



DEPARTMENT OF THE NAVY
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From: Commander, Navy Installations Command

Subj: COMMANDER, NAVY INSTALLATIONS COMMAND NONAPPROPRIATED
FUND PERSONNEL POLICIES AND PROCEDURES

Ref: See APPENDIX C

1. Purpose. Per appendix C, references (a) through (aa), to provide policy, guidance and procedures for Commander, Navy Installations Command (CNIC) Nonappropriated Fund (NAF) employees and managers.

2. Background. Navy policy is to provide operational and support activities with essential CNIC mission support services, as well as produce programs that effectively contribute to the morale, well-being and quality of life (QOL) of Naval personnel and their family members. This manual supplements.

3. Cancellation. CNICINST 5300.2.

4. Scope and Applicability. This manual applies to CNIC Nonappropriated Fund Instrumentalities (NAFI).

5. Policy

a. This manual applies to the personnel management operations for NAF employees within CNIC.

b. Requests for waivers to any of the CNIC policies that are not contained in higher level regulations or laws must be submitted to CNIC Headquarters (HQ) Fleet and Family Readiness (CNIC N9). The waiver request will include justification for the waiver. Waivers can either be for relief of a specific individual or relief in general. Relief in general waivers will remain in effect for 12 months following the date the request for a waiver was approved.

6. Responsibilities

a. CNIC Fleet and Family Readiness (N9) will:

(1) Review waiver requests for deviation for CNIC specific personnel policy.

- (2) Update this manual as required.
- (3) Implement policy contained in this manual.
- b. Region Commanders (REGCOMs) will:
 - (1) Review waiver requests from subordinate commands.
 - (2) Review each approved waiver 12 months after approval for applicability.
 - (3) Implement policy contained in this manual.
- c. Installation Commanding Officers (ICO) will:
 - (1) Review waiver requests from their Installation.
 - (2) Implement policy contained in this manual.

7. Records Management

a. Records created as a result of this manual, regardless of format or media, must be maintained and dispositioned per the records disposition schedules located on the Department of the Navy Assistant for Administration, Directives and Records Management Division portal page at <https://portal.secnav.navy.mil/orgs/DUSNM/DONAA/DRM/Records-and-Information-Management/Approved%20Record%20Schedules/Forms/AllItems.aspx>.

b. For questions concerning the management of records related to this manual or the records disposition schedules, please contact local records manager or the OPNAV Records Management Program (DNS16).

8. Review and Effective Date. Per OPNAVINST 5215.17A, CNIC (N9) will review this manual annually on the anniversary of its effective date to ensure applicability, currency, and consistency with Federal, Department of Defense, Secretary of the Navy, and Navy policy and statutory authority using OPNAV 5215/40, Review of Instruction. This manual will be in effect for 10 years unless revised or cancelled in the interim and will be reissued by the 10-year anniversary date if it still required, unless it meets one of the exceptions in OPNAVINST 5215.17A, paragraph 9. Otherwise, if the manual is no longer required, it will be processed for cancellation as soon as the need for cancellation is known following the guidance in OPNAV Manual 5215.1 of May 2016.

9. Forms or Information Management Control. When a directive mandates the use of a form or contains an information collection requirement (reports), the form number and title of the form or the report control symbol and title of the information collection requirement, or both, must be identified in the last paragraph of the manual. Also state where the forms may be obtained and how information should be submitted. (Example: CNIC 5211/3, Privacy

17 Jul 2023

Implementation Status Report, can be found on the CNIC Gateway 2.0 at <https://g2.cnic.navy.mil/cnichome/SitePages/CNIC%20Home.aspx>. Submit completed reports to the Privacy Act Coordinator.)



L. V. MENONI
Acting

Releasability and distribution:

This manual is cleared for public release and is available electronically only via CNIC Gateway 2.0, <https://g2.cnic.navy.mil/CC/Documents/Forms/Directives%20Only.aspx>.

RECORDS OF CHANGES

Brief Description of Approved Changes	Date of Change	Pages Affected	Change Approved By (CNIC/ED)

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COMMANDER, NAVY INSTALLATIONS COMMAND



NONAPPROPRIATED FUNDS PERSONNEL POLICIES AND PROCEDURES MANUAL

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CHAPTER 1
INTRODUCTION TO NONAPPROPRIATED FUND (NAF) HUMAN RESOURCES
MANAGEMENT

0101. Purpose. These policies are designed to:

- a. Ensure NAF employees are treated equitably and fairly per applicable laws, executive orders, and other pertinent regulations.
- b. Provide the basis for achieving the desired degree of uniformity among CNIC NAFIs in the management of their personnel.
- c. Recognize and provide a basis for negotiating with labor organizations.
- d. Promote those practices and processes that facilitate obtaining, developing, and retaining a NAF work force of well qualified individuals.
- e. Achieve optimum use of available human resources.
- f. Develop and maintain personnel programs that help preserve NAFI operational and financial integrity and ensure successful completion of the NAFI's mission.

0102. Coverage. The policies and procedures prescribed in this manual apply to employees of all NAFIs and NAF activities under the cognizance of CNIC. NAF employees include:

- a. U.S. citizens
- b. U.S. nationals when the Status of Forces Agreement (SOFA) does not apply.
- c. Off-duty non-U.S. citizen members of the U.S. Armed Forces.
- d. Residents aliens residing in the U.S., Commonwealth of Puerto Rico and any of the territories of the U.S.
- e. Non-U.S. citizen dependents of U.S. citizens employed by the Federal government and of non-U.S. citizen military members, where the host government recognizes such dependents as a part of the U.S. forces stationed in the host country.
- f. Employees at non-U.S. locations that do not have a SOFA, (e.g., Cuba).
- g. NAF employees provided personnel services by CNIC.
- h. Properly accepted NAF volunteers per appendix C, reference (c) for the purpose of workers' compensation and claims.

0103. Applicable Policies. Personnel management administration of NAF employees is based on personnel procedures per the principles and authorities contained in applicable DoD and Secretary of the Navy (SECNAV) instructions, applicable public statutes, pertinent Executive Orders, specified Office of Personnel Management (OPM) policies, and other applicable DON, and Office of the Chief of Naval Operations (OPNAV) regulations.

0104. Authorized Appropriated Fund (APF) Support for CNIC Activities. The APF support policy for CNIC can be found in appendix C, references (d) through (f). The following summarizes existing policy:

a. Military programs are sub-divided into three categories. The basic funding standard, regardless of the category, is to fund CNIC programs with 100 percent of what is authorized.

(1) Category A, mission-sustaining activities, are at one end of the spectrum in which the military organization is the primary beneficiary and the activity provides identifiable recruiting and retention incentives.

(2) Category B, basic community support activities, contribute to the mission, but are capable of generating some NAF revenues; however, they are not expected to sustain operations solely with NAF funds. A significant portion is normally funded with APF funds.

(3) Category C, business activities primarily benefit the individual, and have the capability to generate significant NAF revenues. APF support is very limited. Some installations have been designated as overseas, or isolated and remote, and may use APF funds for Category C operations.

b. Uniform Funding and Management (UFM). Appendix C, references (e) and (f) outline the use of APF for NAFI programs, which shall be operated, maintained, and funded as an integral part of the personnel and readiness program. The UFM practices were established to allow NAFIs to receive appropriated funds to use for their authorized programs. UFM practice will not be used as a mechanism to convert encumbering CNIC APF civilian positions to NAF positions. Should an APF position become vacant, the UFM Memorandum of Agreement (MOA) may be modified to include the APF labor funds to be provided to the NAF activity; however if an unencumbered position is converted to a NAF or contract position, the position will not be converted back to an APF position. NAF positions for which APF reimbursement is received must be budgeted and executed per a MOA with the installation or regional APF comptroller, as appropriate.

c. Other Basic Policy

(1) Executive Control and Essential Command Supervision (ECECS). Managerial positions at an installation, major command, or Military Service headquarters located above the direct program managerial and operational level of individual NAFI programs. These positions support planning, organizing, directing, coordinating, and controlling the overall operations of NAFI programs. ECECS specifically consists of program, fiscal, logistical and other management functions required to ensure fiscal and management oversight. Installation

Commanding Officers (ICOs) have an oversight responsibility for Morale, Welfare and Recreation (MWR) programs. To exercise this responsibility, ICOs must provide guidance and direction to MWR activities under their cognizance. Refer to appendix C, reference (g) for additional information concerning the ECECS.

(2) Protection of Health and Safety. NAF activities, regardless of funding category, are authorized to receive APF command support associated with protecting the health and safety of participants, employees, resources, and property.

(3) Other Common Support. NAF activities may utilize other common support services, which are normally provided by a base or ICO and are not directly related to the health and safety of personnel or property. Such common support services typically include, but are not limited to, custodial services, communications, legal services; advice including ethics determinations; technical guidance; administration; and assistance on accounting, financial management, procurement, equal employment opportunity (EEO), and civilian personnel including labor relations.

0105. Roles and Responsibilities

a. Assistant Secretary of Defense (Force Management and Personnel) (ASD (FM&P)) is responsible for HR policy matters related to NAF employees in DoD.

b. ASD (FM&P) has designated Deputy Assistant Secretary of Defense (Civilian Personnel Policy) (DASD (CPP)) to oversee the issuance of NAF HR policy for DoD.

c. Assistant Secretary of the Navy (Manpower and Reserve Affairs) (ASN (M&RA)) is responsible for all civilian HR policy matters related to NAF activity employees in DON.

d. ASN (M&RA) has designated Deputy Assistant Secretary of the Navy (Civilian Human Resources) (DASN (CHR)) to oversee APF and NAF civilian HR policy with DON.

e. CNIC (N9) manages NAF civilian HR policy for all NAF activities under the cognizance of CNIC. CNIC (N9) will:

(1) Maintain this manual in coordination with appropriate authorities and publish necessary revisions and changes.

(2) Maintain oversight of policies and programs set forth in this manual, ensuring consistent implementation and continuous application at all NAF activities under the cognizance of CNIC.

(3) Exercise the authorities specified in this manual.

(4) Review and comment on all NAF civilian HR policy issues.

(5) Provide guidance on the proper interpretation and application of NAF HR policies.

f. Depending upon the CNIC NAF operations, ICO; the FFR Region Head (N9), which may be military or civilian, Navy Gateway Inns and Suites (NGIS) Region Head; N94 for HQ Millington; and other staff, are responsible for supervision, administration and control of local NAF civilian HR policy ensuring compliance with this and higher level regulations or policies issued by CNIC. The aforementioned staff will be the organization level that will have the final decision on grievances; and will be the first step in the appeal process for disciplinary and adverse actions, approved staffing levels, approved waiver of spouse preference order of selection, denials of employment, etc. Each Region or staff using this manual will specify in writing their organizational structure and responsibility to avoid compromise.

g. Position classification authority will be administered per the provisions set forth in Chapter 4 of this manual.

h. No employees shall initiate, process, authorize, or approve a personnel, payroll or travel action relating to themselves. The approval level will be at least one level of management above the impacted employee. In some situations as specified in this manual, two levels of supervision must approve before action may be finalized.

0106. Legal Status of NAF Employees. NAF employees are federal employees within DoD, but are not subject to many of the personnel laws administered by OPM for civil service employees.

a. Appendix C, reference (h) explains the status of NAF employees and identifies the OPM administered laws that cover NAF employees.

b. Appendix C, reference (h) Chapter 53, Subchapter IV, as amended by P.L. 92-392, provides for a pay system under which the rates of pay of prevailing rate employees are fixed, and adjusted from time to time consistent with the public interest under prevailing rates. This applies to Craft and Trade (CT) employees.

c. An opinion rendered by the Merit Systems Protection Board (MSPB) states NAF employees have no statutory or regulatory right of appeal to the MSPB because NAF employees:

- (1) Are not covered by the definition of employee set forth in appendix C, reference (i).
- (2) Are not covered by appendix C, reference (j).
- (3) Are specifically excluded as employees for the purpose of laws administered by OPM.
- (4) Are not covered by appendix C, reference (k).

0107. Definitions

a. The following definitions apply:

(1) Civil Service Employee. A person appointed to a competitive service position administered by OPM and paid from funds appropriated by Congress.

(2) Contractor. An individual, firm, corporation, partnership, association, or other legal non-Federal entity that enters into a contract directly with DoD or a DoD component to furnish services, supplies, or both including construction. Subcontractors are excluded. Foreign governments or representatives of foreign governments that are engaged in selling to DoD or a DoD component are defense contractors when acting in that context.

(3) Contiguous United States (CONUS). The 48 contiguous United States and the District of Columbia.

(4) Days. Wherever appearing throughout this manual, unless otherwise specified, days mean calendar days.

(5) Flexible Employee. These are employees who serve in either continuing or temporary (time limited) positions, on a scheduled or unscheduled (as needed or intermittent) basis, up to 40 hours per week. Flexible employees may be eligible to participate in medical benefits if the employee works on average 30 hours per week. Flexible employees are not entitled to earn or use annual or sick leave. All flexible employees will be officially placed on the payroll of the employing NAFI. The change between scheduled and unscheduled does not have to be a competitive action and is not grievable. The termination of a flexible employee for cause or performance requires written notification to the employee. In many cases (as specified in this manual) flexible employees are not covered by grievance or appeal procedures.

(6) Foreign Areas. Areas situated outside the United States, Federated State-of-Micronesia, and Republic of the Marshall Islands (all formerly the Trust Territory of the Pacific Islands), Commonwealth of Puerto Rico, Panama and the possessions of the U.S. (including the Commonwealth of the Northern Marianas Islands, a U.S. Territory).

(7) Head of a NAFI Activity. The individual responsible for the oversight and fiduciary accountability, for the central, non-APF account as well as the business operations of NAF activity. Personnel actions and travel orders for the incumbent of this position will be approved one supervisory level above the head of the NAF activity. This position usually reports directly to the ICO.

(8) Host Country. A foreign country where U.S. forces are stationed.

(9) Host Government. The political authority of the foreign country where U.S. forces are stationed under provisions of a treaty or agreement.

(10) Indirect Hire System. A system where the host country is the official employer of

U.S. forces' foreign national personnel, but it grants operational control to U.S. forces for day-to-day management of such personnel.

(11) Local National NAFI Employee. A national or citizen of a host country who is employed in that country by or for a NAFI.

(12) Local Prevailing Rates. Rates determined by wage surveys and paid to local national personnel employed in that country by or for a NAF activity.

(13) NAF Activity. Within this manual, this refers to the total region FFR Organization. It may also include N9 staff organizations (e.g., Millington Headquarters (N94)).

(14) NAF Employee. A person employed by a NAF activity and compensated from NAFs.

(15) NAFI. An integral DoD organizational and fiscal entity through which an essential government function is performed and other DoD organizations are provided or assisted in providing MWR programs. A NAFI is established and maintained individually or jointly by the heads of DoD components. It acts in its own name to provide or assist the Secretaries of the Military Departments in providing programs for DoD personnel. As a fiscal entity, a NAFI is supported in whole or in part by NAF. A NAFI maintains custody of and control over its NAF, and is also responsible for the prudent administration, safeguarding, preservation, and maintenance of those APF resources made available to carry out its function.

(16) NAFs. These funds consist of cash and other assets received by NAFIs from sources other than moneys appropriated by the Congress. NAFs are government funds and are used for the collective benefit of military personnel, their family members, and authorized civilians who generate them. These funds are separate and apart from funds that are recorded in the books of the Treasurer of the U.S.

(17) Non-Federal Entity (NFE). A self-sustaining organization, incorporated or unincorporated, that is not an agency or instrumentality of the Federal Government, and operates on a DoD installation with the written consent of the ICO or higher authority. Membership of these organizations consists of individuals acting exclusively outside the scope of any official capacity as officers, employees, or agents of the Federal Government.

(18) Non-U.S. Citizen. A person who is not a citizen of the U.S.

(19) Non-U.S. Citizen Dependent of a U.S. Citizen. A non-U.S. citizen who is a dependent of a U.S. citizen serving in a foreign area, and where such dependents are recognized by the host government as part of the U.S. Armed Forces under a SOFA.

