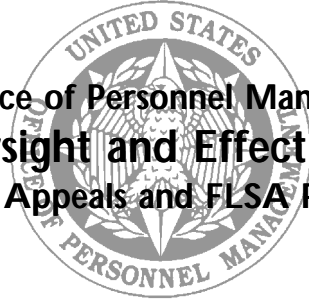


U.S. Office of Personnel Management
Office of Merit Systems Oversight and Effectiveness
Classification Appeals and FLSA Programs



Dallas Oversight Division
1100 Commerce Street, Room 4C22
Dallas, TX 75242

Classification Appeal Decision
Under Section 5112 of Title 5, United States Code

Appellant: [appellant' name]

Agency classification: Financial Management Specialist
GS-501-11

Organization: [appellant's specific organization within the
Air Force Space Command]
Department of the Air Force
[geographic location]

OPM decision: GS-501-11
title at agency discretion

OPM decision number: C-0501-11-01

/s/ Bonnie J. Brandon
Bonnie J. Brandon
Classification Appeals Officer

5/24/99
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:

[appellant's name and address]

Civilian Personnel Officer
[address of servicing personnel office]
Department of the Air Force

Chief, Classification Branch
Field Advisory Services Division
Defense Civilian Personnel Management Service
1400 Key Boulevard, Suite B-200
Arlington, VA 22209-5144

Director, Civilian Personnel Operations
Department of the Air Force
AFPC/DPC
550 C Street West
Randolph Air Force Base, TX 78150-4759

Director of Civilian Personnel
HQ USAF/DPCC
1040 Air Force Pentagon
Washington, DC 20330-1040

Introduction

On January 26 1999, the Dallas Oversight Division of the U. S. Office of Personnel Management (OPM) received a classification appeal from [the appellant]. His position is currently classified as Financial Management Specialist, GS-501-11. He works in the [appellant's immediate organization], [the appellant's specific Comptroller Squadron and Space Wing], Air Force Space Command, at [the appellant's geographic location].

The appellant's position was downgraded from a Financial Management Specialist, GS-501-12, on August 3, 1997, as the result of a classification consistency review conducted by the Department of the Air Force. The appellant appealed the downgrade to the Civilian Personnel Management Service, Department of Defense, which subsequently denied his appeal and sustained the classification of GS-501-11. The appellant then appealed to OPM under the provisions of section 5112(b) of title 5, United States Code, requesting classification as Financial Management Specialist, GS-501-12.

To help decide the appeal, an OPM representative conducted a phone audit of the appellant's position. The audit included interviews with the appellant and his immediate supervisor. In reaching our classification decision, we have reviewed the audit findings and all information of record furnished by the appellant and his agency, including his official position description (PD) number [PD number].

General issues

The appellant cites the classification of another position in Headquarters Air Force Space Command that he believes is similar to his as part of the basis for his appeal. By law, we must classify positions solely by comparing their current duties and responsibilities to OPM standards and guidelines (5 U.S.C. 5106, 5107, and 5112). Since comparison to standards is the exclusive method for classifying positions, we cannot compare the appellant's position to others as a basis for deciding his appeal. If the appellant considers his position so similar to the other one that it warrants the same classification, he may pursue the matter by writing to the Department of the Air Force's personnel headquarters. In doing so, he should specify the precise organizational location, classification, duties, and responsibilities of the position in question. If the positions are found to be basically the same, the agency must correct the classification to be consistent with this appeal decision. Otherwise, the agency should explain to the appellant the differences between his position and the one at the Headquarters level.

Position information

Both the appellant and his supervisor certify that the official PD is current and accurate. We find that the description of major duties and responsibilities accurately reflects the appellant's assignments.

The appellant is responsible for reporting to the Comptroller of [a specific] Space Wing the financial condition of seven Morale, Welfare, and Recreation (MWR) funds and two lodging funds for Nonappropriated Fund Instrumentalities (NAFI's). The NAFI's are located at [the appellant's geographic location] and seven Geographically Separated Units (GSU's) throughout the world, to include [a specific state and two other countries]. The MWR funds cover a variety of business activities, such as bowling alleys, golf courses, fitness centers, outdoor adventure programs, auto skills centers, youth activities, child development centers, and flying clubs. As a nonappropriated funds financial analyst (NAFFA), the appellant conducts cost benefit and profitability analyses for these activities against Air Force and Command goals and budgets and recommends approaches to reduce costs and enhance profits.

The appellant reviews and tracks Internal Management Control (IMC) requirements for the NAFI's. He personally conducts IMC reviews, recommends improvements, and tracks corrective actions. The appellant also reviews and tracks Air Force, Department of Defense, and other audit findings, ensuring adequacy of replies and tracking corrective actions to ensure compliance. The appellant's PD of record provides more detailed information regarding these and other duties and responsibilities.

