical elements.

b. Objective

The objective is the intent of the element or the results that are to be achieved. The objective must be communicated in writing in the employee's performance plan and contribute to the organization's overall goals/objectives.

c. Weight

(1) A weight must be assigned to each critical element on the basis of the importance of the element and/or the time required to accomplish the work described within it.

2) A weight of 1, 2, 3, or 4 (whole numbers only) must be assigned to each critical element, with 1 being the least weighted element and 4 being the most weighted element.

(3) The weight of all critical elements must total 10.

(4) Weights must be assigned to each critical element and may not be assigned to the individual required activity/results listed under a critical element.

#### d. Required Activity/Results

The required activity/results are the individual tasks/assignments, which must be results-oriented and performed to accomplish the critical element.

#### e. Evaluation Criteria

(1) The generic benchmark performance standards (NIST Benchmark Performance Standards) define levels of performance used to evaluate the accomplishment of each critical element. The performance levels described in the NIST Benchmark Performance Standards include Exceeds Expectations (E), Fully Successful (S), Minimally Meets Expectations (M), and Unsatisfactory (U).

(2) Success Measures or supplemental standards are developed to evaluate levels of accomplishment for each of the required activity/results within a critical element. The Success Measures should be written in terms of the expected quality, quantity, timeliness, and cost effectiveness, as appropriate, at the Fully Successful level of performance as described in the NIST Benchmark Performance Standards. The Success Measures are used in conjunction with the NIST Benchmark Performance Standards to evaluate performance of the critical element as a whole.

### 6. MID-CYCLE PROGRESS REVIEWS

a. At a minimum, Rating Officials must conduct a formal mid-cycle progress review with their employees at approximately the midpoint of the appraisal cycle. Rating Officials may request that employee's provide them with a list of accomplishments to prepare for this meeting. The progress review should be completed within 30 calendar days of the midpoint of the appraisal cycle.

b. For employees who enter an APMS position after the start of the appraisal period, a progress review should be completed near the midpoint of the shortened appraisal period.

c. For employees who enter an APMS position during the last 120 days of the rating cycle, a progress review must be completed and documented on the NIST-01 within 30 days after the 120th day. The rating cycle is extended for these employees. Their rating cycle will be effective from the date of their appointment to the end of the following years rating cycle; e.g., July 20, 2006 to September 30, 2007. No rating is rendered until completion of the extended rating cycle.



d. The progress review must include discussion of the employee's progress toward meeting the objectives or major activity/results of the critical elements, the employee's achievements and strengths and any performance deficiencies. The Rating Officials should provide guidance on how to improve performance and identify any need for changes in the plan based upon changes in responsibilities. This discussion may also include suggestions to enhance the employee's career growth. If changes are needed in the plan, the Rating Official must submit any changes in writing to the Pay Pool Manager and, if appropriate, the Reviewing Official. All changes must be initialed or signed and dated by the Rating Official, Pay Pool Manager, Reviewing Official, if appropriate, and the employee, in that order. Changes can be made directly to the plan, or attached to the plan. In either case, the employee must be given a copy of the revised plan.

e. A record of the progress review, including any recommendations for improvement, must be recorded in Section I, Item 3.3, of the NIST-01, and initialed by both the Rating Official and the employee.

f. Employees and supervisors may request additional progress reviews throughout the performance cycle as needed.

g. A progress review should also be initiated by the Rating Official as soon as it is recognized that an employee's performance of one or more critical element is deficient or marginal. The Rating Official must contact their HR Specialist for advice on how to best improve the employee's deficient performance.

#### h. Recording

(1) The Rating Official completes all applicable sections under Item 3 of the NIST-01 to document the progress review took place and initials and dates the mid-cycle progress review portion of the form.

(2) The mid-cycle progress review portion of the form is then initialed and dated by the employee to indicate the completion of the mid-cycle progress review.

(3) If deficiencies are identified and documented in Item 3.3 of the NIST-01.

(4) If deficiencies are significant and require a Performance Improvement Plan (PIP) to bring performance to the Minimally Meets Expectations level, the Rating Official must contact their HR Specialist to receive advice on initiating this process.

## 7. APPRAISAL

### a. Timing

At the end of the appraisal cycle, Rating Officials should ask each employee to prepare a list of accomplishments. Rating Officials should also inform employees of the opportunity for a Performance Review meeting.