(20) Non-U.S. Member of the U.S. Armed Forces. A citizen of a foreign country who is serving on active duty as a member of the U.S. Armed Forces. When employed in an off-duty status as a NAF employee, such personnel will be treated the same as U.S. citizen members of the U.S. Armed Forces who are NAF employees.

(21) Outside Continental United States (OCONUS). Areas other than the 48 contiguous United States and the District of Columbia. Includes Alaska, Hawaii, Puerto Rico, Guam, and the U.S. territories and possessions.

(22) Personnel Action Report (PAR). An electronic form created in the Systems Applications and Procedures (SAP) system as a result of an HR Specialist inputting information to generate a personnel action (e.g., change in employee category, pay, position, name, organization, job title, pay plan, series, payband/grade, service computation date (SCD); initiate an award; document a detail for more than 30 days; record periods of leave without pay (LWOP) or lost time for workers' compensation; document suspensions for an employee. A PAR is synonymous with a Request for Personnel Action (RPA) (see below). A PAR must be signed by a delegated approving official before it can be deemed an official documentation of a personnel action. An individual can never approve a PAR for themselves or any relative.

(23) Regular Employee. NAF employees in continuing positions who work 20 or more hours a week on a regular, recurring and scheduled basis. Those who are scheduled to work between 35-40 hours per week in this capacity are regular full-time (RFT) employees, and those who are scheduled to work 20-34 hours a week are regular part-time (RPT) employees. RFT and RPT employees earn sick/annual leave, and are eligible to participate in medical, retirement and 401(k) savings and investment plans. RFT employees are also eligible to participate in the CNIC life and disability insurance programs.

(24) RPA. A request for a change in employee category, pay, position, name, organization, job title, pay plan, series, payband/grade, service computation date (SCD), initiate an award, document a detail for more than 30 days, record periods of LWOP or lost time for worker's compensation, or document suspensions for an employee. The SF-52 is the form used to make the request. An RPA is synonymous with a PAR, except it is used for APF employees rather than NAF employees.

(25) Resident Aliens. A person who is foreign-born, is residing in the host country and who has not become naturalized citizens.

(26) Temporary Emergency Hire Flexible Positions. An individual who meet the minimum qualifications requirements of the position may be hired into flexible payband and CT positions for not more than 30 days in the event of an emergency without using competitive procedures. Temporary emergency hire flexible employees are prohibited from employment in food service, beverage handling, and processing or servicing positions prior to issuance of a Food Handler's Certificate. Temporary emergency hire flexible employees may be extended for an additional 30 days with CNIC N9 approval.

(27) Third or Other Country National NAF Employee. A citizen or national of a country other than the U.S. or the host country, who is employed by a NAF activity.

(28) U.S. National. All U.S. citizens, by birth within the United States or its territories and possessions, by birth in foreign locations subject to the rules and standards of the Immigration and Nationality Act (INA), or by naturalization, are considered U.S. Nationals.

0108. Supervisory Authority. Appendix C, reference (b), advises there is no legal prohibition against the supervision of DoD APF civil service employees or active duty members of the military by a DoD NAF employee. Conversely, this ruling provides the same authority for APF employees and assigned military to supervise NAF employees.

0109. Entitlement to Support Services and Government Quarters

a. The privileges afforded NAF employees shall be consistent with those available to APF employees. In addition, ICOs may authorize the personal use of the facilities of the NAF activity, in which an individual is employed, when the use by regular eligible patrons is not diminished. The entitlement of appendix c, reference (l) (Quarters and Facilities), as well as any other regulations prescribed by the President and deemed to be necessary and appropriate to carry out the provisions of this section, are administratively extended to NAF employees.

b. In the U.S., except in isolated situations in which the only suitable quarters and facilities available are government-owned, NAF employees will be expected to secure their quarters from the private sector. Exceptions may be made when, in the judgment of the ICO, the mission of the installation will be better accomplished by having certain key administrative NAF personnel quartered on the installation.

c. The occupation of government quarters on a temporary basis by NAF employees while traveling on official business is authorized.

0110. Transportation Agreement. CNIC policy provides, under certain conditions, for travel and transportation expenses of the NAF employee and their dependents, movement and storage of household goods and personal effects, and certain other allowances incidental to employment by the NAF activity. These expenses will not exceed those prescribed in the JTR, Chapter 2. Figure 1-1 provides a sample of a transportation agreement letter that must be completed when these entitlements are offered to current or potential NAF employees.

0111. Official Bulletin Boards. Each NAF activity will have at least one official bulletin board to post information for employees. HR is responsible for ensuring that postings are current and the bulletin boards are properly maintained. Official bulletin boards shall contain, at a minimum, copies of the following:

- a. Code of Ethics for Federal Government Service.
- b. Notice to Employees of Rights for Workers with Disabilities Paid at Special Minimum Wages.
- c. Prohibition against possession of firearms or dangerous weapons in Federal facilities. Print appendix C, reference (m) for posting.
- d. EEO and Americans for Disabilities Act (ADA). The name, business address, and phone numbers of EEO counselors, a notice of the time limits and necessity of contacting a counselor before filling a complaint; and the telephone numbers and addresses of the EEO Director, EEO

e. Officer and Special Emphasis Program Managers must be on the posted form. This information is available from your local EEO Office.

f. Notice of E-Verify Participation and E-Verify Right to Work. Posters must be displayed in English and Spanish by participating employers to inform their current and prospective employees of their legal rights and protections.

g. Fair Labor Standards Act (FLSA) (United States only).

h. Family and Medical Leave Act (FMLA) of 1993.

i. Employees Polygraph Protection Act (EPPA) of 1988.

j. Notification of Employee Rights under the National Labor Relations Act (NLRA).

k. Williams-Steiger Occupational Safety and Health Act (OSHA) of 1970.

l. Uniformed Services Employment and Reemployment Rights Act (USERRA).

m. Inspector General (IG), Navy Hotline Flyer.

n. Workers' Compensation Department of Labor (DOL) Form LS-242.

o. Employee Assistance Program (EAP) Notice.

p. Definition of the local BBA competitive area(s).

q. Local NAF activity competitive area determination.

r. Local pay policy regulation.

s. CNIC Required Bulletin Board Postings.

(1) CNIC EEO Policy.

(2) CNIC EEO Poster.

(3) CNIC Anti-Harassment Policy Statement.

(4) CNIC Privacy Act Statement

t. CNIC Suggested Bulletin Board Postings.

(1) NAF Employee Assistance Program Flyer.

(2) Active Shooter in the Workplace Poster.

(3) DON, Notification and Federal Employee Anti-Discrimination and Retaliation Act of 2002 (NO FEAR ACT).

(4) Weingarten rights if there is a recognized bargaining unit. Prepare text of U.S.C. § 7114.

(5) Disciplinary Action Policy. Appendix C of this manual may be used.

0112. Volunteers.

a. The Head of the NAF activity will establish policies and procedures per this manual and appendix C, reference (n) for the acceptance of volunteers.

b. A volunteer is a person who does not meet the definition of "employee" because they donate services that primarily benefit someone other than the NAF activity where volunteer service is performed. Under such circumstances, there is neither an implied nor expressed compensation agreement. Services performed by volunteers include personal services, which, if left unperformed, would not necessitate the assignment of an employee to perform them.

c. A Volunteer Agreement for APF Activities and NAFIs, DD Form 2793, will be completed for each individual volunteering services to a NAF activity.

(1) A copy of the signed volunteer agreement will be given to the volunteer prior to commencing volunteer service.

(2) Part IV of DD 2793 will be completed at the end of the volunteer's service in order to document the dates of the volunteer service. A copy of the completed volunteer agreement will be given to the volunteer upon termination of services.

d. Volunteers will not be placed in policy-making positions or roles; or supervisory positions, roles, or situations over compensated government (NAF or APF) employees; or receive cash awards or compensation of any kind for services rendered.

e. Volunteers will not perform duties for which there is an unfilled manpower requirement or for which funding has been provided to hire staff or obtain services by contract, perform dangerous duties that render them unusually susceptible to injury or to causing injury to others, or circumvent the NAF or APF personnel systems.

f. Volunteers will have license, privileges, or appropriate credentials, as would an employee performing the same or similar assigned duties. Strict compliance with appendix C, reference (o) is required to obtain criminal history background checks on individuals volunteering in childcare and youth services.

g. Volunteers will be provided with a clear, written description of the duties and scope of responsibilities to be performed including the supervision to be received.

h. Parental consent, in writing, is required for all unmarried volunteers less than 18 years of

age. Volunteers under the age of 16 years of age will not be accepted. Additional State and local law requirements may also apply.

i. Volunteers are authorized reimbursement for incidental expenses incurred as a result of the services rendered. Reimbursement may be from NAF or APF that are authorized for use in support of the DON activity involved. Examples of incidental expenses include:

(1) Parking fees and tolls, general admission costs, and subsistence and lodging expenses incurred by the volunteer during the provision of volunteer services.

(2) Other incidental expenses not normally provided to employees such as long distance telephone calls, commuting, and childcare. This applies when such reimbursements are determined to be necessary to obtain the voluntary service and are reasonable in amount and in relation to the value of the voluntary services involved to the DON activity.

j. Per appendix C, reference (p), a person providing properly accepted voluntary services to an APF activity or a NAFI activity will be considered a government employee for worker's compensation only with respect to services that are within the scope of the voluntary services so accepted. Appendix C, reference (q) contains instructions for determining the amount of compensation payable in such cases. Additionally, volunteers acting within the scope of the services accepted under the assigned scope of services will be treated as federal employees for the purposes of determining liability under the Federal Tort Claims Act.

k. Officially sanctioned volunteers will be provided training and support to include:

(1) Review of responsibilities and reporting requirements that will enable them to carry out their assigned duties.

(2) Volunteer orientation and training to familiarize volunteers with the organization, their assigned duties, the NAF activity's procedures to document the type and number of hours of voluntary services provided, and other relevant matters.

(3) Use of Government facilities, to include dedicated office or desk space, equipment, supplies, computers, and telephones as needed to accomplish assigned duties.

(4) Use of official mail as deemed necessary and appropriate to execute assigned volunteer duties.

(5) NAF activities will ensure compliance with Privacy Act and Freedom of Information requirements.

(6) Access to records contained in a Privacy Act system of records may be provided to a volunteer of a DON activity other than a NAFI. Any volunteer with such access must comply with the protection, disclosure, disclosure accounting and other requirements involving the protection and release of the information.

(7) Privacy protected information for NAF volunteers require consent of the individual about whom the records pertain or other authorization consistent with these requirements.

1. Volunteer records will be retained for three years following the termination of volunteer service by the organization receiving the service. After that period, a summary of each volunteer's service may be electronically maintained at the NAF activity until no longer needed.

SAMPLE NAF TRANSPORTATION AGREEMENT

DATE

NAF ACTIVITY

NAME OF EMPLOYEE

1. Commander, Navy Installations Command (CNIC) (N9) policy provides, under certain conditions, for travel and transportation expenses of the employee and their dependents, movement and storage of household goods and personal effects, and certain other allowances incident to employment by a NAF activity.

2. We have authorized you the following travel/transportation and related entitlement(s) in keeping with our recent employment offer:

ENTITLEMENT	AUTHORIZED	
	YES	NO
a. Travel, transportation and per diem for the employee from (insert losing activity name) to (insert gaining activity name) .		
b. Travel, transportation and per diem for authorized family members from (insert losing activity name) to (insert gaining activity name) .		
c. Shipment of household goods from (insert losing activity name) to (insert gaining activity name) for goods not to exceed (insert weight) .		
d. Storage of household goods not to exceed (NTE) 45 days.		
e. Temporary Quarters Subsistence Expense (TQSE) NTE 30 days (starts once on activity payroll).		

Figure 1.1

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3. In order to establish eligibility for the above allowances, I understand and agree that:

a. I will remain employed with **(insert gaining activity name)** for at least 12 months beginning with my first actual date of work unless separated for reasons beyond my control and acceptable to the management of **(insert gaining activity name)**.

b. If I should fail to fulfill the terms of this agreement, or if I am removed for cause before expiration of the required 12 months of employment, I will, upon demand, repay to **(insert gaining activity name)** a sum of entitlement. I authorize **(insert gaining activity name)** to withhold any final pay due to me to apply against or liquidate any indebtedness arising for violation of this agreement.

4. **(Overseas permanent change of station (PCS) only)**. When I complete **(insert number)** Months of my prescribed tour of duty, I will be eligible for return travel and transportation allowances at government expense for myself, my dependents and my household effects, to my actual residence at time of appointment as stated above for purpose of separation from the service, unless separated early for reasons beyond my control that are acceptable to **(insert gaining activity name)**.

5. **(Overseas PCS only)**. I understand that I will lose U.S. Government sponsorship upon completion of your tour. This sponsorship is required if I wish to remain in the overseas location as a nonresident alien. If I desire to request an extension, the request will be submitted in writing not earlier than eight months or later than six months before the end of the tour. I understand that the decision to approve or disapprove an employee's request for tour renewal is a command prerogative. Termination due to completion of the tour (including situations where renewal is refused) is considered a non-disciplinary action and is not grievable or appealable.

Signature of Employee

Date

Signature of HR Specialist

Date

CHAPTER 2

NAF EMPLOYMENT AND PLACEMENT

0201. Employment and Placement Policy. CNIC is committed to ensuring that the recruitment, selection, placement, promotion, termination, and other related personnel actions involving NAF employees are per the Federal Government's commitment to fair employment practices and equal opportunity and treatment for both applicants and employees.

a. Administration. Administration of employment processing and other personnel procedures for a NAF activity can be a complex operation, involving personnel appeal procedures, employee benefits, and all other facets of personnel administration. NAFIs or Region N9s may establish a central NAF Human Resources Office (HRO) to handle the personnel administration of NAF employees. NAF personnel administration may also be performed in an APF HRO, on a cost reimbursable basis, if this is deemed by the command as the most appropriate means of accomplishing this function.

b. Financial Support of Staffing

(1) It is Navy policy to provide, maintain, and operate adequate facilities to accommodate well-rounded MWR programs to ensure the mental and physical well-being of Navy personnel. Appendix C, reference (f) authorizes the expenditure of APF to staff certain CNIC positions.

(2) The conversion of authorized APF civil service positions to NAF positions should be avoided if at all possible. All conversions of APF billets to NAF must be approved by CNIC HQ N9.

(3) The Uniform Funding and Management (UFM) practice will not, of itself, be used as a mechanism to convert encumbered APF civil service positions to NAF positions. If an APF civil service position is converted into NAF based upon legitimate business and mission requirements, such must be accomplished in conformity to the restrictions of appendix C, reference (r). MWR NAF positions for which APF reimbursement is received must be budgeted and executed per a Memorandum of Agreement, or a General Term and Conditions Form 7600, or as otherwise required by the installation or Region APF comptroller.

0202. Position Control. Heads of NAF activities will develop staffing levels, which reflect the optimum numbers and grades, including series code, of all positions required in each department of the NAF activity. The cognizant N9 will approve staffing levels.

0203. Assignment of Military Personnel and Civil Service Employees

a. Military Personnel. NAFIs are authorized APF staffing per the appropriate funding category specified in table 2-1

AUTHORIZED APF SUPPORT

ELEMENT OF RESOURCE	APF SUPPORT AUTHORIZED		
	A	B	C
1. MILITARY PERSONNEL	Y	Y	N
2. CIVILIAN PERSONNEL			
a. Permanent / temporary assignment			
(1) ECECS at headquarters, major command & installation levels.	Y	Y	Y
(2) Managerial and supervisory functions.	Y	Y	N
(3) Base Realignment and Closure (BRAC) related costs for NAF and APF employees.	Y	Y	Y
(4) Personnel directly and primarily involved in resale.	N	N	N
(5) All other functions.	N	N	N
b. Additional or collateral MWR duties,	Y	Y	Y

Table 2.1

(1) Category A and B. Permanent military personnel may be assigned to Category A and B activities without restriction except as indicated in subsection (4) below.

