

**U.S. Office of Personnel Management  
Office of Merit Systems Oversight and Effectiveness  
Classification Appeals and FLSA Programs**

Chicago Oversight Division  
230 South Dearborn Street, DPN 30-6  
Chicago, Illinois 60604

**Classification Appeal Decision  
Under section 5112 of title 5, United States Code**

**Appellants:** [Name]  
[Name]

**Agency classification:** Industrial Property Management Specialist,  
GS-1103-11

**Organization:** Department of Defense  
Defense Contract Management Agency  
Defense Contract Management [City]  
[City, State]

**OPM decision:** Industrial Property Management Specialist,  
GS-1103-11

**OPM decision number:** C-1103-11-02

/s/

\_\_\_\_\_  
Douglas K. Schauer  
Classification Appeals Officer

July 24, 2001

\_\_\_\_\_  
Date

As provided in section 511.612 of title 5, Code of Federal Regulations, this decision constitutes a certificate that is mandatory and binding on all administrative, certifying, payroll, disbursing, and accounting officials of the government. The agency is responsible for reviewing its classification decisions for identical, similar, or related positions to ensure consistency with this decision. There is no right of further appeal. This decision is subject to discretionary review only under conditions and time limits specified in the *Introduction to the Position Classification Standards*, appendix 4, section G (address provided in appendix 4, section H).

### **Decision sent to:**

#### **Appellants:**

[appellant's name and address]

[name and address of co-appellant]

#### **Agency:**

[name and address of appellants' servicing personnel office]

[name and address of appellants' satellite administrative office]

Ms. Susan Greenmore  
Executive Director for Human Resources  
Defense Contract Management Agency  
Attn: DCMA-HRC  
6350 Walker Lane, Suite 300  
Alexandria, Virginia 22310-3240

Ms. Janice W. Cooper  
Chief, Classification Appeals  
Adjudication Section  
Department of Defense  
Civilian Personnel Management Service  
1400 Key Boulevard, Suite B-200  
Arlington, Virginia 22209-5144

## **Introduction**

On April 11, 2001, the Chicago Oversight Division of the Office of Personnel Management (OPM) accepted a position classification appeal from [appellant] and [appellant]. The appellants are employed with the Department of Defense, Defense Contract Management Agency (DCMA), Defense Contract Management [City], in [City, State]. They are both employed as Industrial Property Management Specialist, GS-1103-11, and believe their position should be classified as Industrial Property Management Specialist, GS-1103-12. The appeal has been accepted and processed under section 5112(b) of title 5, United States Code (USC).

## **General Issues**

The appellants' position is classified by reference to the Industrial Property Management Series, GS-1103, published in August 1969. In their appeal letter the appellants imply that the position classification standard does not adequately credit the property administrator work they perform which they believe should be classified at the GS-12 level. Specifically, in its definition of a "highly complex property control system" the standard sets as a threshold for very large amounts of Government-provided property "tens of thousands of line items." The appellants believe that even though they manage on average more than 10,000 line items of property, but less than 20,000 items, they should be credited with controlling a highly complex property control system.

During the course of the position audit one of the appellants stated that the position classification standard does not recognize that the property administration work involved with controlling the Government-owned property in many firms (e.g., 15 to 20) with correspondingly many property control systems is just as difficult and complex as similar work performed by a resident property administrator with only a few systems but over 20,000 end items of property. In adjudicating this appeal, our only concern is to make our own independent decision on the proper classification of his position. By law, we must make that decision solely by comparing his current duties and responsibilities to OPM standards and guidelines (5 U.S.C. 5106, 5107, and 5112). Therefore, we have considered the appellant's statements only insofar as they are relevant to making that comparison.

The appellants raised the issue of lack of equitability in the grading of Industrial Property Management Specialists within the District [Location] of DCMA. They maintain that there are Industrial Property Management Specialists within District [Location] with similar or less responsibility, but who are graded GS-12. Like OPM, the appellants' agency must classify positions based on comparison to OPM standards and guidelines. However, the agency also has primary responsibility for ensuring that its positions are classified consistently with OPM appeal decisions. Therefore, we have asked DCMA District [Location] to ensure that the guidance provided in this decision be applied to all other Industrial Property Management Specialist, Property Administrator positions in its area of responsibility.

## **Position Information**

As stated in the official position description, the appellants serve as non-resident Property Administrators assigned to service between 15 and 20 contractor plants, on average, with complex property control systems. The Government property each controls numbers in excess of

10,000 line items, but usually less than 20,000, and includes substantial quantities of property in most of the different types of property including property of a consumable nature. The contractors they oversee, are located in any of five states. Some of the smaller contractors are visited by the appellants and have their usage of Government provided property analyzed and evaluated only once each year. Larger contractors, those with multiple contracts using Government provided property, and those with large quantities of Government provided property are evaluated more often.