## b. Rateability

An employee is rateable if he/she:

- (1) is in an APMS position (ZA, ZP, ZS, ZT, ST) on the last workday of the performance cycle (September 30);
- (2) has worked at NIST at least 120 calendar days without a break in service in one or more APMS positions during the appraisal cycle; except employees whose service is temporarily interrupted by service in any Federal sponsored program ie. IPA, Military Reservist, etc. Employees whose service is temporarily interrupted by service in any Federally- sponsored program (e.g., Intergovernmental Personnel Act (IPA), military) which calls for the employee's return to the same or like position, continues to be covered by the APMS performance management system while on the NIST approved assignment and the rating will be the modal rating for the employee's pay pool;
- (3) did not receive a promotion or pay adjustment (base salary increase or decrease), except for supervisory differential, during the last 120 calendar days of the rating cycle; and
- (4) is not on a Performance Improvement Plan (PIP). (See Section 8 if a PIP is in effect at the end of the rating cycle.)

## c. Special Circumstances

- (1) There are circumstances such as an intermittent work schedule, extended leave, or students, which require that you actually count the number of days worked to determine if the employee is rateable. If the employee has actually worked 120 days during the cycle, they are to be rated.
- (2) Employees on official detail are rated by the supervisor of the base position with input from the supervisor of the detail. Any performance pay increase or bonus awarded is charged against the performance pay increase and bonus authorization of the base position.
- (3) Employees on temporary promotion are rated. See Section 9 (g) for information.
- (4) Supervisors of employees who have served in another APMS position are to obtain input from the prior supervisor(s).
- (5) NIST does not transfer ratings earned under another system to the NIST system nor does NIST transfer ratings earned under the NIST system to any other system.

## d. Performance Review Meeting

- (1) Either the employee or Rating Official may request this meeting.

(2) The employee is provided an opportunity to present their assessment of results achieved in their critical elements against the Success Measures and NIST Benchmark Performance Standards established in the performance plan, inform the Rating Official of aspects of their work which the Rating Official may not be aware, and identify changes they would like to include in the performance plan for the next appraisal period.

(3) The Rating Official clarifies his/her understanding of the employee's performance, and discusses the employee's accomplishments. Rating Officials should not discuss with the employee any possible rating, pay increase, or bonus that they are considering recommending to the Pay Pool Manager.

e. End of Year Appraisal

(1) After reviewing the employee's accomplishments, the Rating Officials must rate each critical element using the weight of the critical element, the Success Measures described within each critical element and the NIST Benchmark Performance Standards found in the NIST-01. The NIST Benchmark Performance Standards describe the following levels: Exceeds Expectations (E), Fully Successful (S), Minimally Meets Expectations (M) and Unsatisfactory (U).

As an example, if the weight of a critical element is 4 and the performance on the element matches the highest benchmark performance standard, Exceeds Expectations (E), then 4E is assigned for this critical element. Continue this process until all critical elements have been rated and then total your weighted critical element ratings. In the example below, the weighted rating total is 6E, 4S.

Critical Element	Weight	Element Rating	Weighted Rating
1	4	E	4E
2	2	E	2E
3	2	S	2S
4	2	S	2S
<b>Total</b>	10		<b>6E, 4S</b>

(2) If performance on a critical element does not meet the lowest level of acceptable performance, Minimally Meets Expectations, then the critical element is rated Unsatisfactory. If at any time in the performance cycle, the employee's performance is deemed Unsatisfactory on any critical element, then the employee is placed on a performance improvement plan (PIP).

(3) Six rating levels are used to record an employee's overall performance. The rating levels are: Exceptional Contributor, Superior Contributor, Significant Contributor, Contributor, Marginal Contributor, and Unsatisfactory. To obtain the employee's overall performance rating level, you must use the descriptor cited in

Section II, Item 2: Summary Performance Rating and Payouts, of the NIST-01 (below).

<b>Performance Rating</b>	<b>Element Ratings</b>
Exceptional Contributor	At least 8E; none below S
Superior Contributor	At least 6E; none below S
Significant Contributor	At least 3E; up to 2M
Contributor	Up to 3M
Marginal Contributor	4 or more M
Unsatisfactory	1 or more U

Given the example provided in (1) above, the employee's total element ratings are 6E, 4S. When you apply the Element Rating descriptors for each performance rating level, the employee will receive a Superior Contributor performance rating (At least 6E; none below S). The Superior Contributor performance rating will constitute the employee's rating of record.

(4) The Rating Official submits recommendations on ratings, performance pay increases and bonuses to the Pay Pool Manager. Rating Officials should not discuss these recommendations with their employees.

(5) The Pay Pool Manager reviews the recommendations from subordinate Rating Officials and makes the final rating, performance pay increase and bonus decisions, while remaining within pay pool authorization limits.

(6) The Pay Pool Manager presents recommendations to the Reviewing Official for approval if the Pay Pool Manager is also the Rating Official.