(2) Category C. Military personnel may also be assigned to support Category C activities when performing an ECECS position, when mobilization or deployment requirement occur, at locations where qualified civilians are not available through the local labor market. for the provision of security, when not otherwise available, or when training to upgrade or maintain essential military skill cannot be provided through other means. When 25 percent of the duties are CNIC NAF specific, the costs must be reported as expenses to the appropriate position. All costs associated with military personnel, including temporary duty travel, should be financed using APF.

(3) Additional Category C Assignment Rules. Military personnel may be placed on temporary assignment to CNIC NAF activities, to include detail and temporary duty, for a period not to exceed 90 calendar days. Temporary assignments may be made under the following conditions:

(a) The military member, possessing a non-critical rating, is awaiting reassignment or other personnel action and is not required to perform in their rating or military occupational specialty during that period.

(b) Navy afloat or other deployed units arrive at supporting location and military members are required to augment the host installation.

(c) Mobility or deployment requirements occur.

(d) Training to upgrade or maintain essential military skills cannot be provided through other means.

(4) Restrictions on the Assignment of Military Personnel.

(a) Military personnel officially assigned to duty in CNIC positions will not be paid any monetary supplement. These personnel will not receive any leave other than their authorized official military leave.

(b) Military personnel including those assigned for duty in NGIS will not be assigned or detailed to duty involving the selling or serving of alcoholic beverages. They may be voluntarily employed for this purpose in their off duty hours, as provided elsewhere in this manual.

(c) Enlisted personnel assigned to managerial positions or in any other military capacity to a position in a NAF activity may not be employed in the same NAF activity during off duty hours.

(d) Off-duty enlisted personnel not assigned to the NAF activity may be employed in a NAF position during after duty hours on other than a full-time basis and will not work more than an average of 34 hours per week. Off-duty officers and warrant officers will not be employed per appendix C, reference (b).

(e) Off-duty enlisted personnel, officers and warrant officers may be compensated on an intermittent fee basis for services rendered in such capacities as officials at athletic events and participation in miscellaneous recreational and entertainment activities. All such part-time services must be procured in conformity to appendix C, reference (s).

(f) NAF will not be expended for scheduled pay, bonuses, overtime pay, incentive pay, or any other remuneration for work performed by military personnel, while either on or off duty, who are not regularly employed in a NAF funded position. Time worked in a military assignment will not be used to determine the pay of enlisted personnel for duties performed in NAF funded positions.

(g) Active duty commissioned and warrant officers are prohibited from receiving compensation from NAF activities except on an intermittent fee basis for services rendered in

such capacities as officials at athletic events and participation in miscellaneous recreational and entertainment activities.

b. Civil Service Personnel. Civil service personnel may be utilized on permanent assignment, or an additional or collateral duty basis, in Category A and B activities if they are performing managerial functions, or if the position requires technical or professional qualifications. Appendix C, reference (f) provides special provisions for childcare employees. Personnel accountable for APF resources and the protection of the interest of the Federal Government should also be civil service employees. Civil service employees may also be engaged in ECECS (not included as a cost of the NAFI), regardless of the activity funding category. For civil service employees, if 25 percent or less of assigned duties are NAFI specific, no cost should be allocated to that NAFI; if more than 25 percent, the costs must be reported as NAFI. All costs associated with civil service personnel should be financed utilizing APF, regardless of the category of activity by which the civilian is employed. These costs include PCS travel, transportation of household goods, temporary duty travel, and education and training.

0204. Employment Categories. NAF employees will be assigned to either a regular or flexible employment category.

a. The regular employment category is intended to facilitate recruitment and retention of a continuing, stable workforce. Regular employees have a regular work schedule that is scheduled in advance and is expected to continue for an extended period of time. Where the mission requires the temporary assignment of a regular category employee, time limitations may be established of not less than one year and no more than five years. Regular category employees will be further designated as having full-time or part-time work schedules.

(1) RFT employees have a regular schedule of 35 to 40 hours per week. For employees on compressed work schedules the hours may be scheduled across the bi-weekly pay period.

(2) RPT employees have a regular schedule of at least 20 hours per week.

b. Flexible employees are most appropriately used in positions that meet temporary or seasonal workforce needs, or where the work schedule fluctuates due to inconsistent workload. Flexible employees may be scheduled for zero to 40 hours per week. Work may be scheduled in advance or on an as-needed basis. The flexible employment category is generally not appropriate for employees who work a regularly scheduled full-time work schedule on a continuing basis.

0205. Citizenship Requirements

a. Employment in Non-Foreign Areas. Per appendix C, reference (t) all employees (both U.S. citizens and eligible non-citizens) must complete U.S. Immigration and Naturalization Service (USCIS) Form I-9, Employment Eligibility Verification at the time of hire. The employment eligibility of all new hires required to fill out Form I-9 will be verified using the U.S. Citizenship and Immigration Services Employment Eligibility Verification Program (E-Verify) located at <http://www.uscis.gov>. The employee must provide the documentation

specified on the I-9 upon entrance on duty into each individual NAF activity. If the employee fails to produce the required documentation, or a receipt for replacement documents in the case of lost, stolen or destroyed documents, the employee will be terminated. Photocopies of documents are not acceptable. Questions should be directed to the nearest USCIS office.

b. All employees must be a U.S. citizen or a resident (Green Card holder) unless the Secretary of Labor certifies that no U.S. citizen or resident is available to fill the particular position. Non-citizens must meet all of the requirements established by USCIS to be eligible for employment in any NAF position.

c. It is recommended that each HRO print a copy of the I-9 employer guide entitled “Handbook for Employers M-274” <http://www.uscis.gov/i-9-central/handbook-employers-m274>, and “Why Employers Must Verify Employment Authorization and Identity of New Employees”.

d. Completed I-9 Forms must be kept in a separate file either for three years after the date of hire or for one year after employment is terminated, whichever is later. The form must be available for inspection by authorized U.S. government officials.

e. NAF activities will monitor the expiration date of all Green Cards and ensure the employee provides information verifying the renewal. Employees who do not renew are no longer eligible for employment.

f. Non-citizens who have a Green Card may be assigned to positions of trust after they receive a Tier 1 Investigation (T1), but may not be assigned to sensitive positions.

0206. Approval and Recruitment for NAF Positions

a. The authority to select and approve recruitment for positions is delegated to the head of the NAF activity for positions under their cognizance. The head of the NAF activity may re-delegate this authority to lower supervisory levels at their discretion.

b. In order to ensure the most suitable and qualified persons are employed by NAF activities at all levels, heads of NAF activities will ensure that established recruiting procedures are followed. Applicants will be considered and referred using merit principles.

c. Vacancy announcements must be posted for a minimum of five calendar days. Activities may use open continuous vacancy announcements for high turnover and hard to recruit vacancies. When open continuous vacancy announcements are used, cutoff dates will be used and all best qualified (BQ) applications received by the cutoff date will be considered.

d. A vacancy recruitment file will be established for each vacancy announcement. This file will be maintained for two years after the appointment date of the individual selected or as long as any potential complaints, appeals, or grievances are pending, and must contain the following items:

(1) A written approval document that includes the salary range, the proposed area of consideration (AOC), whether or not any PCS expenses will be authorized, and whether or not commercial advertising is proposed.

(2) A copy of the Standard Form - 52 (SF-52), Request for Personnel Action, or recruitment request approved by the delegated approving official. An SF-52 form may be found at https://www.opm.gov/forms/pdf_fill/sf52.pdf or on the CNIC G2 site at [https://g2.cnmc.navy.mil/tscnichq/N9/N94/N941/Library/HQ%20Request%20for%20Personnel%20Action%20\(SF-52\)%20FILLABLE.pdf](https://g2.cnmc.navy.mil/tscnichq/N9/N94/N941/Library/HQ%20Request%20for%20Personnel%20Action%20(SF-52)%20FILLABLE.pdf)

(3) A current position description (PD).

(4) A copy of any newspaper advertisements.

(5) A copy of the vacancy announcement and any amendments used.

(6) A copy of all applications/resumes received including the selected applicant's application/resume. The selected applicant's application/resume will also be filed in their OPF.

(7) A copy of the crediting plan used to rate and rank applicants.

(8) A rating and ranking sheet indicating the rating for each applicant.

(9) Reference checks for the selected applicant.

(10) An approved selection memorandum and the original offer letter (a copy of the offer letter is sent to the selected applicant).

(11) Copies of the written notification(s) to the non-selected applicant(s).

e. NAF vacancy announcements will address the subject of relocation costs.

f. NAF vacancy announcements will include the following statement: "DON is an EEO employer. All qualified candidates will receive consideration without regard to race, color, religion, sex, national origin, age, disability, marital status, political affiliation, sexual orientation or other non-merit factor. Reasonable accommodations are provided to applicants with disabilities. If reasonable accommodation is needed for any part of the application and hiring process, please contact the office that is collecting the applications. The decision on granting reasonable accommodations will be on a case by case basis." Announcements must also list any other special requirements such as Tier 1 Investigation (T1), travel, shift work, heavy lifting, use of Electronic Fund Transfer (EFT), noncompetitive promotion potential, etc.

g. Heads of NAF activities will require adherence to the terms advertised in vacancy announcements, including the AOC and mandatory qualifications.

h. If a NAF position is abolished due to base closure, regionalization, etc., it will not normally be reestablished. If this becomes operationally necessary, the head of the NAF activity must approve the need for the position and the justification for the reestablishment will be included in the vacancy recruitment file. If a NAF employee was previously separated as a result of the abolishment, that person must be noncompetitively placed in the newly established NAF position, if the position is identical to the position being abolished, and if the position is reestablished within one year of the employee's separation.

i. Social Security Number (SSN)/Employee Identification Number (EIN). Disclosure of an individual's SSN is mandatory for applicants and employees to obtain the services, benefits, or processes they are seeking. It is used as a unique identifier throughout the HR process. If the applicant/employee does not have an SSN, an EIN will be used.

0207. Position Qualification Requirements

a. General. Establishment of realistic qualification standards and requirements for any NAF position is a management responsibility. Such basic qualification requirements must be based on factual job requirements using OPM qualification guidelines and the duties and knowledge, skills and abilities (KSAs) in the PD. Qualifications will be written so that competition for the job is not restricted to any one individual and does not violate merit and EEO principles. The qualifications of each applicant will be carefully reviewed and evaluated. The basic and simple principle is to find the person considered to be the BQ for the job to be filled. Once qualification requirements are determined for a position and placed in an appropriate vacancy announcement, changes to the qualification requirements will not be made unless an amended vacancy announcement with the revised qualifications is issued. If any of the information in the vacancy announcement changes, a new or amended vacancy announcement must be issued and left open for at least five calendar days. Each application received will be screened to ensure that applicants meet the basic qualification requirements for the job being recruited. The vacancy recruitment file must contain documentation as to whether or not the applicant met the minimum qualification requirements for the position.

b. Eligible candidates for all competitive announcements must be formally evaluated against job related crediting plan. Crediting plans must define the criteria for rating job applicants at different levels and must be determined by analyzing the job and tasks to be performed. The crediting plan will be filed in the vacancy recruitment file. A cutoff score for referral must be established and all eligible applicants with this cutoff score or higher scores will be considered as the BQ applicants for the vacancy. The BQ applicants will be referred to the supervisor for consideration. The supervisor can select any of the BQ applicants for the vacancy unless a special referral program applicant such as Spouse Preference or Veteran Preference, etc. is involved.

c. Use of Education in Qualification Requirements. Education cannot be used as a screen-in, screen out, or basic qualifier for any position unless such requirement has also been designated by OPM for similar positions in the civil service. For example, civil service positions classified in the 0510 and 1701 series both have a positive education requirement; hence, NAF positions in these series must use this same positive education requirement. In series where

OPM does not define a positive education requirement, the NAF qualifications must include the option to meet the minimum qualifications by either an equivalent combination of education and work experience or an equivalent amount of work experience alone. The college degree requirement cannot be the only requirement for these positions.

d. DoD mandated qualifications and training requirements for child caregiver positions is in appendix C, reference (u).

0208. Employment Preference. When preference eligibles are to be referred, the names of the preference eligibles will be forwarded to the selecting official on a separate referral ahead of non-preference eligibles. In these cases, the non-preference eligibles should not be referred unless all preference eligible selection guidelines are complied with. A list of preference eligibles in the order of preference is listed in table 2-2.

Employment Preferences in the Order of Selection Priority	Eligibility	Basic Policy
1. NAF Reemployment Priority List (RPL)	NAF employees who were separated by BBA	Separated employees shall have priority placement in the NAF activity from which separated and priority consideration rights at other NAF activities in the same commuting area. A separate employee can remain on the RPL until reemployed, but not longer than one year from the date of their separation. Selection of an individual on the RPL is a noncompetitive recruitment action. See Volume 1403 of reference (b).
2. Military Spouses	Spouses of active duty military members	Preference applies to jobs graded at NF-3 and below, and to equivalent positions paid at hourly rates. Preference applies to any job that is open to competition per merit staffing practices. Spouse preference may be exercised one time for each permanent relocation outside of the commuting area of the military sponsor. The spouse must have married to the military sponsor before relocation to the new duty station. See Volume 315 of reference (b).
3. Military Separations under Special Separation Benefit (SSB) Program of Voluntary Separation Incentive (VSI)	On active duty on 90/30/90 and honorably separated after 10/01/90	Preference is the same as Military Spouse (except that Military Spouse preference has priority over this preference). See reference (c).

and their dependents		
4. Family Members in Foreign Areas	Family members of active duty military member and federal employees stationed in foreign areas	Preference is for all NAF jobs. Preferences apply when not at variance with the SOFA or as prescribed by Volume 1412 of reference (b).

Table 2.2

a. Reemployment Priority List (RPL). Each HRO servicing a NAF activity that separates regular non-probationary employees and flexible employees who have three years or more in the NAF activity immediately prior to the announcement of the BBA, will establish a RPL to provide placement assistance to those separated by BBA. Such separated employees will have priority placement rights in the NAF activity from which separated and priority consideration rights at other DoD NAF activities in the commuting area. The HRO will send written notification to other NAF HROs in the commuting area. Those employees will immediately be placed on the RPL and remain on the RPL until reemployed, but not longer than one year from the date of separation or one year from the employee's inclusion on the RPL, whichever occurs first.

(1) A person on the RPL will be offered employment in a vacant position in the NAF activity from which they were separated if management is filling a vacancy by other than detail or position change (e.g., promotion, demotion, reassignment) when the position has substantially the same duties as the position from which separated and is not of a higher payband/grade or employment category than the position which they were separated. They may also be offered noncompetitive priority consideration for other positions that are not of a higher payband/grade or employment category than the position which they were separated.

(2) A person on the RPL must also be offered priority consideration by other DoD NAF activities in the commuting area for NAF positions that have substantially the same duties as the position from which separated and are not of a higher payband/grade or employment category than the position from which they were separated.

(3) DoD NAF activities will exchange RPLs within the commuting area to effect the above requirements.

(4) Registered employees will be given the opportunity to provide an updated resume to be forwarded along with RPLs to DoD NAF activities in the commuting area.

(5) An individual's name will removed from the RPL when they accept an offer of a position in the same or higher employment category as the position from which separated in any DoD NAF activity. Declinations of such an offer will cause the individual's name to be removed

from the RPL. Declinations will be indicated on the RPL and the next eligible person on the RPL will be offered the position.

(6) Rehiring an individual on the RPL is a noncompetitive recruitment action. Therefore, such individuals will be rehired before those who receive preference in competitive recruitment actions, such as spousal preference.

b. Military Spouse Preference. Appendix C, reference (b) gives military spouses preferential consideration for NAF continuing positions at the NF-3 level and below and equivalent C&T positions within a NAF activity. A continuing position is one that does not have a time limit of less than one year. Such preferential consideration will be executed using the guidelines in reference (b). Military spouse employment has a very positive impact on the military and on military retention.