The overriding responsibility of the appellants is to evaluate contractor acquisition, storage, use, disposal and accounting of Government provided property to ensure compliance with contract requirements and Federal guidelines. One of the primary means to accomplish this is to analyze the contractors' property control systems. For most contractors they oversee the appellants follow a random sample of property items following 15 different processes. These processes include, for example, how the items are acquired, how they are used, how they move from one area to another, how they are used, if authorized for use on any particular contract, how excesses or scrap are disposed of, etc. With some of the smaller contractors the appellants analyze the majority of Government provided property at least annually.

The contractors maintain their own property control systems. The only things in common with these systems appear to be those aspects or processes required by the contract or by regulations when using Government provided property. The larger contractors typically use more than one property control system. When the appellants find deficiencies in property control procedures, they define the deficiencies to company management in process or in the outbrief, allow a period of time for the company to respond or improve, re-evaluate corrections or company response, and normally reach an acceptable resolution. In those instances when companies are found to be in violation, they are held liable and may be punished by withholding payments on the current contract, and may be prohibited from being awarded future Government contracts. The contractors must also ensure that their subcontractors comply with regulations and contract requirements.

### **Series and Title Determination**

The work performed by the appellants is properly classified to the Industrial Property Management Series, GS-1103. This series includes positions that primarily require a knowledge of business and industrial practices, procedures, and systems for the management and control of Government-owned property. These positions involve technical work in the administration of contract provisions relating to the control of Government property in the possession of contractors, from acquisition through disposition. For positions concerned primarily with the control of Government property in possession of contractors, the position classification standard assigns the title of Industrial Property Management Specialist. The appellants do not disagree with this occupational series and title for their position. As a further identification of the type of industrial property management position, their position meets the definition of specialists concerned with field operations. A recognized functional title for positions, such as the appellants', which have full responsibility for planning and executing the total property management program for all assigned contracts, is Property Administrator.

## Grade Determination

The grade-level criteria in the GS-1103 standard are directly applicable to field positions, including property administrators. It is expressed in terms of two factors, each of which is examined below.

### *Nature of Assignments*

This factor reflects the scope and difficulty of assignments, and the nature and purpose of personal contacts. Work assignments range from single tasks performed in sequence for training purposes to full responsibility for highly complex property control systems. The complexity of the contractor's property control system has a significant impact on the scope and difficulty of the property administrator positions. The grade-level criteria in the standard describe characteristics that influence the complexity of a contractor's property control system and the corresponding effect on the property administrator's assignment. This criteria includes consideration of:

- 1. The diversity, variety, and complexity of the contractor's organization and operations.*
- 2. The amount and types of Government property provided the contractor.*
- 3. The difficulty of property administration problems resulting from contractual provisions.*

The GS-11 and GS-12 levels describe two types of property administrator. The "resident" property administrator has full responsibility for maintaining control of all Government property at one large contractor. The "nonresident" property administrator, by comparison, has full responsibility for surveillance and control over Government property in a number of contractor plants in specific areas. The complexity and difficulty of both types are similar. While all elements of a complex property control system are typically experienced with one contractor for a resident property administrator, nonresident property administrators may encounter these complex systems throughout the range of assignments.

The GS-11 property administrator exercises full responsibility for the property management program for contractors with large amounts of Government property under a complex property control system(s). The standard identifies characteristics of complex property control systems at the GS-11 level. Characteristic of the amount and type of Government property controlled: they include large amounts (e.g., thousands of line items) of Government-provided property; substantial quantities in each of four or five of the eight identified different types of property are controlled; and property is difficult to control. Characteristics of the contractor(s)'s operation: the property is used in diversified industrial operations, or the property is used to produce complex or varied items; the contractor(s)'s property control records are maintained in various divisions or organizations; and the contractor(s)'s acquisition through disposition of Government property requires an understanding of diversified industrial operations and the methods used to control Government property. Contractual provisions include some unique and special property

provisions which represent difficult property administration problems requiring the use of experienced judgment in the application of guidelines. In their personal contacts, GS-11 property administrators deal with a variety of top management officials of contractor firms on more complex control matters with greater potential impact on the contractor(s)'s diversified operations. The cumulative aspects of the appellants' work meets the GS-11 level for Nature of Assignment.

GS-12 level assignments exceed those described at GS-11 primarily in that (1) larger amounts and greater varieties of Government property must be controlled; (2) contractor(s)'s control of Government property is diffused among different organizational components; and (3) there is a continuing need to resolve difficult property administration problems relating to unique or special property provisions for which there are no established guidelines or precedents. Characteristic features specific to nonresident property administrators at the GS-12 level require: (1) control over a very large amount and most types of Government property with a diversity of methods and procedures for controlling dissimilar materials, equipment, and facilities in the plants under surveillance; (2) knowledge and understanding of different kinds of diverse and complex industrial and business operations, including a variety of different automated or manual control techniques, procedures and forms; and (3) a continuing need to resolve difficult property administration problems for which there are no established guidelines or precedents.

Both appellants control on average over 10,000 line items of Government property at any one time, but less than 20,000 (tens of thousands). The quantities of actual property items number in the hundreds of thousands and the total value is in excess of \$100 million. Among these are substantial amounts in each of four or five different types of property. That standard states that a differentiating characteristic between GS-11 and GS-12 property administrators is that the GS-12 controls very large amounts, e.g. "tens of thousands," of line items of Government property, and this is defined as over 20,000 line items. Specialists at both grade levels normally handle substantial quantities of most types of property. The appellants do not meet this threshold necessary to meet the standard's definition of a complex property control system.