(7) The Pay Pool Manager records decisions in Section II, Performance Summary Rating, of the NIST-01, signs and dates the performance summary rating sheet and returns appraisal to the Rating Official for their signature.

f. Evaluation Feedback Meeting

The Rating Official conducts this required meeting with each employee. The purpose of the meeting is to discuss the final appraisal decisions (rating, any performance pay increase and bonus) and obtain the employee's signature and date in Section II of the NIST-01. The employee's signature indicates that the meeting took place; it does not denote agreement with the evaluation. The employee's refusal to sign the rating sheet does not negate the decisions. The Rating Official must document in Section II of the NIST-01, that the appraisal was discussed with the employee and that the employee refused to sign. A copy of the completed Performance Summary Rating sheet must be given to each employee.

## 8. ACTIONS BASED ON UNSATISFACTORY PERFORMANCE

a. An action based on unsatisfactory performance in any critical element may be taken at any time during the appraisal cycle, provided the requirements of “b” below are met.

b. An employee whose performance is Unsatisfactory in any critical element must be given a written Performance Improvement Plan (PIP). This PIP must:

- (1) Identify the critical element(s) in which the employee's performance is deficient;
- (2) Provide a description of the types of improvements that the employee must demonstrate to attain a Minimally Meets Expectations level of performance;
- (3) Inform the employee of the performance standards that must be met for retention in the position;
- (4) Give the employee a reasonable period of time to demonstrate a Minimally Meets Expectations level of performance;
- (5) Include a statement of the steps the Rating Official intends to take or to offer to assist the employee to improve;
- (6) Include a statement of the consequences of failure to improve and sustain performance at the Minimally Meets Expectations level; and
- (7) Be reviewed for regulatory compliance by the HR Specialist or designee prior to issuance.

c. If during the last 120 calendar days of the performance cycle an employee’s performance is at the Unsatisfactory level of the NIST Benchmark Performance Standards, supervisor must place an employee on a PIP and the PIP should be issued prior to the end of the performance cycle (September 30). Only under rare circumstances should a PIP be issued to an employee after the conclusion of a performance cycle.

d. If an employee is on a PIP at any time during the performance cycle and successfully completes the PIP, the employee will be notified that they have successfully completed the PIP.

e. If an employee is on a PIP at any time during the performance appraisal cycle and does not successfully complete the PIP, the employee will be notified that the PIP has ended and the employee’s performance continues to be Unsatisfactory. The employee will be reassigned, issued a proposal of removal from the Federal Service, or issued a proposal of reduction in pay band.

f. If an employee is on a PIP that continues beyond the end of the performance appraisal cycle and successfully completes the PIP, the employee will receive a performance rating based on their performance for the entire performance cycle including the PIP period. The Rating Official will rate the employee on the NIST-01 by assigning a rating level. The Rating Official, Pay Pool Manager, Reviewing Official, if appropriate, and employee will sign and date the NIST-01. The employee will be provided a copy of the appraisal.

g. If an employee is on a PIP that continues beyond the end of the performance appraisal cycle and does not successfully complete the PIP, the employee will be rated Unsatisfactory and will be reassigned, issued a proposal of removal from the Federal Service, or issued a proposal of reduction in pay band. The Rating Official will rate the employee as Unsatisfactory on the NIST-01 and the Rating Official, Pool Manager, Reviewing Official, if appropriate, and employee will sign and date the NIST-01. The employee will be provided a copy of the appraisal.

h. An employee who successfully completes a PIP but subsequently fails to maintain a Minimally Meets Expectations level of performance in the critical elements addressed by the PIP for a one-year period beginning with the issuance of the PIP can be issued a proposal of removal from the Federal Service or a proposal of reduction in pay band without being placed on another PIP.

i. Reduction in Pay Band or Removal Based on Unsatisfactory Performance

(1) An employee whose reduction in pay band or removal is proposed must be provided with a 30 calendar day advance written notice of the proposed action. The employee cannot grieve receipt of the advance written notice or its contents.

(2) The advance written notice of proposed reduction in pay band or removal must:

(a) Identify specific instances of unsatisfactory performance and the critical elements on which performance is unsatisfactory;

(b) Give the employee at least 15 calendar days to respond to the notice orally and/or in writing and to furnish affidavits in support of the reply;

(c) Inform the employee of the right to be represented and to receive a written decision; and

(d) Be reviewed for regulatory compliance by the HR Specialist or designee prior to issuance.

(3) With concurrence of the HR Specialist, the Deciding Official may extend the advance notice period for 30 calendar days without prior approval of the Office of Personnel Management for the following reasons:

- (a) To obtain and/or evaluate medical information when the employee has raised a medical issue in response to a proposed reduction in pay band or proposed removal;
- (b) To arrange for the employee's travel to make an oral reply to an appropriate agency official, or the travel of an agency official to hear the employee's oral reply;
- (c) To consider the employee's response if an extension to the period for a response has been granted (e.g., because of the employee's illness or incapacitation);
- (d) To consider reasonable accommodation of a handicapping condition; or
- (e) To comply with a stay ordered by the Merit Systems Protection Board under 5 U.S.C. 1208(b).