(1) Spouses eligible for preferential consideration are wives or husbands of an active duty military member of the U.S. Armed Forces, including members of the National Guard or Reserves on active duty. The marriage must have occurred before the military member received official PCS orders to the installation at which employment is being considered.

(2) The time period of eligibility for military spouse preference begins 30 days before the military member's reporting date at a new duty station outside of the current duty station's commuting area and applies without time restriction except that spouses seeking preference with less than six months remaining in the area may be non-selected for permanent continuing positions. Once a spouse has been employed in a continuing NAF position by use of military spouse preference, the spouse is considered to have used their spousal preference for that location, whether it was declared at the time of employment or not.

(3) This preferential consideration applies only to NAF vacancies to be filled through competitive means, and to military spouses applying and referred for NAF positions in all employment categories at the NF-3 and below level or equivalent hourly rate positions (hourly rates at or below the NF-3 level). This preferential consideration applies at installations within the commuting area.

(4) Eligible military spouses will request consideration by submission of a completed application or resume and a copy of the military spouse's PCS orders to the servicing HRO of the NAF activity in which consideration is desired.

(5) The servicing HRO is responsible for verifying eligibility of military spouses for preferential consideration.

(6) Preference will be limited to the specific positions identified for consideration on the application or resume.

(7) Eligible military spouses will be included within the minimal AOC.

(8) Eligible military spouses rated as BQ and referred to the selecting official shall be selected for the vacancy. If there is more than one eligible BQ military spouse eligible among the BQ applicants, the selecting official may select the best of the eligible military spouse applicants.

(9) Exceptions to selection of eligible military spouses will be rare and based on compelling hardship to the functioning of the NAF activity, or other reasons acceptable to the eligible military spouse applicant. The head of the NAF activity will approve exceptions prior to final selection.

(10) Position vacancies eligible for military spouse preferential consideration will be widely published locally, and prominently posted in areas of the installation frequented by military spouses.

(11) Military spouse preference does not apply to noncompetitive placement actions within the same NAF activity. Management may reassign a qualified employee in the same pay band/grade and employment category of the position to be filled without the requirement to consider an eligible military spouse preference applicant. Management may also advertise in-house under a noncompetitive announcement and select a qualified on board employee of the same payband/grade and employment category as the advertised position without the requirement to consider military spouse preference eligibles.

c. Preference in Hiring for Involuntarily Separated Members of the Armed Forces and their Dependents. Per appendix C, reference (v) the heads of DoD components will take steps to provide preference in hiring by NAFIs for involuntarily separated members of the Army, Navy, Air Force, and Marine Corps, and their dependents when the Service members were on active duty on September 30, 1990, and when the Service members were involuntarily separated under honorable conditions on or after October 1, 1990.

(1) Military spouse preference individuals will have priority over a preference eligible under this section.

(2) A person may receive a preference in hiring only once. Transition hiring preference is terminated upon placement in, or declination of (whichever occurs first), a NAF position for which application is made.

(3) This preference applies to all NF-3 level and below NAF positions and equivalent positions, and for positions paid at hourly rates, regardless of the payband/grade of the job for which the individual eligible for transition hiring preference applies, and is fully qualified.

(4) This preference applies to any NAF position which is open to competition per merit procedures, even if there are enough "in-house eligible" employees otherwise to limit competition just to those eligible employees. Preference will not be limited to just those vacancies where it is necessary to hire someone outside the organization.

(5) A person eligible for preference will be referred for selection only if they are among the BQ candidates following a competitive screening process.

0209. Employee Suitability Requirements

a. Personnel Security. Determination of a position's sensitivity, security, suitability, and fitness requirements must be accomplished before filling a position, or when the duties or circumstances of the position change. Policies and procedures relating to suitability and fitness for Federal employment will use consistent standards to the extent possible; provide for reciprocal recognition of existing investigations and favorable adjudications; and be cost-effective, timely, and provide efficient protection of the national interest.

b. OPM Position Designation tool, found at <http://www.opm.gov/investigations/background-investigations/position-designation-tool/>, will be used in determining the proper level of investigation and screening required for positions based on an assessment of risk and national security sensitivity.

c. Criminal History Background Checks on Individuals in Child Care Services.

(1) Appendix C, reference (b) establishes policy, assigns responsibilities, and prescribes procedures for criminal history background checks for all existing and newly hired individuals, as well as volunteers involved in the provision of child care services under the age of 18.

(2) The procedures outlined in Appendix C, reference (o) allows the DoD to provisionally hire individuals before the completion of a background check, however, at all times while children are in the care of that provisionally hired child care provider, that provider must be within sight and under supervision of a staff person whose background check has been successfully completed.

d. Appeals. Per Appendix C, reference (o), any applicant or appointee who is found unsuitable for employment in a NAF position may appeal the adverse suitability decision in accordance with the applicable DoD Component's NAF administrative grievance policies and procedures or negotiated grievance process.

e. Tier 1 Investigation (T1)

(1) A T1 is required for all NAF personnel. The background checks will be updated per Appendix C, reference (w).

(2) Verification of a completed T1 will be filled on the right side of the employee's OPF.

0210. Employment and Reemployment Rights of Members of the Uniformed Services

a. The Uniformed Services Employment and Reemployment Rights Act of 1994 (USERRA), provides protection and assistance to military veterans and members of the Reserve Components of Military Departments per appendix C, reference (x). These include:

b. Protection from discrimination in employment due to military obligations.

c. Guarantee of prompt reemployment in their civilian jobs on return from military service.

d. Protection of employment rights and benefits.

e. Employment and reemployment assistance from the Department of Labor's (DOL) Veterans' Employment and Training Service for any federal employee or applicant who requires it.

f. The DOL's USERRA advisor tool is available at <http://www.dol.gov> and provides information and assistance regarding administration of the law.

g. Veterans' Priority Consideration. Preference in employment may be given to veterans who do not have reemployment rights under USERRA and the spouse and parents of deceased veterans at the time of hire over all other applicants provided they are equally qualified. Preference eligibles listed in table 2-2 have priority over veterans' preference. In foreign areas off-duty enlisted military applicants also have priority over veterans. Veterans' preference requires that the veteran's discharge or termination of U.S. military service was not less than "under honorable conditions". The individual is required to provide documentation to support the claim for veteran's preference eligibility.

(1) Evidence of Veteran's Preference Eligibility. Official documents issued by the uniformed services, or the Veterans Administration (VA) are required to establish compliance with the requirements for active duty and for separation under honorable conditions, and the following facts, when they are needed:

(a) That active duty was in a war, or during the period 28 April 1952 through 1 July 1955, and ending October 14, 1976, or in a campaign or expedition for which a campaign badge is authorized.

(b) Existence of a service connected disability or receipt of compensation, pension or disability retirement.

(c) Death of eligible uniformed member in the line of duty in those cases where preference is claimed by the spouse or the parent.

0211. Employment of Retired Uniformed Service Personnel

f. Retired members of the Uniformed Services have every right to seek, and be considered for, civilian employment in NAF activities on the same basis as other applicants. However, there is an obligation to ensure that consideration for positions is extended to all candidates on an equitable basis, in strict compliance with the spirit and fundamental considerations of merit and open competition. Subject to lawful veterans preferences and the Veterans Employment Opportunities Act of 1998 (VEOA), appropriate measures should be taken to ensure the integrity of the selection, to protect the interest of the public and of NAF employees, and to avoid unwarranted allegations that military retired personnel obtained their positions through improper influence.

g. The qualification requirements for the position being recruited will not be written in a manner designed to give advantage to a particular individual or group of individuals. To avoid any suspicion or appearance of preferential treatment, full consideration must be given to qualified current NAF employees per regular promotion procedures. Reasonable efforts to locate other qualified candidates will be made before appointing a retired member of the Uniformed Services to a NAF position.

h. Positions will not be held open pending the retirement of a member of the uniformed services to provide that person with a preferential opportunity to apply for or be appointed to the position.

i. If the proposed appointee, or another military incumbent last occupied the position, it must be clearly demonstrated that the proposed change to a civilian incumbency is to meet a management need and not merely to afford civilian employment to the proposed appointee.

j. Appointment of retired members of the Uniformed Services to any NAF position during the period of 180 days immediately following retirement must be accomplished consistent with the intent of appendix C, reference (b). NAF activities can request a waiver prior to the actual date of retirement, but the retired member cannot be employed prior to their actual date of retirement. They will not be employed while on terminal leave.

k. All requests for approval of a waiver of the 180 day waiting period must be addressed to CNIC N941 in letter format. N941 is the approving official for appointments to NAF positions under the direct supervision of CNP and include a copy of the individual's application and other documents and statements as indicated below:

- (1) Effective date of retirement from the Armed Forces.
- (2) Rank at time of retirement.
- (3) Pay grade and uniformed service at the time of retirement, whether regular or a reservist.
- (4) A current application, or resume, completed by the proposed appointee.

- (5) Date the position was established.
 - (6) Date the position was last occupied.
 - (7) Whether the position was converted from military to civilian status.
 - (8) Date of conversion, if applicable.
 - (9) Reason for conversion, if applicable.
 - (10) Whether the proposed appointee was the last military occupant of the position.
 - (11) Copy of the current PD for the position.
 - (12) Whether the position is RFT, RPT, or flexible.
 - (13) A statement of the qualifications required to perform the duties of the position.
 - (14) Whether efforts to fill the position have been continuous since it became vacant, or if not, the reason(s) why.
 - (15) A copy of notices and advertisements used to publicize the vacancy.
 - (16) Documentation on how the proposed appointee is superior to all qualified candidates considered.
 - (17) A signed statement that methods used in soliciting applications for positions, and sources utilized in developing a supply of applicants for employment consideration (i.e., internal posting, advertising, employment services, priority consideration, priority placement lists, etc.), complied with placement procedures and assured other persons equal opportunity to apply and receive consideration for the position. If this is not the case, explain the reason(s) why.
 - (18) A specific statement certifying that the position was not held open pending retirement of the proposed appointee.
1. The HRO supporting the NAF activity must maintain complete vacancy recruitment files for actions taken under this authority. The records must be available for inspection and be maintained for two years from the appointment date of the individual selected. The requesting NAF activity must maintain records of approval of requests to waive the 180 day restriction. A copy of the approval must be maintained in the employee's OPF.
- m. A retiring military individual, who is on terminal leave prior to actual retirement, may apply for and be tentatively selected for employment with a NAF activity, but cannot commence work until the terminal leave has been used and an approved waiver has been received.

n. As an exception to the 180 day rule, active duty enlisted military personnel who retire from military service while simultaneously working as a NAF employee during off duty periods may continue in the same appointment upon retirement provided the employee is either a flexible or part-time employee, been employed for at least 90 days prior to their retirement, there is no change in the employment category, and the employment category remains the same for a minimum of 180 days after the date of retirement.

0212. Employment of Minors. The employment of minors will comply with 29 U.S.C. §201-219, the Fair Labor Standards Act (FLSA) and applicable Federal and State child labor laws. 5 CFR 551.601 sets a general minimum age of 16 for employment subject to child labor provisions. Minors shall not be given work declared to be hazardous by the DOL. Individuals younger than 18 also may not be employed in fire protection or in child care positions. State and municipality laws concerning minors handling intoxicating beverages must be observed. Tours of duty for minors will be established per applicable Federal, State, and local laws but will be limited to 8 hours each day and 48 hours each week.

0213. Employment Restrictions

a. Relatives. The employment, appointment, or promotion of relatives of commissioned officers, noncommissioned officers, and civilian officials who hold administrative positions in which they exercise jurisdiction or control over the employing NAF activity is prohibited. Such officials may not advocate a relative's appointment, employment, promotion, or advancement anywhere within DoD. This policy is consistent with the provisions of 5 U.S.C. §3110. This policy does not prohibit the exercise of reemployment rights after military service as provided by the Military Selective Service Act of 1967 as amended.

b. A NAF activity may implement a stricter policy that further prohibits the employment of relatives. Care must be taken to ensure employment decisions adhere to the principles of ethical conduct in. For example, a policy may provide for the employment of relatives provided an employee is neither under the direct supervision of a relative, not assigned to the same department as a relative. It must be emphasized that while the NAF activity has some latitude in this area, the policies adopted must be consistent with the EEO laws prohibiting discrimination on the basis of sex and marital status, as well as merit system principles. Public officials should avoid any appearance of nepotism. Public officials should also avoid any action which might result in, or create the appearance of preferential treatment to any person.

c. To avoid the perception of favoritism, heads of NAF activities will be sensitive to ensuring that relatives of NAF employees who are offered NAF employment meet all qualifications requirements listed in the vacancy announcement and that competitive procedures are fully followed during the selection process.

d. Guidance should be requested from the local ethics advisor (general counsel or serving Navy judge advocate) on questionable situations.

e. For purposes of interpretation, “relative” includes: father, mother, son, daughter, brother, sister, uncle, aunt, first cousins, nephew, niece, husband, wife, father-in-law, mother-in-law, son-in-law, daughter-in-law, brother-in-law, sister-in-law, stepfather, stepmother, stepson, stepdaughter, stepbrother, stepsister, half-brother, or half-sister.

0214. Probationary Period for Regular Employees

a. New Hire Probation. A one-year probationary period is required for a person appointed to a RFT or RPT NAF position. During the probationary period, the employee's conduct and performance in the actual duties of their position is observed, and they may be separated without undue formality if circumstances warrant. This is a testing period to determine whether or not the individual will be an acceptable government employee. Any time during this period that the individual's performance or conduct indicates they may not be an acceptable government employee, the employee may be terminated during the probationary period. The only acceptable reason for extending a probationary period is to make up non-paid time that occurred during the probationary period.

(1) The length of the probationary period will be one year from the date of appointment for all regular positions.

(2) A flexible employee who is changed from flexible to regular without a break in service to a position in the same title, pay plan, series, and payband/grade as their flexible position, will receive credit toward completion of the probationary period for the regular position at the same NAF activity.

(3) Probationary periods do not apply to employees who have already completed a probationary period in the same field of work in a DoD NAFI so long as there is no break in service of more than one year after completion of the probationary period.

(4) Only one probationary period will be required for a NAF employee except:

(a) When a break in service of more than six months occurs. The employee will then be required to serve a new full probationary period.

(b) When a former regular employee is rehired within six months of separation in the same position or one with similar duties, and only a portion of the required probationary period during the first period of employment was completed. The portion of the completed probationary period will be credited to the employee. The employee must complete the remaining time to satisfy the full one year probationary period requirement.

b. Supervisory or Managerial Probation. A one year supervisory probationary period is required for supervisors and managers the first time they are appointed to a supervisory or managerial position. During this probationary period, new supervisors and managers will receive training on supervisory/managerial functions. Supervisors and managers may not continue in the supervisory or managerial position if they do not satisfactorily complete the supervisory probationary period. If possible, these employees will be returned to their previous

non-supervisory grade level if failure occurs. When employees are returned to their previous grade level during the supervisory or managerial probationary period, their pay may be adjusted to the previous non-supervisory rate at management's option. Returning employees to their previous payband/grade and pay level during the probationary period is not grievable or appealable.

0215. Designation of Beneficiary for Unpaid Compensation

a. Each NAF employee must complete a CNIC NAF Designation of Beneficiary Form. The employee is responsible for updating this form as needed. It is recommended that an annual reminder be sent to employees concerning this requirement. Employees who designate minors as beneficiaries must be reminded that this designation might not be complied with if they have not made the legal arrangements required by State law.

b. The original CNIC NAF Designation of Beneficiary Form will be filed on the right side of the employee's OPF, and a copy will be given to the employee. The back of the form provides instructions for completion. When designating more than one beneficiary, the percentage to be paid to each must be specified on the form, NTE 100 percent in total.

0216. Performance Appraisals

a. Policy. The contents of this section apply to all incumbents of NAF positions.

(1) Since employee performance is the key to the success of any organization, the importance of a performance appraisal cannot be overstated.