Series and title determination

We find the appealed position to be a mixed series position in that the primary duties are characteristic of auditing and accounting work. Both the GS-510 Accounting Series and GS-511 Auditing Series are considered professional in that certain educational requirements must be fulfilled in order to qualify for series allocation. Because the appellant has not fulfilled the educational requirements to qualify for either series, we find the GS-501 Financial Administration and Program Series to be appropriate for classification purposes. This series covers two-grade interval administrative work that involves control, management, acquisition, disposition, expenditure, or use of appropriated or nonappropriated funds that is not classifiable in any other series. Although this work does not require education in a specialized field, it does involve skills typically gained through substantial, responsible experience. Neither the appellant nor the agency disagrees with allocation to this series.

OPM does not prescribe titles for positions in the GS-501 series. According to section III.H.2 of the *Introduction to the Position Classification Standards*, the appellant's agency may choose the official title for his position. The agency selected Financial Management Specialist as the official title for the appealed position.

Standard determination

The GS-501 series does not provide criteria for grade determination. The agency applied the grading criteria in the GS-510 Accounting Series to arrive at a grade. Because the work of the appealed position is mixed in nature, we have chosen to apply the grading criteria in the GS-511 Auditing Series. We have done so not only to provide a different perspective from that already

provided by the agency, but also because we find the grading criteria to be relevant to the knowledge and skills required of the appellant to consolidate and analyze financial trends; recommend approaches to reduce costs and increase profits of assigned NAFFI's; and to conduct, monitor, and advise on IMC and audit findings.

Grade determination

The standard for the GS-511 series uses the Factor Evaluation System (FES), which employs nine factors. Under the FES, each factor level description describes the minimum characteristics needed to receive credit for the described level. Therefore, if a position fails to meet the criteria in a factor level description in any significant aspect, it must be credited at a lower level. Conversely, the position may exceed those criteria in some aspects and still not be credited at a higher level. Our evaluation with respect to the nine FES factors follows.

Factor 1, Knowledge required by the position

According to the standard, auditors at Level 1-7 must apply a knowledge of accounting and auditing practices, methods, and techniques to independently plan and conduct evaluations of agency operational programs or industrial operations that require resolution of a variety of problems. Typical assignments at this level require considerable analysis and skill in planning and developing the audit and interpreting findings. The standard provides an illustration in which knowledge and skill at this level are used to review the appropriation accounts of an organization involving maintenance; research, development, testing, and evaluation; foreign military sales; and new construction. The auditor identifies overspending and propriety of obligations and expenditures. Another illustration is provided in which the auditor reviews the financial management aspects of a contractor's operations. The auditor in this situation identifies inefficient work flow and production bottlenecks, determines the financial impact of work processes, and recommends improvements to strengthen control and lower production costs.

At Level 1-8, auditors must apply knowledge of the theory, concepts, and practices of accounting and auditing to very broad assignments. Assignments at this level typically require applying audit theory in developing new approaches for the study of programs where there has been little experience in interpreting the data or in which governing regulations and laws are highly interpretive. The auditor at this level is considered either an expert in developing and applying auditing techniques or skilled in planning and executing audits of nationwide programs. An illustration is provided in the standard in which such knowledge is used to serve as a technical expert in a major area of an agency audit program. The auditor's interpretations are uniformly applied throughout the organization.

The knowledge and skills required of the appellant meet Level 1-7. The appellant must apply a knowledge of financial management, accounting, and auditing practices, methods, and techniques to analyze the financial condition of the various NAFFI activities, identify the causal basis of financial trends, and recommend solutions for a variety of problems. Work of this nature falls short of the staff level expert described at Level 1-8. The appellant does not develop new

approaches for evaluating novel programs, and he does not plan or conduct reviews of programs that are nationwide in scope. While the appellant might have to interpret and adapt available guidelines in certain situations, this is not comparable to the highly interpretative nature of work at Level 1-8.

Level 1-7 is credited for this factor and 1250 points are assigned.

Factor 2, Supervisory controls

Supervision at Level 2-4 in the standard consists of receiving assignments in terms of overall objectives and resources available. The auditor at this level is fully experienced at the work and is responsible for independently resolving most conflicts that arise. The auditor keeps the supervisor informed of progress and potentially controversial matters or items of major impact. Completed work is reviewed for soundness of overall approach, effectiveness in meeting requirements or expected results, and workability of any recommendations.

At Level 2-5, the supervisor provides only administrative direction in terms of broadly-defined missions or functions of the agency. The auditor defines objectives and coordinates all aspects of the assignment. Completed assignments are considered technically authoritative and accepted without significant changes. The work is reviewed for effect of advice and influence on the overall program and for fulfillment of program objectives.