(4) OPM approval is required if the advance notice period must be extended beyond the 30 calendar day extension approved by the Deciding Official and the reason for extension does not meet the requirements cited in (3) above.

(5) NIST shall issue its final decision within 30 days after expiration of the advance notice period unless extended by the Deciding Official. The written decision must:

- (a) Be made by the OU Director unless the action was proposed by the NIST Director;
- (b) Be based on only those instances of unsatisfactory performance that occurred within the one-year period ending on the date of the advance notice of proposed action;
- (c) Be issued at or before the time the action will be effective;
- (d) Specify the instances of unsatisfactory performance upon which the action is based; and
- (e) Inform the employee of the right to file an appeal with the Merit Systems Protection Board.

## 9. PERFORMANCE PAY INCREASES

a. A performance pay increase is an adjustment to base pay. A performance pay increase may be granted only at the end of the performance appraisal cycle. Employees must receive an Exceptional Contributor, Superior Contributor or Significant Contributor rating at the end of the appraisal cycle to receive a performance pay increase.

b. Performance pay increase amounts are based on the I% selected by the NIST Director. The I% selected by the NIST Director will be multiplied by each pay band mid-point salary to determine a dollar amount for 'I'.

For example, the ZA-IV is equivalent to the minimum salary level for a GS-13 and the maximum salary level for a GS-14. When you add the ZA-IV minimum and maximum salaries and divide the total in half, you will have the mid-point salary of the ZA-IV (career path and pay band). When you multiply the I% to the ZA-IV mid-point salary, you will have the dollar amount for one (1) increment of 'I' at the ZA-IV level.

c. The I% for each career path is selected by the NIST Director for each performance cycle. The I% can be the same percentage for all four career paths or it can be different for each career path. The I% is applied NIST-wide to each career path. An OU Director may request to the NIST Director that their OU to be granted a lower I% for all four career paths or for specific career paths. If a lower I% is approved, the OU management must announce to the applicable OU employees the lower I% and the justification for the lower I%.

d. The performance pay increase is determined by the employee's rating level. The performance pay increases are based upon multiples of the dollar amount for one (1) increment of 'I'. An Exceptional Contributor will receive 5 x I; a Superior Contributor will receive 3 x I; and a Significant Contributor will receive 1 x I.

For example, if one (1) increment of 'I' is \$1,000, a ZP III employee with a performance rating of Exceptional Contributor would receive a performance pay increase of \$5,000 (5 x I). A ZP III employee with a performance rating of Superior Contributor would receive \$3,000 (3 x I). A ZP III with a performance rating of Significant Contributor would receive \$1,000 (1 x I).

e. Performance pay increases are effective the third full pay period in the new fiscal year and are paid to the employee the fourth full pay period in the new fiscal year.

f. Allocations for performance pay increases are authorized by the NIST Director and allocated to Pay Pool Managers. Excess performance pay increase authorization may be used to supplement performance bonus authorization; however, excess bonus authorization may not be added to the performance pay increase authorization.

g. A performance pay increase for an employee on temporary promotion at the end of the appraisal cycle is calculated as follows:

(1) If the temporary promotion was effective prior to the last 120 calendar days of the appraisal cycle and terminates after September 30:

The employee is rated at the end of the cycle on the temporary position and any pay increase assigned is based on the Pay for Performance 'I' Matrix for the temporary job.



Upon termination of the temporary promotion, the employee's salary for the base position is adjusted at a minimum by the actual dollar amount of the increase received in the temporary promotion up to the cap of the pay band.

(2) If the temporary promotion was effective on or after the last 120 calendar days of the appraisal cycle and terminates after September 30:

The employee will be rated at the end of the cycle based on performance in the base position and any pay increase assigned is based on the Pay for Performance 'I' Matrix for the base position. The pay increase is effected only upon termination of the temporary promotion and the employee's return to the base position.

If the temporary promotion is made permanent, the employee's base salary will be adjusted by the performance pay increase, and the promotion is recalculated using the new base salary.

h. The following employees covered by the APMS performance management system cannot receive a performance pay increase:

- (1) Employees rated at the Contributor, Marginal Contributor, or Unsatisfactory level
- (2) 5 U.S.C. 3104 (ST) employees
- (3) Faculty appointees
- (4) Students appointees (P, Q, and Co-op appointments)
- (5) Employees who worked less than 120 days during the appraisal cycle
- (6) Employees who have received a pay adjustment (salary increase or decrease), except for supervisory differential., or promotion during the last 120 calendar days of the appraisal cycle
- (7) Employees whose salaries are at the top of the pay band or at the top of supervisory pay band ceilings
- (8) Employees on Retained Pay
- (9) Employees who are on a Performance Improvement Plan at the end of the performance cycle

e. Recording

The granting of a performance pay increase must be recorded in Section II, Item 2 of the NIST-01.