(2) Supervisors/managers who fail to evaluate their employees, as required could jeopardize such employees continued employment or salary rates. Supervisors/managers must give a performance appraisal the highest priority in fulfilling their supervisory/managerial tasks. Employees may take action (i.e., grieve the untimely or total absence of required and scheduled performance evaluations).

(3) The immediate supervisor will inform all newly hired employees of the supervisor's performance expectations and provide the employee with a copy of the appraisal form during the employee's indoctrination process. The indoctrination will also include a complete explanation of the various appraisal uses and its importance to the employee's work life with the organization.

b. The Performance Process

(1) CNIC 5300, CNIC Non-Appropriated Fund Employee Performance Rating Form and Individual Development Plan (IDP) will be used to evaluate the performance of NAF employees. An explanation of the contents of the form and its use can be found on the reverse side of the form. There is also a place for the supervisor to add additional appraisal elements as needed. This is the only form authorized for use within CNIC NAFIs.

(2) NAF employees, regardless of an employment category, must be given a performance evaluation annually by the use of the CNIC 5300 form. Each element and an overall rating of outstanding, highly satisfactory, satisfactory, minimally satisfactory, or unsatisfactory will be given. If there is a rating of unsatisfactory on any one performance element, the overall performance rating shall be unsatisfactory.

(3) NAF employees must have an IDP completed annually along with their Performance rating form.

(4) When completing the performance rating form, supervisors/managers must recommend whether or not payband employees are to be afforded pay increases/awards. Pay increases and cash awards must have two levels of approval unless the Head, FFR is the issuing official.

(5) Supervisors will verify accuracy of the employee's PD during the annual review, work with the NAF HRO to make any necessary changes to the PD to ensure it is accurate and up-to-date based on current mission requirements, and inform employees of any PD changes and their performance expectations for the coming year.

(6) Annual performance ratings are valid for a period not to exceed 14 months (i.e., 425 days from the date the approving official signs the CNIC 5300 form). The reason for the 60 additional days, beyond the one year from the date of last annual performance rating, is to allow management time to perform the next scheduled annual rating of the employee. In the event the old rating lapses and the supervisor fails to do this rating within this time frame, a presumptive duplicate rating will be prepared if needed for a BBA action.

(7) Employees, without an annual performance rating, are provided with a "presumptive" satisfactory rating until they receive their annual rating.

(8) Ratings for dependability will not be based upon attendance or usage of approved leave. The employee cannot be adversely impacted by usage of approved leave. Absences without approved leave are handled as conduct issues.

(9) Supervisors may elect to reevaluate an employee's performance at any time that they determine the employee's performance has changed enough to justify reevaluation.

(10) Transferring employees will be given a close out rating prior to the transfer date.

c. Appraisals and BBA Process

(1) Only annual appraisals are used in the BBA process. When conducting a BBA, performance appraisals used to arrive at the BBA decisions must be at least 90 days old (i.e., have been signed 90 days prior to the formal announcement of management's decision to take the needed BBAs). This 90-day requirement means that management cannot change a rating and then immediately conduct a BBA based on the new rating.

(2) Presumptive ratings equal to the most recent record of annual rating are granted to employees for use in BBA actions when, due to management failure, inaction, or reasons beyond the control of the employee, only one valid rating of record is found in an employee's OPF. Such situations occur when an employee has been assigned to a NAF activity for a sufficient duration to have received at least two annual performance ratings. Since, under such circumstances, an employee could be adversely impacted through no fault of their own by being granted a presumptive rating of satisfactory, such ratings are not given under these circumstances. Instead, the presumptive rating granted for a BBA under these circumstances will be identical to that of the most recent performance rating of record. In all other cases, presumptive ratings will be satisfactory ratings.

d. Performance Based Pay Increase, Cash Award, Time-Off Award.

(1) Management may decide to give a pay band employee a pay increase, a cash award or a time off award (TOA) based on performance at any time deemed appropriate; however, in no case will individual pay increases exceed 15 percent of the employee's current hourly rate or pay. The NAF pay policy must state whether the year time frame is based on a calendar year (CY) or a fiscal year (FY). Performance appraisals which result in a pay increase, a cash award, and/or a TOA require both the rater's signature and an approving official's signature. The rating official cannot discuss the appraisal with the employee until the appraisal form has been signed by all required parties.

(2) The supervisor assigning the rating must consult with, and in the case of a pay increase and/or an award(s), have signature approval from the approving official prior to discussing either the appraisal or pay matters with the employee.

(3) When giving a pay increase, a cash award, or a TOA, one of the following methods of documentation will be utilized:

(a) Complete a CNIC 5300 form indicating the amount of the pay increase, cash award, or TOA. Use the remarks section to document the reason for the proposed pay increase, cash award, or TOA.

(b) Prepare a memorandum justifying the proposed pay increase, cash award, or TOA.

1. The performance appraisal or memorandum will be sent to the NAF HRO to implement the change and forward to payroll. The effective date of the pay increase adjustment, cash award, or TOA will be the first full pay period after the date the approving official signs the CNIC 5300 form.

2. NAF activities will establish their own administrative and control processes over such matters to ensure the integrity of the appraisal process.

e. CT employees can only receive a cash bonus. CT cash awards will be documented as above. Guidance on regular step increases for CT employees is in appendix A.

f. Unsatisfactory Performance. When a regular, non-probationary employee's performance is considered to be unsatisfactory, the following will apply:

(1) Employee should be counseled orally. The counseling should state the employee's performance shortcomings, the required performance levels, the period employee has to remediate their performance, and how management will assist employee.

(2) A letter of caution may be issued to the employee and it will reflect written determinations and documentation by management about the employee's unsatisfactory performance. Such letters represent non-disciplinary, non-adverse action and are neither grievable nor appealable. A letter of caution will not be included in the employee's OPF unless it is subsequently used as a basis for performance related disciplinary action.

(3) If the determination occurs while preparing the annual performance evaluation, the annual rating will be delayed until the letter of caution has been issued and the specified remedial period has been completed.

(4) Each letter of caution, based on performance, must:

(a) State the employee's performance shortcomings.

(b) State specifically the performance levels that must be met, or recommended corrective action, in order to achieve a satisfactory level.

(c) Set a definite remedial period of 30 days or more. The length of the remedial period depends on many factors, e.g. nature of deficiencies, type of position. It should not appear that management is hurrying the process. Instead, a reasonable amount of time, relative to the type of position involved and correction/improvements that must be made, need to be considered in establishing such time frame. During this time, the employee must demonstrate at least satisfactory performance. The remedial period may be extended if appropriate, but it may not be terminated prior to the date specified in the letter of caution.

(d) State that reasonable assistance will be offered by the employee's supervisor and the type of assistance to be given.

(e) State that improvement must be sustained.

(f) State that failure to improve may result in demotion, removal, or reassignment.

(5) If upon completion of the remedial period the employee's performance meets the requirements for satisfactory or higher performance as stated in the letter of caution, the employee will be issued a CNIC 5300 form reflecting this level of performance. The employee will also be notified in writing that similar deficiencies in performance occurring within the next year may result in an adverse action based upon unsatisfactory performance. This adverse action

may be completed without the issuance of another letter of caution or establishment of another remedial period. If this occurs, a severe disciplinary action decision letter may be issued to the employee, and if issued, it shall be done at least 14 days before the effective date of the action. The decision will reference the letter of caution and other records, as well as cite the specific recurring performance problems.

(6) If, upon completion of the remedial period, the employee's performance is still deemed as "unsatisfactory", a demotion, removal, or reassignment action may be taken. Reassignment should only be to a position that management has some assurance that the employee can perform satisfactorily. The employee will be issued a CNIC 5300 form that reflects the unsatisfactory rating. If management decides to reassign the employee (i.e., place them in another position within the same payband or grade without loss of pay), such reassignment will be at management's discretion by use of a management initiated SF-52. In such instances, the employee does not have a right to grieve or appeal the reassignment action. If, however, management decides to either separate or demote the employee based upon the unsatisfactory performance, a severe disciplinary decision letter will be issued with the CNIC 5300 form indicating the unsatisfactory rating.

(a) In this situation, the letter of caution, which must be given for at least 30 calendar days before final reevaluation of the employee's performance, meets the 30 calendar day minimum notice of separation for performance action. The letter of caution also substitutes for the proposal letter for a severe disciplinary action.

(b) Management will issue the final decision letter at the completion of the remedial period when the unsatisfactory performance rating is issued. The decision letter will include a statement justifying the final less than satisfactory rating and identifying the performance requirements listed in the letter of caution that the employee failed to meet and what action was taken to assist the employee in correcting performance deficiencies. The decision letter will also inform the employee of the specific corrective action to be taken, the effective date of the action, and the employee's appeal rights. Severance pay is not authorized under such conditions. The head of the NAF activity will sign decision letters concerning "less than satisfactory" employee performance.

(7) Probationary and flexible employees may be terminated for performance reasons without the issuance of a letter of caution.

g. Grievances of Performance Ratings

(1) An employee may grieve their overall performance rating or the rating of an individual factor. When grieving performance, the employee will provide written justification as to why the rating should be different than the rating received. For all submitted grievances of performance ratings, the burden of proof rests with the employee. Grievances must be filed within seven days of receipt of the rating.

(2) An employee may also grieve a supervisor's failure to provide a timely performance appraisal. For all submitted grievances of untimely performance ratings, the burden of proof

rests with supervisor. Grievances of untimely performance ratings must be filed within thirty of the expiration date of the current or last annual rating.

(3) Management must consider a supervisor's use or neglect of the appraisal rating process during overall annual performance evaluation of each supervisor/manager.

(4) Grievances of employees who are not part of a recognized bargaining unit will be processed using the administrative grievance procedures outlined in chapter 7.

(5) Employees who are part of a recognized bargaining unit must use their negotiated grievance procedures to grieve a performance issue.

0217. Employee Resignation

a. Resignation is a separation in response to an employee's request for the action. It is a voluntary expression of the employee's desire to leave the organization. An employee is free to resign at any time and to set the effective date of the resignation. The employee is not required to give advance notice, although a minimum of two weeks written advance notice is desired to allow for a replacement or work adjustment. The NAF activity may point out the desirability of another date, but it may not arbitrarily set another date and have the action remain a voluntary resignation.

b. Employing HROs will ensure that an employee does not experience a break in service when moving or transferring between NAF and APF positions. The avoidance of breaks in service is necessary to ensure employees are extended entitlements under the portability and interchange legislation. Portability entitlements cannot be given when there is more than a three day break in service. The DoD/OPM Interchange Agreement cannot be used if there is more than a one day break in service. To ensure that NAF employees are afforded necessary protection, the following procedures will be utilized by servicing NAF HROs:

(1) The losing HRO will contact the gaining HRO to work out an agreeable "drop" date and "pickup" date assuring that no break in service takes place.

(2) The normal drop date will occur on the last day of the pay period (need not be a workday). Correspondingly, the pickup date will normally be the first day of the new pay period. Again, this day need not be a workday. These two days, Saturday and Sunday, are normally the beginning and end of an administrative workweek. Irrespective of what days are used, servicing HROs are responsible for ensuring that no break in service, (i.e., one or more calendar days), takes place when a NAF employee moves to a NAF position in another NAF activity, or during a move from NAF to an APF position.

(3) Once an employee submits a written resignation (signed part E of SF-52, or similar notification), the employee may not rescind the resignation without management approval.

(4) Verbal resignations may be accepted if necessary. When a verbal resignation is accepted, a written record of the conversation will be made and a copy of the written record will be sent to the employee and attached to the resignation SF-52.

0218. Field Recruitment Assistance. Upon request CNIC FFR (N941) will provide recruitment assistance in identifying qualified potential candidates for vacant positions.

0219. Employee Records Management

a. SF-52 or Electronic SAP Substitute. SF-52 is the form management uses to request a personnel action (i.e., recruitment, promotion, termination, etc.). All appropriate boxes must be completed. The supervisor/manager with delegated authority to take the action will sign the approval block on the SF-52. SF-52s involving the CNIC NAF HQ N9 position or the head of the NAF activity must be signed by a management official at least one level higher than the affected position. The SF-52 will be used to prepare the PAR. A copy of the SF-52 will be filed in the employee's OPF and the vacancy recruitment file. A copy of the PAR will be filed in the employee's OPF. The SF-52 is also used by employees to submit voluntary resignations.

b. File Maintenance. Employee records and files will be kept and maintained per DoDI 5015.02, and with the National Archives and Records Administration (NARA) General Records Schedule (GRS). Proper records will be maintained on all employees, including all official personnel documents generated during an employee's service, using 5 CFR Part 293 as a guide. Subpart E of 5 CFR Part 293 provides guidance for establishing and maintaining employee medical files.

c. Disposition. Records disposition will be performed by NAF activities per their DoD Component's records disposition schedule as approved by the NARA. When a separated employee is employed in another federal position, their OPF will be forwarded to the new employer on request.

d. Access. Employees' right to review their records and the protection of their privacy will be per SECNAVINST 5211.5F. To expedite requests for information on retirement benefits or personnel data, the DoD Components will advise separating employees, in writing, regarding the storage and disposition of their employment records.

e. Folders. OPM-designated folders, Standard Form 66C, "Merged Records Personnel Folder" and Standard Form 66D, "Employee Medical Folder," will be used to retain the personnel and medical records of employees who have moved between NAF and APF positions within the DoD pursuant to P.L. 101-508, §7202. Ownership, maintenance, and retention of NAF records in merged records personnel folders and employee medical folders for such employees are governed by the OPM Operating Manual.

f. Personnel Accountability. Emergency contact information for NAF employees will be collected and recorded in accordance with DoDI 3001.02. Emergency contact information must be reviewed and validated by all DoD NAF employees annually, at a minimum.

g. OPF. NAF activities must comply with the requirements of the OPM's "Guide to Personnel Recordkeeping" to establish and maintain an employee OPF. This guide can be found at <https://www.opm.gov/policy-data-oversight/data-analysis-documentation/personnel-documentation/personnel-recordkeeping/recguide2011.pdf>.

(1) OPFs will be maintained alphabetically for both active and inactive categories of employees and stored in locked metal fireproof cabinets. The active records are to be segregated from the inactive records. OPFs will only be maintained in the NAF HRO. Access to OPFs will be controlled by the NAF HRO and only be accessible on a need-to-know basis.

(2) Transfer of Employee's Record. The OPF of employees transferred or terminating employment, and being re-employed by another NAF activity, will be forwarded to the new employing activity within five calendar days after receipt of notification and a copy of the pickup PAR or SF-50 is received from the new employer with the address to which record is to be sent. SF-127 will be used to request OPFs from another office. All extraneous matter will be removed from the OPF prior to forwarding. The OPF will be forwarded via regular mail or any other delivery service which provides a tracking number to track delivery of the item.

(3) Reemployment. The individual's OPF will be requested from National Personnel Records Center (NPRC) (send request in duplicate) or former NAF activity which employed, as appropriate. The request will contain the date of request; the full name of the employee; the date of birth; and the SSN or EIN. Include any other information that will assist in identifying the individual. The request must include the requestor's return address and phone number.

(a) Should the results of a request to the NPRC for the OPF be negative, further inquiry must be addressed to the former employing office. This procedure must be reversed if initial inquiry to the former employer is negative. If the former employer advises that the OPF was forwarded to NPRC, full information concerning this action must be provided to the inquirer, including the date the OPF was mailed.

(b) In the event the NRPC, or the former employing office, cannot provide the OPF, the individual employee is responsible for producing acceptable proof of previous NAF employment (e.g., W-2 forms, copy of PAR(s), payroll information).