Supervisory controls over the appellant's position are properly credited at Level 2-4. The appellant is supervised by the Comptroller [for a specific Space Wing] who assigns areas of responsibility and special taskings. The appellant is allowed wide latitude in identifying potential concerns and taking necessary steps to correct them, but he keeps his supervisor informed of progress and controversial issues that arise. The appellant's supervisor reviews completed work for soundness of overall approach, effectiveness in meeting requirements, and regulatory compliance. This level of supervision is closer than the administrative oversight depicted at Level 2-5.

Level 2-4 is credited for this factor and 450 points are assigned.

Factor 3, Guidelines

Guidelines described at Level 3-3 in the standard are not completely applicable to some of the work or have gaps in specificity. They include audit plans for commonly-performed audits that provide a preferred approach or include generally accepted requirements for recording and reporting transactions. The auditor at this level must interpret and adapt the guides, modifying the information to fit the situation at hand. The auditor uses judgment in studying programs, operations, and systems and in making recommendations.

Guidelines at Level 3-4 are stated in general terms, e.g., agency regulations that prescribe only the purposes for which systems have been set up. Precedents are usually not applicable to assignments. Some auditors at this level develop new methods or criteria, such as material to supplement or explain guidelines received from agency headquarters. Other auditors prepare specific guidance for field offices or develop guidance to cover broad audit situations.

The appellant's guidelines are best evaluated at Level 3-3. Guidelines available to the appellant include Air Force Instructions (AFI's) 65-107, 65-106, 34-201, 34-209, as well as GAO and OMB decisions and specialized handbooks. The AFI's provide fairly complete instructions for the appellant's responsibilities as a NAFFA. These guidelines do not cover all situations, however, and the appellant must exercise personal judgment and do some interpretation to adapt the guidelines to fit the situation at hand. The appellant issues guidance to his assigned GSU's that expands on or clarifies Air Force policies. While this may appear to meet one aspect of Level 3-4, the high level of interpretation that is required when dealing with general guidelines or broad assignments for which there are no precedents is not required when the appellant issues the guidance.

Level 3-3 is credited for this factor and 275 points are assigned.

Factor 4, Complexity

At Level 4-4 in the standard, the work requires auditing activities covering many different and unrelated processes and functions. The auditor at this level plans, coordinates, and conducts audits and develops reports where there are numerous unknown factors to be identified and analyzed. Activities are in a state of change, and the auditor continuously encounters new situations and conditions. Management's informational needs constantly change, and the auditor must evaluate ongoing programs from new perspectives. The auditor performs analyses such as evaluating records, statements, and operating programs to determine the nature and extent of liabilities or deficiencies. Decisions require an assessment of a variety of conditions, such as incomplete records, unreliability of available data, the resistance of program officials to findings, and variability in the way programs and systems are set up and operated.

Assignments at Level 4-5 are characterized by intensive efforts in planning or problem solving for an area where the auditor functions as a designated authority. The programs under audit are broad in scope and complexity, requiring the auditor to (1) meet with program and functional representatives to gather needed information to define issues and structure the audit for many discrete program areas; (2) write instructions for a number of teams, tailoring the instructions to each program area; (3) advise team leaders on a variety of technical problems; or (4) justify the scope, depth, and timing of the audit to others who are concerned with the most effective use of the agency's total audit resources. Decisions are complicated by the extreme diversity of functional programs and operations, the conflicting requirements in balancing cost against requirements, or the need to establish criteria when advising other auditors on the application of

accounting principles and practices in a major area such as contract auditing. The work requires the auditor to be adept at conceiving new strategies for the solution of auditing problems.

The complexity of the appellant's work is best evaluated at Level 4-4. The appellant is responsible for analyzing and reporting on the financial condition of nine funds involving a variety of business activities at geographically dispersed locations. The appellant contends in his appeal that his responsibilities as the [appellant's specific] Space Wing NAFFA are much more complex than those of a Base NAFFA because of the differing requirements associated with each site, such as dual compensation considerations and dealing with foreign nationals and foreign currency. The appellant states his responsibilities are further complicated by the fact that the Base Commanders rotate each year and need to be familiarized with regulatory requirements and how to make sound business decisions that increase profitability. We find these complexities to be fully comparable to the variability of programs involving unknown factors and changing management needs as discussed at Level 4-4.

For further comparison, the standard provides benchmarks that illustrate typical assignments at a given level. Benchmark #1 for Auditor, GS-11, describes assignments as those of an auditor in a regional office of an agency that audits accounts of subsidized steamship companies and their affiliated companies. The Level 4-4 complexities involved in this benchmark are numerous funds, unusual or unforeseen circumstances, the variety of ways the company finances its operations, and poor reporting practices that make it difficult to determine the current status of the various funds. Benchmark #2 for Auditor, GS-11, depicts an auditor with responsibility to audit accounts throughout a region of a major department. The work involves numerous activities covering many different unrelated processes and functions. Benchmark #3 for Auditor, GS-11, involves auditing contract services at a department and various other Federal agencies. The work complexities include a variety of assignments at various locations, several subsidiary accounts, changing conditions, and unreliability of accounting data.