## 10. PERFORMANCE BONUSES

a. A performance bonus is a one-time cash award that does not affect base pay. The decision to grant a bonus is made concurrently with the performance rating decision. Therefore, a performance bonus can only be given in conjunction with the annual performance rating and pay decisions unless an Unrateable employee meets the requirements set forth in d.(4) below.

b. Performance bonus allocations are authorized by the NIST Director and allocated to the OU Directors, and then to the Pay Pool Managers. Excess bonus authorizations cannot be used to supplement performance pay increase authorizations.

c. Performance bonuses may be granted in accordance with the following:

- (1) An employee must receive a rating of Exceptional Contributor, Superior Contributor, Significant Contributor, or Contributor.
- (2) Pay Pool Managers have been delegated the full NIST authority to award bonuses of a minimum of \$250 up to \$10,000.
- (3) Employees who are at their pay cap and have received a rating of Exceptional Contributor or Superior Contributor will receive what they would have received as a performance pay increase as an automatic mandatory bonus. A discretionary bonus may be added to the automatic mandatory bonus as long as the total bonus does not exceed \$10,000.
- (4) Employees occupying scientific and professional positions authorized by 5 U.S.C. 3104 (ST) are eligible to receive a discretionary bonus. However, because they are ineligible for performance pay increases, they are ineligible for automatic mandatory bonuses.
- (5) Employees who are unratable at the end of the annual performance cycle because they were promoted during the last 120 calendar days of the performance cycle and have an APMS performance rating of at least Contributor that was effective within 13 months prior to the conclusion of the appraisal cycle are eligible to receive a discretionary bonus.
- (6) The granting of a bonus must be recorded in Section II, Item 2 of the NIST-01.

d. All positions covered by the APMS performance management system are eligible for performance bonuses except:

- (1) Employees rated at the Marginal Contributor or Unsatisfactory level
- (2) Student appointees (P, Q and Co-op appointments)

(3) Faculty Appointees

(4 ) Employees who are unratable at the end of the annual performance cycle (except for c.(5) above).

(5) Employees who are on a Performance Improvement Plan

e. The amount of a performance bonus or the failure to receive a performance bonus is not grievable.

## 11. COMPARABILITY AND LOCALITY INCREASE

a. The comparability and locality increase is the annual adjustment to base pay that is effective the first full pay period on or after January 1. The percentage of comparability and locality increase selected by the NIST Director is applied directly to the base pay of each employee receiving a rating of Contributor or higher. An employee receiving a rating of Marginal Contributor or Unsatisfactory or an employee who is on a PIP that extends beyond December 31 will not receive a comparability and locality increase. Unrateable employees and employees rated Contributor or higher are granted the comparability increase (see Section 7(b) (c)). Employees entering on duty after the performance cycle concludes will receive the comparability and locality increase.

b. Because the minimum pay rate for each pay band is increased each year by at least the amount of the comparability and locality increase, it is possible that the new minimum rate of a pay band will exceed the basic pay of an employee in that pay band who did not receive the comparability and locality increase. When this happens, the employee will be placed in the next lower pay band. The APMS legislation (Public Law 99-574 Section 10(10) (c) (6) (A) and (B)) specifically allows for this and provides that it will not be considered an adverse action under Chapter 75 of Title 5 of the Code of Federal Regulations and therefore, is not appealable.

c. Employees on retained pay are entitled to receive a minimum of 50% of the comparability and locality increase.

## 12. REDUCTION-IN-FORCE

a. Employees may receive additional service credit for reduction-in-force purposes on the basis of their performance.

b. An APMS employee with an overall performance rating of Exceptional Contributor, Superior Contributor, Significant Contributor, or Contributor is credited with additional years of service for retention purposes. The number of additional years is dependent on an employee's rating level: Exceptional Contributor receives ten (10) additional years; Superior Contributor receives eight (8) additional years; Significant Contributor receives three (3) additional years; and Contributor receives one (1) additional year.

c. The total credit is based on the employee's three most recent annual performance ratings of record received during the 4-year period prior to an established cutoff date, for a potential total credit of 30 years.

d. No reduction-in-force credit converts to this system from any other performance appraisal system.

### 13. EVALUATION

The Personnel Management Board (PMB) manages, evaluates, and makes policy and procedural changes to the NIST APMS system. In this regard, the PMB evaluates the performance management system with input from managers and supervisors and the Human Resources staff.

### 14. GRIEVANCES

An employee may grieve their performance rating under the Department of Commerce Administrative Grievance Procedure, DAO-202-771 or negotiated grievance procedures, whichever is applicable. Under the administrative grievance procedure, an employee must file the informal grievance with the Pay Pool Manager within 15 calendar days after being informed of the decision. The grievance must be in writing, specifically address performance under the critical elements in dispute, and specifically state what the employee is seeking in relief. Because performance ratings and pay increases are directly linked, changes to performance rating levels will affect pay increases.