0220. Advertising for Projected Vacancies. While management has always had the authority to advertise for projected vacancies, the paybanding system allows management to fill positions in a payband, with incumbents of that same payband, on a noncompetitive basis. The following provides an example of this scenario:

EXAMPLE

a. Management has studied its turnover rates and determines that within the next six months they will have the following vacancies:

<u>Positions</u>	<u>Payband</u>
NF-0188-04 Recreation Specialist	4
NF-0189-03 Recreation Assistant	3

b. With this projected turnover, management could place one or more vacancy announcements showing all projected vacancies, and restricting the AOC to: “All CNIC activities in the organization’s commuting area.” The AOC could be further refined by restricting it to “Navy employees in a pay band NF-X (specify the payband of the position being recruited) in the commuting area of (specify the name and location of the NAF activity)”, thereby making it a noncompetitive announcement.

c. The announcement will state that it is lead-time recruitment against projected vacancies. Management would require a job application or resume, a recent PAR or SF-50 showing current salary and a recent evaluation from interested applicants.

d. As vacancy dates become known, management can rate applications using the crediting plan to determine the BQ applicants. Selections could then be made. The flexibility in being authorized to select incumbents of a payband on a noncompetitive basis allows management some discretion in filling vacancies rapidly.

0221. Types of Personnel Actions

a. New Hire Action. An individual who meets all of the required qualifications, physical abilities (if any), and other position requirements; has been properly selected utilizing competitive procedures, reinstatement, or emergency hire processes; and has been processed by the HRO.

b. Promotion. A promotion occurs when an employee is moved from a position in one Payband/grade to a position in a higher payband/grade. Upon promotion, the following increase applies:

(1) NF employees must be given a pay increase of at least five percent of their current hourly rate of pay, or that amount equal to the beginning rate of the payband to which promoted, whichever is greater.

(2) CY employees must be given a pay increase of at least six percent of their current hourly rate of pay, or that amount equal to the beginning rate of the payband to which promoted, whichever is greater. CY promotions include changes from CY-I (general schedule equivalent (GSE-02)) to CY-I (GSE-03) and from CY-I (GSE-03) to CY-II (GSE-04).

(3) CT employees must be given a pay increase of at least four percent of their current hourly rate of pay, or that amount equal to the beginning rate of the grade level to which promoted, whichever is greater.

f. Temporary Promotion. A temporary promotion occurs when a NF, CY, or CT employee is moved from a lower to a higher payband or grade for a specified period of time. Temporary promotions may be made for up to six months on a noncompetitive basis, and up to two years on a competitive basis. Temporary promotions beyond six months must be made through competitive procedures. Employees promoted on a temporary basis must be given the normal promotion pay increase until the temporary promotion ends. When the employee returns to their permanent position at the end of the temporary promotion, the employee's pay will be reduced to what it would have been without the temporary promotion.

g. Career Progression. Career progression positions with known grade level promotion potential will be competitively advertised rather than filled by reassignment action to ensure fairness and to provide an opportunity for other qualified candidates to apply for the position.

(1) Career Promotions. A career promotion (payband or grade increase) is the promotion of an employee without current competition when competition was held at an earlier date and the employee was appointed to an entry or intermediate payband or grade level position designed or intended to prepare them for the higher paybanded or graded full performance level of the position being filled. An activity may make successive noncompetitive promotions of such an employee until the full performance level of the career series or occupation is reached as long as the promotion potential was included in the initial vacancy announcement.

(2) Developmental Positions. This is when a position is reduced in payband or grade for recruitment purposes. The individual is competitively selected into the position in a lower payband or grade than the full performance level of the position. Upon successfully completing training, or otherwise meeting the qualification and performance requirements of the position's full performance level, the incumbent holding such position may be noncompetitively promoted to the higher or full performance level payband or grade. Positions that allow for noncompetitive movement to higher paybands or grades must be clearly announced as having the potential to move to a full performance level/higher payband or grade upon meeting management's stated requirements. The full performance level payband or grade, series, and title will be shown in the vacancy announcement.

(3) Employees in positions meriting reclassification to a higher payband or grade due to the addition of duties and responsibilities that are the result of planned management action or gradual accrual of duties may be promoted noncompetitively when the following conditions are satisfied:

(a) Employee will continue to perform the same basic function(s) of the former position as well as the new duties assigned.

(b) Addition of the new duties and responsibilities will not adversely affect the payband or grade of another occupied position.

(c) Addition of the new duties and responsibilities will not change a former non-supervisory position into a supervisory position.

(d) Employee meets all requirements for promotion to the higher payband or grade.

(e) There are no other employees performing the same duties as the employee assigned to the impacted position.

h. Detail. A detail is a noncompetitive, temporary assignment of up to 6 months of a NF, CY, or CT employee to another position in their assigned payband or grade, or to a position in a lower payband or grade. An employee who is detailed to a position at the same or lower payband or grade as the one from which officially assigned will continue to be paid at their regularly scheduled rate of pay. An employee may not be detailed from a position in a lower payband or grade to a position in a higher payband or grade. Such action, if needed, must be accomplished by use of temporary promotion procedures. A PAR will be prepared for each detail of more than 30 days. An employee does not have to meet formal qualification requirements for a position to be detailed to the position, except for any minimum education licensure and certification requirements. Time spent in a detail is considered qualifying experience and will be so credited during qualification determinations.

i. Reinstatement. A former and otherwise eligible NAF employee may be reinstated or rehired to any NAF position on a noncompetitive basis as long as:

(1) The employee's separation was not for cause.

(2) The employee did not resign while under oral or written notice of management's intent to propose separation for cause.

(3) The vacant position is in a payband, grade, or employment category no higher than that previously held by the employee. Reinstatements to a higher payband, grade or employment category (flexible to regular) must be made on a competitive basis.

j. Denial of Employment

(1) The head of the NAF activity must approve, in writing, the employment any of applicant who has been convicted of:

(a) A felony (crime declared a felony by statute or one for which a penalty sentence can be adjudged).

(b) A misdemeanor involving moral turpitude (conduct contrary to accepted standards of conscience or moral law, involving vileness of principle, words, or action, such as fraud).

(2) Rehabilitated offenders may be hired for jobs for which they are needed and qualified. Each selection for appointment of a rehabilitated offender will be judged on its own merits. The decision to hire such an individual must be approved in writing by the CNIC HQ N9 or the head of the NAF activity for HQ or Region/Installation positions respectively.

(3) Employment may be denied to, or terminated for, any applicant who has presented false or misleading information or failed to fully disclose any potentially adverse information on any of the employment or background investigation forms.

(4) Employment may be denied to any person who was discharged from the Armed Services of the U.S. under other than honorable conditions. The CNIC HQ N9 or the Head of the NAF activity, depending on the location of the position, must approve appointment of these individuals after full review of the specific circumstances involved in each case.

k. Reemployment of Retired NAF Employees. Individuals who are receiving a CNIC NAF retirement are eligible for rehire as a flexible employee for an indefinite period if their hours of work do not exceed an average of 19 hours per week or 988 hours from January to the following January. Should the reemployment of a CNIC NAF retiree be necessary beyond these parameters, a written request for waiver will be submitted to CNIC (N94) for review and approval/disapproval.

l. Permanent Reassignment. This is a management initiated action that represents the movement of a NAF employee from their assigned position to another position of the same payband or grade, employment category, and rate of pay. Reassignments can also be used to change the organizational location of the employee within the same NAF activity. The employee must meet the qualifications for the new position. The new position cannot be a position with known promotion potential. Management maintains the right to reassign its employees. Such movements may be made on a noncompetitive basis. The head of the NAF activity will review all reassignments and justify in writing the reason why the specific employee was selected non-competitively for the position. The written justification will be filed in the vacancy recruitment file. A change to a higher payband, grade or employment category must always be competitive.

m. Temporary Reassignment to a Position with a Higher Level of Responsibility. This is a management initiated action that represents the movement of a NAF employee from their assigned position to another position within the same payband or grade which has a higher level of responsibility than the one to which the employee is currently assigned. This may be done noncompetitively. The employee may receive a pay increase NTE six months. At the end of the NTE period, the employee will be returned to the position held prior to the temporary reassignment. The employee's rate of pay will then be adjusted back to the rate of pay received prior to the temporary reassignment. The reduction in pay is not grievable or appealable.

n. Transfers. This is the movement of a NAF employee from one NAF activity to another NAF activity, without a break in service, while remaining in the same payband or grade and the same or lower employment category. As long as all special preference program requirements are complied with, such movements may be made on a noncompetitive basis. The following apply to transfer actions:

(1) Pay adjustments may occur during such actions.

(2) The SF-52 approving official will document the incumbent's qualifications for the new position, either by memorandum or a new application/resume for employment from the employee, prior to the transfer. The reason why the employee was selected noncompetitively for transfer will also be documented.

(3) All PDs must be written and approved prior to the transfer and kept current thereafter.

o. Voluntary Change of Position to the Same or to a Lower PayBand or Grade or Employment Category. Management may accept a voluntary requests from an employee in a higher payband, grades or employment category, and make selection from such a requests for a positions in the same or a lower payband or grade, or lower employment category, on a noncompetitive basis. In such cases, the employee must meet the minimum qualification requirements of the new position and the change cannot be to a more desirable position. The employee must submit a written request for consideration for such a voluntary change.

p. Competitive Personnel Action. Changes in employment category from a lower to a higher category, changes from a lower payband or grade to a higher payband or grade, and reassignments involving pay increases will be competitive. This includes changes between PT and FT, and regular and flexible.

q. Exception to Competitive Rule. The following are exceptions to the rules governing competitive personnel actions:

(1) CY Program direct care staff in a flexible category, with a satisfactory or better performance rating, and who work an average of 35 hours or more per week over a 12 month period, can be non-competitively converted to RFT status after the 12 month look back period when a RFT position becomes available. Priority for conversion of Flex staff to FT should be based on when the employee becomes eligible for conversion.

(2) Changes that adversely impact PT or FT employees are normally processed as BBA or using disciplinary procedures.

(3) Changes in work hours that do not change the employment category, changes from scheduled flexible to unscheduled flexible, or from unscheduled flexible to scheduled flexible do not require competitive procedures or BBAs and are not adverse (disciplinary) actions.

0222. Training and Employee Development. Training and employee development opportunities are available to all NAF employees to enhance the KSAs and behaviors that relate to successful job performance. Trained NAF employees result in operational efficiencies, a safe work environment, and customer loyalty. CNIC HQ FFR Training Branch (N947) centrally provides and manages NAF Customer Service, Genuine Leadership, and NAF business operations-specific training, and supports NAF program managers with program-specific training

requirements. Training is de-centrally delivered at Regions and Installations by FFR Certified Learning Professionals (CLP), HQ-level program managers, or contracted trainers. Employees, supervisors, and managers will collaborate with Regional Training Performance Improvement Specialists and installation training coordinators for additional guidance on attending training. Additional information is also available at <http://ffr-learn.com>

a. Responsibility for Training and Employee Development. All NAF employees are leaders, with or without an official designation as such, and are encouraged to continuously learn and develop as authentic leaders whether they are front line service providers, front line leads, mid-level managers, individual contributors, senior managers, or executives. Employee development is a collaborative process between an employee and their supervisor. A NAF activities will provide continuous learning and employee development opportunities for its employees.

(1) Employee Responsibilities.

- (a) Discuss learning outcomes with their supervisor prior to attending a learning event.
- (b) Activity engage in the learning experience.
- (c) Discuss application of learning with their supervisor after completing training.
- (d) Apply new KSAs and behaviors to their job after completion of training.

(2) Supervisor and Manager Responsibilities.

- (a) Ensure successful job performance at all levels of the organization.
- (b) Inform employees of available learning and employee development opportunities.
- (c) Ensure learning and development opportunities benefit the NAF activity and are equitably funded for qualifying personnel to the extent funds are available.
- (d) Coach implementation or desired training and development outcomes that benefit the NAF activity and its employees.
- (e) Inform employees of their responsibility to attend training, expectations during training, desired performance improvement thresholds after completion of training, and evaluation procedures to measure successful performance improvement.
- (f) Coach to desired behaviors by appropriately reinforcing and recognizing improved performance on the job.

b. Types of Training and Employee Development. NAF training and employee development opportunities are available in multiple delivery options.

(a) On-the-Job Training (OJT). Instruction and demonstration of the desired performance by a high-performing team member or supervisor before an employee begins a task or provides a service. After receiving a demonstration, the employee is given the opportunity to practice and demonstrate successful completion of the task or service, receive coaching and feedback, and when successful, complete the task or service independently.

(b) Mentoring. A formal or informal developmental process under which a senior or more experienced individual (the mentor) is assigned to or is solicited to act as an advisor, counselor, or guide, providing support and feedback to a junior or trainee (the protégé) for an unspecified period; or to specifically gain skill and knowledge and improve behaviors in an identified task or assignment.

(c) Face-to-Face Classroom. A CLP, facilitator, or instructor guides adult learning using standardized curriculum in the classroom. Typically, standardized curriculum includes, but is not limited to facilitated discussion, small group activities, simulations, role play, and guided practice.

(d) Virtual Classroom. A CLP virtual facilitator and producer guide learners through standardized curriculum using web-conferencing software applications. Typically standardized curriculum includes, but is not limited to, large group discussions, smaller group breakout sessions, videos, and demonstrations.

(e) Facilitated Online Learning. A CLP virtual facilitator typically guides learners over the course of a 10-21-day self-paced learning event through standardized curriculum which includes reading assignments, threaded discussions, and collaboration tools such as wikis and group chats. Learners are provided a suggested learning event agenda and complete activities at their own pace.

(f) E-learning on Demand. Learners participate independently on a computer or electronic device to complete reading assignments, listen to audio presentations, watch videos and complete knowledge checks and overall learning assessments to demonstrate knowledge mastery.

(g) Certifications. A prescribed course of study designed to provide the learner with the KSAs and behaviors to complete specific tasks and services.

c. Record of Training. Training and employee development will be made a matter of record for all NAF employees in FFR's centralized Learning Management System managed by CNIC's FFR Training Branch (N947). Informal learning such as OJT and mentoring will be made a

matter of record, to include specific topics; length of time involved; and actual hours or days, including dates; and name of provider.

d. Individual Development Plan (IDP). All NAF employees will have an IDP. The IDP will identify specific organizational goals the employee is expected to meet or assist in meeting, technical training necessary to meet these goals and professional development opportunities to improve performance and contributions to meeting the organization's overall mission. An approved IDP is a guideline and does not constitute approval to attend training. Supervisors and employees should meet semi-annually and annually to review the IDP, make recommendations for future development, and map a plan to complete identified learning and development requirements identified on the IDP. An IDP is not limited to completion of formal training, (e.g., academic education, classroom or virtual training,) and may include opportunities such as job-shadowing, mentoring, or OJT learning opportunities.

e. Supervisory and Managerial Skills. The Department of Defense Civilian Personnel Advisory Service (DCPAS) (5 CFR 412.202; NDAA 2010, Section 1111; and OPM Managerial Framework) lists skills all NAF Supervisors and Managers are to be trained on in order to ensure they are leading and engaging the workforce in an effective, consistent, respectful, and fair manner.

f. Professional Organizations. Executive employees may join professional organizations and associations and participate in their training programs. When approved by the head of the NAF activity, the cost of this training and related expenses not paid by the organization or association may be paid with NAF. Individual membership fees in professional organizations are a personal expense and may not be paid from NAF. A NAFI may obtain official organizational membership that can be paid with NAF. NAF employees may act as liaison (i.e., non-voting and non-decisional role) to non-Federal entities. Non-Federal entities include organizations such as the National Recreation and Parks Association with which NAF employees have had a long-standing working relationship. Requests to serve in a liaison capacity must be approved in writing by the command ethics advisor general counsel or Navy judge advocate. NAF employees may participate in the management of a non-Federal entity (e.g., president, vice president, board member) only if participation is conducted on personal time, at personal expense, and in a personal (vice organizational) capacity. A NAF employee may not take on a mixed role of serving as liaison and also serve in a management capacity for a non-Federal entity.