The benchmarks support our finding that the complexities of a Wing NAFFA, as claimed by the appellant, fully match those discussed at Level 4-4. The appellant does not function as the agency's designated authority on NAFI financial management systems and is not responsible for coordinating broad and complex audits requiring the coordinative and advisory work depicted at Level 4-5.

Level 4-4 is credited for this factor and 225 points are assigned.

Factor 5, Scope and effect

The purpose of work at Level 5-4 is to develop approaches to evaluate a variety of programs and systems. Approaches vary widely because of the variability of subject programs due to differences in organization, technological advances, or changes in regulations. Audit reports provide information on program operations and identify causes of deficiencies or problems. The reports

provide recommendations for corrective actions. The work affects the way financial management systems and programs are structured and operated throughout an organization.

At Level 5-5, the purpose of the work is to study and integrate the findings of a number of audit efforts to define unknown conditions or develop criteria or new approaches for use by other auditors. Auditors at this level provide expert advice to others on the interpretation of regulations and their application to controversial problems. The advice is used by auditors throughout the organization. The work affects the work of other auditors and provides a definitive framework for the application of audit theories, concepts, and techniques.

The scope and effect of the appellant's work meet Level 5-4. The purpose of the appellant's work is to analyze financial reports, advise managers on operations that impact financial conditions, and recommend solutions that promote efficiency in the distribution, reallocation, and use of nonappropriated funds. The work affects the efficient use of funds and the way in which financial management systems are operated. The scope and effect of the appellant's work are not as extensive as that of the expert described at Level 5-5 where the work affects the work of other auditors.

Level 5-4 is credited for this factor and 225 points are assigned.

Factor 6, Personal contacts

Personal contacts at Level 6-3 include officials, managers, professionals, and employees of other agencies and outside organizations. Typical of these contacts are representatives of contractors and other Federal agencies.

At Level 6-4, personal contacts are with high-ranking officials from outside the agency at national or international levels, such as members of Congress, presidents of large national or international firms, or mayors of large cities.

The appellant's personal contacts meet Level 6-3. Contacts are with Base Commanders, representatives of contract audit agencies, Wing accountants, analysts, contracting officers, civil engineers, Command and Defense staff accountants, and customers of tenant activities.

Level 6-3 is credited for this factor and 60 points are assigned.

Factor 7, Nature of contacts

Contacts at Level 7-3 are for the purpose of influencing or persuading representatives of the organization audited to accept critical or controversial observations, findings, and recommendations. Audit recipients are often reluctant to agree that costly errors were made, that corrective action is required, or that suggestions will improve operations. The individuals contacted are often strong adherents of opposing views and are influential.

At Level 7-4, the contacts are to justify, defend, negotiate, or settle matters involving significant or controversial issues. The auditor at this level attends meetings to give overall direction to the organization's audit program, achieving major economies in agency programs, or developing standards and guides for auditing complex activities. Individuals contacted usually have diverse viewpoints, requiring the auditor to achieve a common understanding of the problem and arrive at suitable compromises.

The nature of the appellant's contacts is assessed at Level 7-3. The appellant briefs managers and other officials on analyses findings and often has to persuade them to follow a recommended course of action. Even though Base Commanders are usually receptive to his findings, a variety of situations often arise during the course of IMC and other audits wherein the appellant must persuade others to agree with corrective courses of action. The appellant is not responsible for directing or advising on the agency's financial management oversight role or developing guides that would impose the high degree of negotiation or defense skills intended at Level 7-4. The appellant's supervisor assists in controversial or difficult situations in which the appellant is unable to attain agreement.

Level 7-3 is credited for this factor and 120 points are assigned.

Factor 8, Physical demands

The physical demands placed on the appellant meet and do not exceed Level 8-1 in that work at this level is principally sedentary, with some walking in factories and similar areas to check on inventories.

Level 8-1 is credited for this factor and 5 points are assigned.

Factor 9, Work environment

The work environment in which the appellant works meets and does not exceed Level 9-1 in that work at this level is usually performed in an office setting. There may be occasional exposure to uncomfortable conditions in factories and similar areas.

Level 9-1 is credited for this factor and 5 points are assigned.

Summary

In sum, we have evaluated the appellant's position as follows:

Factor	Level	Points
1. Knowledge required by the position	1-7	1250
2. Supervisory controls	2-4	450
3. Guidelines	3-3	275
4. Complexity	4-4	225
5. Scope and effect	5-4	225

The appellant's position warrants 2615 total points. In accordance with the grade conversion table in the standard, the position is properly graded as GS-11.

Decision

The appellant's position is properly classified as GS-501-11, with the title at the discretion of the agency.