#### a. Exclusions

(1) The content of performance plans are not grievable.

(2) Bonus decisions are not grievable.

(3) Being placed on a PIP and the contents of the PIP is not grievable.

(4) The receipt of an advance written notice of reduction in pay band or removal and the contents of the notice is not grievable.

### 15. RECORD KEEPING

a. The original Performance Plan and Summary Rating Sheet of each employee must be retained in an Employee Performance Folder (EPF) in the employees' immediate organization for a period of four years. Each OU is responsible for destroying (shredding or burning) the above documents that are over four years old.

b. When an employee transfers from one NIST organization to another NIST organization, the employee's EPF will be transferred to the gaining organization by the Administrative Officer.

c. When an employee transfers from NIST to another DOC organization or Federal agency or separates from the Federal Service, the EPF will be transferred with the employee's Official Personnel Folder (OPF). The Administrative Officer should forward to HRMD the performance plan on which the most recent rating is based as well as the Summary Performance Rating sheet (Section II of the NIST-01) which contains ratings that are 4 years old or less. The transfer of the EPF will be coordinated by the HRMD.

d. All provisions and restrictions of the Privacy Act and Freedom of Information Act apply.

#### 16. OVERSIGHT/ACCOUNTABILITY/EVALUATION

Performance increases and bonuses will be technically reviewed by the Approving Official. Performance increases and bonuses will be administratively reviewed by the Senior Management Advisor to insure delegations are accurate and that performance pay increases and performance bonuses did not exceed authorization. The HR staff will review the end-of-cycle performance data to ensure all employees are accounted for and the system requirements were applied correctly. Reports will be provided to the NIST Director detailing all rating, pay increase and performance bonus data. Approval of the NIST Director is required prior to transmission to National Finance Center (NFC) to insure consistency within the Agency that performance pay increases and performance bonuses are within authorized budget.

## G. AWARDS

### 1. INTRODUCTION

The Project legislative authority for awards is section 10(b)(7):

Performance-recognition bonuses shall be awarded in appropriate circumstances (but shall not be considered a part of basic pay).

### 2. PERFORMANCE BONUS

A performance bonus requires an rating of Contributor or higher, and the decision to give a bonus is made concurrently with the performance rating decision. Therefore, a performance bonus award can only be given with the annual performance rating. Bonuses will be approved by the Pay Pool Manager, from \$250 up to the full NIST authority of \$10,000. The granting of a bonus must be recorded on NIST-01 together with the performance rating and performance pay increase.

### 3. SPECIAL ACT OR SERVICE AWARD

A Special Act or Service Award is an unusual one-time, non-recurring contribution or accomplishment in the public interest, such as a scientific achievement, an act of heroism, or a performance-related accomplishment not specifically covered by the performance plan. This award must be based on tangible or intangible benefits to the Government and can be given during the performance cycle but promptly after the time the contribution occurred. It may be given to an employee or a group of employees. The granting of the award must be recorded on the awards form NIST-012 and must be paid from the authorized bonus pool.

### 4. OTHER AWARDS

Internal NIST awards, such as time off, cash-in your account, suggestion awards and, Department of Commerce medal awards, and other honorary awards are also granted.

## H. EMPLOYEE DEVELOPMENT/SABBATICALS

### 1. INTRODUCTION

#### a. Project Legislation

(1) The Project legislative authority for employee development is Section 10(b)(8):

There shall be an employee development program under which employees may, in appropriate circumstances, be granted sabbaticals, the terms and conditions of which shall be consistent with those applicable for members of the Senior Executive Service under section 3396 (c) of title 5, United States Code (excluding paragraph (2)(B) thereof).

#### b. Coverage

The employee development provisions apply to all permanent and temporary employees covered by the Project.

#### c. Objectives

(1) The objective of NIST's Employee Development Program is to develop the competence of employees in their official duties for maximum achievement of Institute goals and objectives.

(2) The legislation mandates the continuation of an employee development program including, in appropriate circumstances, a sabbatical program.

(3) The legislation requires that any sabbatical program be consistent with the terms and conditions of the sabbatical program currently applicable to members of the Senior Executive Service.

### 2. SABBATICALS

(1) The model SES sabbatical program is 5 U.S.C. 3396(c), excluding paragraph (2)(13):

(c)(1) The head of an agency may grant a sabbatical to any career appointee for not to exceed 11 months in order to permit the appointee to engage in study or uncompensated work experience which will contribute to the appointee's development and effectiveness. A sabbatical shall not result in loss of, or reduction in, pay, leave to which the career appointee is otherwise entitled, credit for time or service, or performance efficiency rating. The head of the agency may authorize in accordance with chapter 57 of this title such

travel expenses (including per diem allowances) as the head of the agency may determine to be essential for the study or experience.