0223. Reimbursement for Training. NAFIs may establish NAFI (i.e., CNIC-wide) programs to provide regular NAF employees educational assistance for tuition, laboratory, and other instructional fees. Unlike training that is identified by management, this policy applies to mission related courses that employees desire to attend for self-development at accredited institutions of their choice on a voluntary basis, regardless of the funding source. This type of educational assistance program when offered will include at least the following guidelines:

o. This assistance will not be provided in whole or in part for courses for which the employee is receiving other Federal or State tuition subsidies such as Veterans Administration educational benefits, scholarships or grants, etc.

p. Courses are normally taken on a voluntary off duty basis. If courses are not available during off duty hours, the employee must take leave or arrange for a schedule change subject to applicable regulations, local provisions, and approval by the employee's supervisor.

q. Limits may be placed on the dollar amount that will be reimbursed.

r. Reimbursements will be taxed as required by Internal Revenue Service (IRS) regulations.

s. Tuition assistance will be paid by one of the following methods:

(a) Payment will be made direct to the academic institution if a billing procedure is established.

(b) The employee will pay the academic institution and submit a claim for reimbursement upon successful completion of the course(s).

t. Successful course completion requires a grade of a "C" or better for undergraduate courses, a grade of "B" or better for graduate courses, and "Satisfactory" for courses that have no letter grade. The employee must provide a valid written grade report to their supervisor with the request for reimbursement. This must be submitted within 30 days of completing the course.

u. If the employee fails to complete a course successfully, the employee must reimburse the NAF activity for all costs paid to the employee. The NAF activity may also restrict the employee's future participation after an unsuccessful course completion.

v. The employee must sign a written continued service agreement to work for the NAFI (i.e., CNIC) for at least three times the length of the training course. The continued service time begins at the completion of the training. The minimum continued service time for a semester hour is one month. If the employee fails to fulfill the continued service agreement, the employee will reimburse the NAF activity for the cost related to all remaining time. The head of the NAF activity may waive the reimbursement if justified.

0224. New Employee Orientation/Indoctrination. The indoctrination process conducted by the NAF HROs includes completion of employment related paperwork by the new employee and providing information (i.e., policies and regulations) to the new employee that is pertinent to their understanding of the CNIC organization and their new position. Indoctrination also imparts general information that the supervisor has determined will be mutually helpful to the employee and the activity. NAF HROs are responsible for conducting new employee indoctrinations. Once the employee has completed the indoctrination phase of the hiring process, first-line supervisors are responsible for ensuring a new employee receives the necessary orientation needed to become acclimated to their new position. Orientation to the job must be accomplished within a reasonable period after a new employee reports for duty.

a. Employee Check-in List. A new employee indoctrination checklist must be used for all new employees to ensure prescribed personnel actions are completed. The completed form will be filed on the left side of the employee's OPF.

b. HRO Role. The HRO will develop and maintain communications with a new hire from the time HRO notifies the individual of the selection until the individual is released to their supervisor. A new employees will report to the HRO at the start of their first duty day. The designated HRO employee must, at a minimum:

(1) Explain the employee benefits programs, provide the employee with a copy of all benefits brochures and forms for which they are eligible, and inform the employee they have 31 days to enroll and the effective date of enrollment.

(2) Discuss the Standards of Conduct with the employee and have the employee sign for a copy of information concerning the Standards of Conduct.

(3) Have the employee complete Federal and State withholding tax forms.

(4) Have the employee fill out the CNIC SF-1152 Equivalent, Designation of Beneficiary Form.

(5) Have the employee provide information on emergency contact(s).

(6) Issue Kronos badge if applicable.

(7) Arrange for the employee to receive base identification card if applicable.

(8) Arrange for the employee to register their vehicle for base access.

(9) Escort the employee to their supervisor.

(10) File the indoctrination checklist in the employee's OPF.

c. Supervisor's Role. The supervisor will greet the employee and designate a co-worker as a buddy for the new employee. The supervisor should take every reasonable step possible to help the employee become a productive and proficient employee in the shortest possible time.

d. Installation Clearance. New employees must comply with all installation and CNIC clearance processes and coordinate with installation security offices in accordance with all applicable DoD, Navy, CNIC, and local guidance. The local installation and CNIC clearance form will be used.

0225. Out-processing of Separating Employee. As with new employees, separating employees must also follow all installation and CNIC clearance processes. The HRO must ensure all NAF property is returned when an employee separate. If the employee is unable to process out, HRO will ensure that the supervisor or another designated employee completes the processing for the departing employee in a timely manner.

CHAPTER 3

NAF PERSONNEL PAY BAND SYSTEM

0301. Pay Policy. The payband system is designed to help managers establish competitive wages, strengthen the link between pay and performance, and provide an efficient classification and pay process. It assigns a pay range to each payband and, with few limitations, permits pay to be set within the pay range. Each NAF activity will develop a local pay policy that supplements this chapter and defines how pay options delegated to the NAF activity in this manual will be handled. This pay policy will be posted on all NAF activity bulletin boards. The local policy may be stricter than the policies in this manual, but they may not authorize anything more than authorized in this manual.

0302. Applicability. The provisions of this chapter apply to all U.S. citizens or U.S. resident alien NAF employees, including off-duty, enlisted military personnel who are working for NAF activities as NAF employees, except those employees covered under the Federal Wage System (FWS) (i.e., incumbents of CT positions in all pay plan codes).

0303. FWS. This system includes all CT positions and uses the following pay plan codes: NA for non-supervisory positions, NL for leader positions, and NS for supervisory positions. OPM's NAF Operating Manual for Federal Wage System, augmented by DoDI 1400.25, Volume 1405, Appendix 2 to Enclosure 3 and Appendix A of this instruction contain detailed procedural instructions for the administration and operation of the FWS. Always check these guidelines on pay issues involving FWS CT employees.

0304. Payband Background. Occupational categories authorized for DoD NAF positions are described in DoDI 1400.25, Volume 1407. The only pay systems authorized for DoD NAF employees are:

a. NF Pay System for White-Collar (Non-Crafts and Trades) NAF Employees. The NF Pay System covers NAF white-collar employees world-wide, except as otherwise indicated in this chapter.

b. CT

(1) Mandatory instructions for implementing the NAFI FWS for CT employees are contained in the OPM Operating Manual, which implements 5 U.S.C, Chapter 53, Subchapter IV and 5 CFR Part 532.

(2) DoDI 5120.39 sets out the authorities and responsibilities of the Defense Civilian Personnel Advisory Service (DCPAS), Wage and Salary Division (WSD), for determining pay for NAF employees.

c. CY Payband System. This system covers NAF CY program assistants, leaders and technicians. It implements the provisions of 10 U.S.C. §1791-1800, which requires that child caregivers at military installations be paid wages competitive with those of other federal employees in the labor pool. It also implements DoDI 6060.2 to apply comparable requirements

to youth program employees.

d. Summer and Student Employment of Dependent Youth in Foreign Areas. Youth employed at DoD overseas installations where 29 U.S.C. §§201-219, commonly known and referred to as the FLSA, does not apply. Pay will be in accordance with the rates issued by DoD DCPAS WSD.

e. Foreign National Pay. Pay for foreign national NAF employees must comply with DoDI 1400.25, Volume 1231.

f. A summary of the payband system equivalencies to General Service (GS) commonly referred to as GS equivalencies (GSE) is in table 3-1.

PAYBAND/GS COMPARISON CHART

PAY BAND	GS/SES
NF-1	GS 1 - 3
NF-2	GS 4
NF-3	GS 5 – 8
NF-4	GS 9 – 12
NF-5	GS 13 – 15
NF-6	SES
CY-I	GS 2 – 3
CY-II	GS 4 - 5

Table 3.1

0305. Pay Schedules

a. The DCPAS WSD publishes NAF payband schedules. These schedules establish the minimum and maximum pay rates for each payband as described below:

(1) Minimum and Maximum for Bands NF-1 and NF-2 and Minimum for Band NF-3.

(a) These rates are determined by a WSD survey of wages paid to employees in a representative number of retail, wholesale, recreation, finance, and insurance establishments in the immediate locality who are engaged in activities similar to those in NAFIs.

(b) WSD issues separate pay schedules for each geographic area surveyed. The effective dates of schedules vary depending on the survey dates. To aid pay setting decisions, a WSD developed pay report is attached to each schedule. It contains the average hourly rate of pay and the range of pay from high to low for certain surveyed jobs.

(c) Wage surveys are not performed for overseas areas; therefore, pay reports are not developed for those areas. WSD applies an across the board increase equivalent to the Employment Cost Index (ECI) percentage increase for GS employees for overseas payband

schedules.

(2) Maximum for Band NF-3 and Minimum and Maximum for Bands NF-4 through NF-5.

(a) Minimum rates in effect on August 4, 1995, the date of implementation of the NAF payband system, serve as the basis for adjustments to minimum rates.

(b) The minimum rates of NF-4 through NF-5 will be adjusted by a percentage equal to any national ECI percentage increase for GS employees, rounded down to the nearest \$500.

(c) The maximum rate for NF-5 will be adjusted to equate to the highest GS-15, step 10, locality pay rate.

(d) The maximum rates for NF-3 and NF-4 will be adjusted to equate to 40 and 63 percent, respectively, of the NF-5 maximum rate, rounded up to the nearest \$500.

(3) Minimum and Maximum for Band NF-6

(a) NF-6 executives under the certified NAF senior executive performance appraisal system in DoDI 1400.25, Volume 1404 receive a maximum pay up to Executive Level II.

(b) Per 10 U.S.C. §1587a, NF-6 executives who are not under the certified NAF Senior Executive Performance Appraisal System prescribed in the DoDI 1400.25, Volume 1404, must be paid at the rates of pay established in 5 U.S.C. §5382(a) and (b). Accordingly, NF-6 executives will have their basic pay set within a payband of 120 percent of a GS-15, step 1 to Executive Level III.

b. Amendments to Pay Schedule Policy. The DoD NAF Personnel Policy Committee will review pay schedule policy periodically and propose any amendments to the DASD(CPP) who, in turn, will formally coordinate proposals with the DoD Components.

0306. Locality Pay. The pay schedules issued by the WSD for NF-3 through NF-6 contain locality pay within CONUS.

a. Locality pay is treated as basic pay for purposes of retirement and life insurance benefits, premium and overtime pay, and lump sum payments for unused annual leave.

b. Locality pay applies only in CONUS.

c. Locality pay does not apply to CT, or NF-1 and NF-2 employees. Adjustments in these rates and pay ranges are made per DoD established prevailing rate rules and the WSD pay schedules.

0307. Pay Setting

a. General

(1) Except for special pay setting situations stated in this chapter, the head of the NAF activity may determine where, within the minimum and maximum rates of the proper payband, to set an employee's rate of pay.

(2) Rates of pay determinations must consider the duties and responsibilities of the job and be commensurate with prevailing rates for comparable work in similar enterprises in the private sector within the NAF activity's commuting area. Consideration should also be given to performance; budget; current rates of pay for similar positions in the activity; and the amount and timing of previous pay increases, cash awards, bonuses, and allowances. The authority for setting the pay for the head of the NAF activity must be at least one level higher than the Head of the NAF activity.

(3) Echelon II commands may establish additional limitations not in conflict with this manual or higher level regulations and laws on pay setting for activities under their cognizance.

(4) The term "base pay", as used in this manual, means the annual rate of pay for an employee, including any portion that may be attributed to comparability with private sector pay in a locality, before any deductions and exclusive of additional pay of any kind. Base pay, which includes basic and locality pay, may not exceed the maximum rate for the employee's pay band. The hourly rate of pay for payband and CT is determined by dividing the annual rate by 2087.

b. Special Pay Setting Situations

(1) Effective Date. The effective date of a change in pay rate is the first day of the first pay period on or after the date the action is approved in writing by the designated approving official, unless a subsequent date is specifically stated. As a general rule a salary increase may not be made retroactive. An exception however can be made if an increase such as a temporary promotion is delayed by some administrative oversight or a clerical error that occurs after approval by the authorized approving official. Unavoidable delays (e.g., to verify a condition of employment) and delays that result from the employee's own acts are not exceptions to the rule against retroactive effective dates (Comptroller General (CG) Decision B-184817 28 November 1975). Retroactive actions will be approved in writing by the Head of the NAF activity.

(2) FLSA Minimum Wage Requirement. The minimum rate paid may not be less than the current Federal minimum wage, or the applicable state or municipal minimum wage, whichever is higher. A tip offset may be authorized for payband employees engaged in coat and hat check work if they customarily and regularly receive tips. The policies and procedures established for waiters by OPM pursuant to 5 CFR §532.283 are administratively extended to those employees provided that local laws provide such tip offset.

(3) Transfer of Function

(a) When a function is transferred from one NAF activity to another, or from one DoD NAFI Component to another, pay for employees who move with their positions will be set at a rate within the payband that is not less than the employee's current rate of pay (minus the percentage of locality pay designated for the position's location) immediately before the move.

(b) As an exception to this provision, where a portion of the pay is clearly defined as a locality adjustment, the locality pay adjustment need not be continued when the employee moves to an area with a lower locality pay adjustment. Future rates of pay will be per the receiving NAF activities' policies and compensation programs consistent with the requirements of this manual.

(4) Involuntary Moves to NAF Under the DoD Employee Benefit Portability Program.

(a) When a GS employee is involuntarily moved to a NAF payband position, the employee's basic rate of pay will be set at a rate within the payband to which assigned that is not less than the GS employee's "scheduled annual rate of pay" as defined in 5 CFR §531.602, plus the corresponding GS locality adjustment. Future rates of pay will be set per the receiving NAF activities' policies and compensation programs consistent with the requirements of DoDI 1400.25, Volume 1405.

(b) If the employee's last GS scheduled annual rate of pay plus the GS locality pay adjustment is above the maximum rate of the payband level to which the employee is involuntarily moved, pay retention is required.

c. Pay Increase. An employee may be granted a pay increase within a payband with or without a position change. Pay increases must have justification to support the increase. The request for a pay increase, along with the justification, may be submitted on an SF-52, a CNIC 5300 form, or in a memorandum. However submitted, the document must contain a requester and approver signature. The same person cannot be both requester and approver. A PAR will be prepared to document the pay increase. Pay increases must be based on merit and not be open to claims of favoritism or pre-selection. Pay increases will not normally be given during the first 90 days of employment in a new position. Pay increases, exclusive of the annual comparability increase, will not exceed 15 percent of the employee's hourly rate of pay per year. If the head of the NAF activity determines that an increase larger than 15 percent is justified, a written waiver request including the justification may be submitted to CNIC (N941) for review. This 15 percent limitation is not intended to adversely impact pay increases for competitive selections of current employees when the AOC includes outside applicants. If such is the case, a written waiver request with justification can be submitted.

d. Promotions and Competitive Position Changes. A promotion occurs when an employee is moved to a higher payband or grade. Upon promotion, the following pay increase applies:

(1) NF employees must be given a pay increase of at least five percent of their current hourly rate of pay, or that amount equal to the beginning rate of the payband to which promoted, whichever is greater.

(2) CY employees must be given a pay increase of at least six percent of their current hourly rate of pay, or that amount equal to the beginning rate of the payband to which promoted, whichever is greater. CY promotions include changes from CY-I (general schedule equivalent (GSE-02)) to CY-I (GSE-03) and from CY-I (GSE-03) to CY-II (GSE-04).

(3) CT employees must be given a pay increase of at least four percent of their current hourly rate of pay, or that amount equal to the beginning rate of the grade level to which promoted, whichever is greater.

e. Pay Decrease

(1) An employee's pay may be decreased within the payband for the following reasons:

(a) Change in duty station to an area with a lower locality rate of pay than the area to which the employee is currently assigned.

(b) BBA, performance based action, or disciplinary action.

(c) Classification error.

(2) A detail is not a basis for a pay decrease. When an employee is moved to a lower payband involuntarily, it is a demotion and must be processed using BBA or disciplinary action procedures as appropriate.

f. Annual NF Across-the-Board Adjustments for Employees in Bands NF-1 through NF-5. These adjustments are not required, but may be granted NTE the limits described in paragraph 7 f (1) through 7 f (4) below. Any such decision must be applied to all employees in the NAF activity. An exception to this is when the minimum rate for the payband is raised, then employees at the bottom of the payband, who are rated at least satisfactory must be given a pay increase to keep their rate of pay within the pay range of the payband. The head of the NAF activity may delegate this approval/disapproval authority. The pay rate for payband employees will be listed on the PAR or other electronic SAP substitute as an hourly rate and rounded to two decimal places (e.g., \$7.31) and a copy of the action will be filed in the employee's OPF. When an annual increase is granted, the employee's current hourly rate of pay will be multiplied by the percentage of increase. This amount will be rounded to two decimal places and added to the employee's current hourly rate of pay. The result will be the employee's new hourly rate of pay.