The appellants' state that the number and variety of property control systems is a better indicator of complexity of the work than the number of line items. They each work with very many systems utilized by the contractors they oversee ranging from manual systems to sophisticated automated systems. Although the appellants handle substantial quantities of most types of Government property, the amount of end items they control does not meet the criteria for the GS-12 level.

The appellants' duties do require knowledge and understanding of different kinds of diverse and complex industrial and business operations, etc. The contracts they manage range in scope from noncomplex manual property control systems for the contractor manufacture of uncomplicated items to sophisticated industrial and business operations and complex manual and automated property control systems. The contractors overseen by one of the appellants, for example, manufacture navigation systems for the Trident submarine, guidance and fire control systems for classes of Navy ships, and navigation and control system and communication system for the P3 Orion aircraft. Those overseen by the other manufacture a night vision system, a software

system for the AWACS, an aircraft engine anti-icing system, etc. This is characteristic of the GS-12 level.

A third characteristic of the GS-12 Level is assignments that require a continuing need to resolve difficult property administration problems for which there are no established guidelines or precedents. Both appellants encounter situations or problems for which there are no established guidelines or precedents. They both offered that the large use of consumable material in the manufacturing process is very difficult to monitor, and unprecedented problems often occur for which there are no guidance or precedent. One of the appellants provided the example of a large contractor whose major subcontractor was a subsidiary; deciding which set of Federal Acquisition Regulations (FAR) applied in one case was not covered in the guidelines. Because GS-12 level work typically reflects a continuing need for this kind of problem resolution, and this was not evident in the appellants' work, we could not credit that level. The appellants meet the GS-11 level for this factor.

In their personal contacts the appellants deal regularly with the top level of management at the corporate entities or facilities for which they are responsible. At their smaller contractors, the owner, CEO or COO is often the person with whom they maintain regular contact to resolve problems. At the larger contractors such as Lockheed Martin or General Dynamics, they maintain contact with the plant and line managers to work out problems. These types of contacts are characteristic of both the GS-11 and GS-12 levels. Where this meets the GS-12 level is in the purpose of contacts. At the GS-12 level contacts are more difficult because of the broader scope and diversity of the contractor(s)'s operations, the complexity of property administration problems, and the greater amount and variety of Government property involved. As shown above, the elements of the appellants' work do not equate to the GS-12 level.

### *Level of Responsibility*

This factor indicates the degree of supervision received, the nature of available guidelines, and the nature and complexity of decisions and recommendations. Positions in this occupation range from training assignments performed under extremely close supervision to assignments at full working levels that involve independence and authority to make decisions on the adequacy of contractors' performance.

At the GS-11 level, a property administrator typically receives general administrative supervision from a supervisor with broad responsibilities for contract administration and technical supervision from staff or supervisory industrial property specialists at a regional or district headquarters. Work assignments and objectives are generally prescribed, but methods of accomplishment are seldom reviewed or controlled while work is in progress. A GS-11 property management specialist receives the same type of supervision as does a property administrator. Like the property administrator, the plant clearance officer has final approval and signatory authority on property disposal matters.

The GS-11 property administrator has full authority and responsibility for developing plans and accomplishing the total property control program for assigned contractors. This level exceeds a GS-9 in that the employee independently makes decisions to approve or disapprove initial and

continuing adequacies of more complex property control systems, and has greater authority in management of the contractor's property control system. The GS-11's supervisor is kept informed on problems that the employee is unable to resolve or on any persistent lack of corrective action by the contractor or subcontractors or on unusual or unduly complex situations. Likewise, the property management specialist has full authority and responsibility for all property clearance matters within their jurisdiction, and keeps the supervisor informed on unusual or special situations that may occur.

A GS-12's level of responsibility involves the same supervisory relationship as described at the GS-11 level. The essential difference between the GS-11 and GS-12 positions is the greater scope and complexity of assignments found at the GS-12 level in dealing with much larger market areas and with greater numbers and types of property.

The appellants' position in contracting matters meets the level of responsibility of the GS-11 in that they have full authority to make decisions relevant to property disposal matters in a multi-state area, including signatory authority for the numerous forms and correspondence needed for excess property disposal. The appellants' supervisor maintains administrative supervision, and any technical assistance required on the part of the appellants is obtained through contact with other plant clearance officers or the District [Location] office.

The appellants' position does not meet the described standard for GS-12 in that the scope and complexity of their position is less than the larger market area and greater numbers/types of property envisioned in the GS-12 standard.

These elements in the appellants' position are indicative of a GS-11 grade level and do not fully meet the level of a GS-12, as described above. Therefore, for the contract portion of the appellants' position, we are assigning a GS-11.

### **Decision**

Since both grade-level criteria equate to the GS-11 level, the final classification is Industrial Property Management Specialist, GS-1103-11.