(2) A sabbatical under this subsection may not be granted to any career appointee:

- (A) more than once in any 10-year period;
- (B) Not applicable to NIST
- (C) if the appointee is eligible for voluntary retirement with a right to an immediate annuity under section 8336 of this title.

Any period of assignment under section 3373 of this title, relating to assignments of employees to State and local governments, shall not be considered a period of service for the purpose of a sabbatical.

(3)(A) Any career appointee in an agency may be granted a sabbatical under this subsection only if the appointee agrees, as a condition of accepting the sabbatical, to serve in the civil service upon the completion of the sabbatical for a period of 2 consecutive years.

(B) Each agreement required under subparagraph (A) of this paragraph shall provide that in the event the career appointee fails to carry out the agreement (except for good and sufficient reason as determined by the head of the agency who granted the sabbatical) the appointee shall be liable to the United States for payment of all expenses (including salary) of the sabbatical. The amount shall be treated as a debt due the United States.

a. Eligibility

- (1) Career appointees only.
- (2) Once in any ten-year period.
- (3) Upon completion of seven years service.
- (4) Rating of Contributor or higher.
- (5) Not eligible for optional retirement prior to or during the program.
- (6) Agree in writing to serve two continuous years after the program.

b. Length

- (1) Minimum: 3 months
- (2) Maximum: 11 months



c. Purpose

The sabbatical must result in a product, service, report, or study that will benefit Government, such as:

- (1) advanced academic teaching, study, or research.
- (2) self-directed (independent) or guided study.
- (3) on-the-job work experience with a public, private, or non-profit organization.

d. Authority

The Chair, PMB, has final authority on granting requests.

e. Return

The employee must return to the same or a similar position.

f. Performance Appraisal

- (1) The objectives of sabbatical should be included in the performance plan.
- (2) The employee may receive a performance pay increase based on the rating.
- (3) Bonuses for performance on sabbatical are not appropriate.

g. Funding

- (1) Salary and travel expenses shall be paid by the home unit or OU.
- (2) Reimbursement to NIST by an outside organization for salary and expenses may be accepted.

h. Continuous Service Agreement

Each recipient of a sabbatical must sign a continuous service agreement.

## I. EMPLOYEE RELATIONS

### 1. INTRODUCTION

The Project legislative provisions on employee relations are Sections 10(b)(4)(B) and 10(c)(6)(B).

#### a. Section 10(b)(4)(B):

Employees shall be evaluated under a performance appraisal system which ... affords appeal rights comparable to those afforded under chapter 43 of title 5, United States Code.

b. Section 10(c)(6)(B) provides that the placement of a position in a lower pay band, because the incumbent was not given a comparability and locality pay increase due to unsatisfactory performance, "shall not be considered a reduction in grade or pay for purposes of subchapter II of chapter 75 of title 5, United States Code, or a comparable provision under the project."

### 2. PLACEMENT IN A LOWER PAY BAND

a. Automatic – See Section E – Pay Administration

b. Voluntary - See Section E – Pay Administration

c. Involuntary - See Section E – Pay Administration

### 3. LOSS OF SUPERVISORY DIFFERENTIAL

a. When an employee receiving supervisory differential is reassigned from a supervisory position to a non-supervisory position, the supervisory differential is removed in accordance with the formulas and ceilings described under Section E *Pay Administration*.

### III. PROJECT ADMINISTRATION

#### A. PROJECT MANAGEMENT

##### 1. INTRODUCTION

###### a. Project Legislation

The Project legislative provisions for management and oversight are Sections 10(a)(1) and (2) of Public Law 99-574:

(1) Section 10(a)(1)A

The Office of Personnel Management and the National Institute of Standards and Technology shall jointly design a Demonstration Project which shall be conducted by the Director of the National Institute of Standards and Technology.

(2) Section 10(a)(2):

The demonstration project shall, except as otherwise provided in this section, be conducted in accordance with section 4703 of title 5, United States Code, and shall be counted as a single project for purposes of subsection (d)(2) of such section.,

###### b. 5 U.S. C. 4703

(1) Section 4703, under which the Project is to be conducted, is the authority granted to OPM in the Civil Service Reform Act to approved and evaluate demonstration projects.

(2) This authority allows OPM to approve personnel management procedures, for demonstration purposes, that would otherwise be prohibited by law or regulation.

##### 2. PERSONNEL MANAGEMENT BOARD

###### a. Delegation from NIST Director

The NIST Director has delegated management and oversight of the Project by charter to the NIST Personnel Management Board (PMB).

b. NIST Personnel Management Board (PMB) Charter:

1. Establishment:

The Director of the National Institute of Standards and Technology (then the National Bureau of Standards) established the Personnel Management Board (PMB) October 21, 1987, pursuant to Section 10 of the National Bureau of Standards Authorization Act for Fiscal Year 1987 (PL 99-574), which provided that the Director shall conduct the Personnel Management Demonstration Project established by that section.

2. Purpose:

The purpose of the PMB is to manage and oversee the NIST Personnel Management Demonstration Project and NIST personnel systems in general.

3. Jurisdiction:

The PMB has jurisdiction over all NIST personnel systems, to the extent of NIST authority for those systems, and over personnel actions dealing with any NIST position, with the exception of personnel actions specifically delegated to the NIST Executive Resources Board (ERB).

4 Functions:

1. The PMB shall manage, evaluate, and make policy and procedural changes to project systems and other personnel systems.

2. The PMB shall direct and oversee any system changes that require DOC approval, OPM approval, or publication in the Federal Register.

3. The PMB shall interpret and clarify personnel policy.

4. The PMB shall establish, revise, and oversee all management and administrative structures for conducting and evaluating the project and for managing personnel systems in general.

5. The PMB shall determine and oversee the delegations of authorities to managers, supervisors, and management bodies, including the withdrawal of authority when warranted.

6. The PMB shall make exceptions to normal project procedures on a case-by-case basis when it believes an exception is warranted.

7. The PMB may establish itself as the approving body for any category of personnel actions under its jurisdiction.

8. The PMB shall exercise these authorities over all personnel functions under its jurisdiction, including:

- (a) total compensation comparability
- (b) position classification
- (c) position management
- (d) staffing and probation
- (e) recruitment and retention allowances
- (f) affirmative action/equal employment opportunity
- (g) promotion
- (h) reduction in force
- (i) pay administration and pay for performance
- (j) supervisory and managerial pay differentials
- (k) Performance Management
- (l) awards
- (m) employee development and sabbaticals
- (n) employee relations and adverse actions
- (o) personnel security
- (p) project evaluation
- (q) project budgeting
- (r) project implementation
- (s) automation of personnel systems

5. Membership:

1. The NIST Director shall appoint the Chair and voting members from among the top managers of the Institute.
2. The voting alternates shall be the deputies of the voting members or others appointed in writing by the voting members, with the approval of the PMB Chair.
3. Substitutes must be approved in advance by the Chair.
4. The Executive Secretary shall be the Director of the Human Resources Management Division.

6. Administrative Rules:

1. A quorum shall consist of six voting members.

2. The Chair shall announce decisions after taking votes or after determining that there is general consent. The Chair may make emergency decisions to be submitted later for Board ratification.

3. The Human Resources Management Division shall provide administrative support for the Board.

4. The minutes shall be taken in the briefest practical form that will clearly record Board decisions, action items, individuals responsible for action items, and due dates.

## B. EXPERIMENTATION AND REVISION

### 1. EXPERIMENTAL NATURE OF PROJECT

Many aspects of an alternative personnel management system are experimental. Modifications must be made from time to time as experience is gained, results are analyzed, and conclusions are reached on how the system is working.

### 2. MODIFYING THE PROJECT

NIST, with DoC and OPM approval, will make minor modifications, such as changes in the Classification Standards, without approval from DoC, OPM or OMB. Major changes, such as a change in the number of career paths, will be published in the Federal Register.

## C. CONVERSION BACK TO THE FORMER SYSTEM

### 1. END OF PROJECT

In the event the Project ends, a conversion back to the former (regular) Federal civil service system will be required for positions equivalent to GS 15 and below (SES and 3104 position classification will not change under the Project).

### 2. CONVERSION PROCEDURE

The conversion will be conducted according to the following steps:

a. All employees will be converted at their current base pay at the time of conversion, except where a General Schedule employee's base pay falls between two steps of a grade, conversion will be to the higher step.

b. All employees in a pay band corresponding to a single General Schedule (GS) grade will be converted to that grade.

c. Employees in a pay band corresponding to two or more GS grades will be converted to one of those grades according to the following procedures:

(1) A mid-point will be calculated for each GS grade, which will be the dollar figure half-way between the minimum rate and maximum rate of the grade in the current GS pay schedule at the time of conversion.

(2) An employee's basic pay at the time of conversion will be compared to the GS grade mid-points to establish the grade mid-point that is closest, whether higher or lower, to the employee's basic pay.

(3) The employee will be converted to the GS grade whose mid-point is closest to the employee's basic pay, except that an employee converting to a two-grade-interval occupational series will be converted to an appropriate grade for that series whose mid-point is closest to the employee's basic pay. If the employee's basic pay is equally distant from the mid-points of two appropriate grades, the employee will be converted to the higher grade.

d. Employees will be placed in GS categories according to coverage criteria that exist at the time of conversion.

e. Once these conversions have taken place, evaluations will be conducted to ensure proper classification.