(1) Employees in Paybands NF-1 and 2. The adjustment will not exceed the average percentage adjustment stated on the pay report attached to the current pay schedule. It will not be granted if both the ECI adjustment and the locality adjustment are canceled for APF GS employees. NF-1 and NF-2 employees receive their increase when the WSD issues the annual schedule adjustment (when the CT schedule is issued for that area).

(2) Employees in Bands NF-3 through NF-5. The adjustment must not exceed the adjustment granted to corresponding APF GS employees. If given, it will be effective at the same time as the APF increase.

(3) Employees at or Near the Top of a Payband. The employee's basic pay rate may not exceed the maximum rate for the employee's band.

(4) Employees with a Minimally Satisfactory or Unsatisfactory Performance Rating. Such employees are ineligible for a pay increase. This means that in some cases their pay may fall below the minimum rate of the payband.

g. Pay Setting and Pay Adjustments for Employees in the NF-6 Payband.

(1) General. Pay for NF-6 senior executives must be based on individual and organizational performance results; the complexity and scope of the work; the breadth of responsibility of the position; and the senior executive's experience, pay history and qualifications.

(a) NF-6 pay adjustments must be linked to performance. The DoDI 1400.25, Volume 1404, contains the DoD NAF senior executive performance appraisal system applicable to the NF-6 payband.

(b) NF-6 basic pay is exclusive of bonuses, differentials and/or allowances.

(c) Basic pay increases will not be granted to NF-6 senior executives at the top of the payband. However, an senior executive may receive a performance bonus that does not exceed the aggregate limitation on NF-6 pay, described in paragraph 7g(2).

(d) The DoD Component's highest rates of executive basic pay or pay adjustments must go to those senior executives who demonstrate the highest level of performance and who make the greatest contributions to that Component's performance.

(2) Aggregate Limitation on NF-6 Pay. Total compensation paid to an NF-6 senior executive during a CY, including allowances, differentials, bonuses, awards, or similar cash payments, may not exceed Executive Level I under a performance appraisal system that is not certified by the Under Secretary of Defense (Personnel & Readiness). Total compensation paid to an NF-6 senior executive under the certified NAF senior executive performance appraisal system in DoDI 1400.25, Volume 1404, may not exceed the salary of the Vice President of the United States.

(3) Pay Adjustment for NF-6 Executives. An authorizing official, as defined in DoDI 1400.25, Volume 1404, may approve an increase in basic pay if warranted by the NF-6 senior executive's individual performance or contributions to DoD Component performance. An increase may not be approved more than once in any 12-month period, except when the authorizing official determines and documents in writing that the additional increase is needed for one or more of these reasons.

(a) To recognize an exceptionally meritorious accomplishment that contributes significantly to DoD or DoD component performance.

(b) To compensate the senior executive for reassignment to a position with substantially greater scope and responsibility.

(c) To retain a senior executive who is critical to the mission of the DoD Component and who would likely leave the component in the absence of a pay increase.

(d) To align a senior executive with the DoD component's senior executive appraisal and pay adjustment cycle.

(e) To approve an increase in basic pay to maintain the senior executive's relative position in the NF-6 payband following an increase in the NF-6 minimum or maximum rates of pay.

(4) Setting or Increasing Basic Pay Above Executive Level III Under the NAF Senior Executive Performance Appraisal System.

(a) Rates of basic pay higher than Executive Level III, but less than or equal to Executive Level II, under the certified NAF senior executive performance appraisal system in DoDI 1400.25, Volume 1404, may be authorized by the authorizing official where warranted. Considerations will include the position's responsibilities, the scope of the work level, the breadth of responsibility and impact on the DoD or DoD component mission and the senior executive's experience and accomplishments.

(b) Rates higher than Executive Level III should be reserved for:

1. Senior executives who have demonstrated the highest levels of individual performance or made the greatest contributions to DoD component performance.

2. Newly appointed senior executives who possess superior leadership or other competencies, consistent with the DoD component's strategic human capital plan.

(5) Performance Bonuses

(a) A performance bonus is a lump-sum monetary bonus paid in recognition of a senior executive's performance during the appraisal period. A performance bonus is not part of the executive's basic pay.

(b) Performance bonuses are tools to recognize, motivate, and reward significant individual achievements or contributions and will be an integral part of NF-6 senior executive performance management.

(c) Senior executives must have a performance rating of Achieved Expectations (based on a performance score of at least 70), or the equivalent, and must have achieved expectations for all performance elements to be eligible for a bonus.

(d) A performance bonus must not exceed 20 percent of basic pay. Normally,

bonuses will not exceed 10 percent of the employee's annual rate of basic pay. Exceptional performance results by the executive, including consideration of contributions to the organization's performance may justify a bonus of up to 20 percent of basic pay.

(6) Prorated Payout. A prorated payout (increase to basic pay, performance bonus, or combination) may be recommended by the rating official or performance review board for senior executives who have less than a full year of contributing to organizational goals. The final determination to prorate the payout will be made by the authorizing official.

(7) Incentive Awards

(a) Receiving a performance bonus does not preclude an NF-6 senior executive from receiving other awards, provided that the employee is not monetarily awarded twice for the same accomplishment.

(b) Consistent with DoD Component awards authorities, awards may be granted to NF-6 senior executives either as individuals or as members of a team. An award may be based on a suggestion, invention, superior accomplishment, productivity gain, or other personal effort that contributes to the efficiency or economy of, or other improvement to, DoD or DoD component operations, or that achieves a significant reduction in paperwork. The award may be monetary, non-monetary, informal recognition, honorary, or a combination.

h. Annual Review of Pay. Supervisors must address the issue of "pay adjustment" at least once a year which should be done during the annual performance appraisal cycle. The decision to grant or not grant a pay adjustment is not a grievable matter.

i. Training Wage Rate. The payment of a training wage rate below the minimum rate of payband NF-1 is authorized for initial employment of untrained employees entering at payband NF-1. The rate of pay selected cannot be lower than the applicable minimum wage and may be paid for a maximum of three months at which time the employee, if still employed, will be moved to a rate of pay within the payband.

j. NF Supervisors of CT Employees. The Head of the NAF activity may adjust the rate of pay of a NF supervisor to any rate of their payband that exceeds the highest FWS employee being supervised. When comparing the scheduled rate of pay for an NF supervisor, with the rate of pay for an FWS employee supervised, the Head of the NAF activity will exclude from the FWS employee's rate any irregular prevailing rate, such as a retained rate or night shift differential. Before an adjustment may be made, the Head of the NAF activity will determine that both of the following apply:

(1) The supervisor's regular responsibilities include supervision over the technical aspects of the work of the FWS employee with the highest pay rate; and,

(2) The supervisor's rate of pay is less than the scheduled rate of the highest paid FWS employee being technically supervised.

0308. FLSA

a. Applicability. The provisions of the FLSA, as implemented by the OPM, are applicable to all NAF employees, including off-duty military personnel determined to be nonexempt from FLSA. This includes NAF employees overseas. Overseas employees will be paid as exempt employees. The minimum rate payable to employees may not be less than the current Federal minimum wage, applicable State wage, or applicable municipal wage, whichever is higher.

b. Coverage. Heads of NAF activities must exempt a NAF employee from the provisions of the FLSA, if the following criteria are met:

(1) Executive Exemption. This applies when the employee's primary duty consists of management or supervision. This primary duty requirement is met under the following conditions:

(a) The employee has the authority to select or remove, advance in pay and promote, or make any other status changes of subordinate employees, or has authority to suggest and recommend such actions with particular consideration given to these suggestions and recommendations.

(b) The employee customarily and regularly exercises discretion and independent judgment in such activities as work planning and assignment, direction, review, evaluation, and other aspects of management of subordinates, including personnel administration.

(c) Employees assigned to properly classified positions at NS-7, 8, or 9 level, and employees assigned to properly classified positions at the NF-3 level, must spend a minimum of 80 percent of their workday on supervisory duties.

(2) Administrative Exemption. An administrative employee is exempt if they function as an advisor, assistant, or representative of management; or a specialist in management, a general business function, or a support service, and their work meets all of the following criteria:

(a) The work significantly affects the formulation or execution of management policies or programs.

(b) The work requires general management, business functions, or supporting services of substantially importance to the organization.

(c) The work requires substantial participation in the executive or administrative function of a management official.

(d) The employee performs office or other predominantly non-manual work that is intellectual and varies in nature, or is of a specialized or technical nature that requires considerable special training, experience, and knowledge.

(e) The employee must frequently exercise discretion and independent judgment, under only general supervision, in performing the normal day-to-day work.

(3) Nonexempt Payband Positions. The following CONUS pay band positions do not meet the FLSA exemption criteria and must be nonexempt from the provisions of the FLSA.

- (a) Non-supervisory employees below NF-4.
- (b) Lead employees classified below NF-4.
- (c) Supervisory employees classified below NF-3.

(d) Supervisory employees at NF-3 level who perform work not directly related to their supervisory function more than 20 percent of the time.

(4) Exempt Supervisory Positions. Supervisory employees at the NF-3 level and NS-7, 8, or 9 level, who perform supervisory and related duties 80 percent or more of the time meet the FLSA criteria and are exempt from the FLSA when all of the following requirements are met:

(a) The work involves responsibility for planning and accomplishing a continuing workload that meets the intent of the recognized organization unit requirements.

(b) The employee regularly exercises discretion and independent judgment in planning, directing, and controlling the work.

(c) The employee is responsible for significant personnel management duties.

0309. Payband (NF and CY) Premium Pay

a. Overtime

(1) The maximum basic administrative workweek for an employee not on an approved Alternative Work Schedule (AWS) is 40 hours. A request must be submitted and approved in advance for overtime or compensatory time before scheduling, recording, or paying a payband employee to work more than 40 hours per workweek.

(2) A payband employee must have more than 40 hours of work or duty status in a workweek as defined by the FLSA before overtime can be paid. Annual leave, sick leave, absence on legal holidays or non-workdays established by executive or administrative order, or absence on compensatory time during the basic workweek does not count toward the 40 hours of work or duty status required under the FLSA definition for overtime.

(3) The final decision on whether the employee will have 40 hours of FLSA defined work often has to be made at the end of the week because of the possibility of emergency sick leave, etc. After this decision has been made, the pre-approved time over 40 hours will be handled in one of the following ways:

(a) If the employee does have over 40 hours of FLSA defined work, the hours over 40 qualify for overtime if requested and approved in advance.

(b) If the employee does not have over 40 hours of FLSA defined work, then the hours over 40 will not be paid as overtime pay.

(c) In order for training or travel time to be considered hours of work for nonexempt employees, it must meet the definition of work in the FLSA. If it does not meet the definition, then it is not paid as hours of work.

(4) CT Employees Overtime Pay. Overtime pay will be paid to all CT employees (exempt and nonexempt), as outlined in the DoDI 1400.25, Volume 1405, Appendix 2 to Enclosure 3. Compensatory time off will not be given to CT employees except for religious observances.

(5) Overtime is paid at 1 1/2 times the basic pay rate for FLSA defined work hours that exceed 40 hours in an administrative workweek if the employee's basic rate does not exceed the locality pay rate for GS-10, step 1. In areas that do not have locality pay, the basic pay rate for GS-10 step 1 is used. When the employee's basic pay rate exceeds the GS-10, step 1 rate the overtime pay rate will be 1 1/2 times the GS-10 step 1 rate.

(6) The basic rate is the rate of pay assigned to a position before any deductions and exclusive of additional pay of any kind.

(7) As a general rule, it is not a good management practice to pay overtime to an employee who is also taking paid leave in the same pay period.

(8) Exempt Employees. No laws or regulations external to DoD establishes overtime pay policy for exempt white-collar NAF employees. DoD 1400.25, Volume 1405, Appendix 2 to Enclosure 3, delegates Components the authority to grant overtime pay. CNIC is further delegating this authority to individual NAF activities within the following guidelines:

(a) The individual NAF activity's written pay policy will indicate whether or not overtime will be paid to exempt employees and the level of management that will have the authority to approve the overtime. The payment of overtime must comply with the guidelines in this manual. No employee identified as exempt may be paid overtime or given compensatory time off unless the request for overtime pay or compensatory time off is submitted by the requesting official in advance and authorized in advance by the designated approving official. The doctrine of compensation for hours "suffered and permitted" to be worked does not apply to exempt employees.

(b) The NAF activity has the discretion to grant an exempt employee's request to receive compensatory time in lieu of overtime or to direct that an exempt employee work time that meets the FLSA overtime requirement for compensatory time off instead of overtime pay. The amount of compensatory time off that may be granted will be equal to the time spent in requested and approved overtime work. No exempt employee will be permitted to accumulate or maintain a compensatory time balance of more than 80 hours at any given time. Compensatory time will be used within a reasonable period of time, NTE 26 pay periods from the pay period in which it is earned. If compensatory time is authorized and earned, it will be entered on the time

and attendance report.

(c) Compensatory time off will normally be used before annual leave is approved unless this would cause the employee to forfeit annual leave. The date of separation for employees with compensatory time will be fixed to include compensatory time due the employee if practicable. Otherwise, the employee will be paid for such time based on the straight time rate in effect at the time the compensatory time was worked. The maximum amount of compensatory time that can be paid under this provision is 80 hours.

(9) Nonexempt Employees. Employees in geographic areas covered by the FLSA and identified as nonexempt must be compensated for all hours of work in excess of 40 hours per week. Only FLSA defined hours of work are counted toward the 40 hours in a workweek. All work “suffered and permitted” or requested and authorized in advance in writing, for nonexempt employees will be paid in one of the following ways:

(a) Hours over 40 in a workweek that meet the FLSA definition of overtime will be paid at 1 1/2 times the employee’s regular hourly rate of pay.

(b) Hours over 40 in a workweek that do not meet the FLSA definition of overtime will be paid at the employee’s regular hourly rate of pay. Compensatory time off is not authorized for nonexempt employees except for religious purposes.

(10) Time Off for Religious Observances. Employees may earn compensatory time off for religious observances under provisions of 5 U.S.C. §5550a. Time off for religious observances will be recorded in a special leave account. The hours worked to accommodate the needed time off for the religious observance must be worked before the period of time off. Any time off balance which was earned for religious observance reasons will not transfer when an employee changes positions either internally or externally to the NAF activity. Compensatory overtime worked in this manner is exempt from maximum pay limitations and all other provisions of overtime and premium pay. Religious observances are the only circumstances when compensatory time can be authorized for a nonexempt employee.

(11) Payband Employees in Areas Not Covered by FLSA. Employees in areas not covered by the FLSA will all be considered exempt employees. The pay guidelines for FLSA exempt employees will be followed for these employees.

b. Night, Sunday and Holiday Pay for Pay Band Employees. The FLSA does not cover night, Sunday or holiday pay. An employee’s exempt or nonexempt status is not a factor in determining such pay. There is no law or regulation external to DoD that addresses night, Sunday or holiday pay for NAF white-collar employees. DoD has delegated the authority to grant these payments in consideration of the prevailing practice in the locality, and recruitment and retention problems, to the SECNAV. Within the Department of the Navy, this delegation has further been delegated to CNIC (N9). This manual further delegates this authority to the Regional NAFIs within the following guidelines:

(1) Night Shift Differential. Night shift differential is optional for payband employees,

and may be paid when the Head of the NAF activity determines that such differential is the prevailing practice in the local wage area, and that such pay is necessary for recruitment and retention purposes. The determination on whether or not it will be paid will be included in the NAF activity's local pay policy. If night shift differential is paid to payband employees, it will be paid at the rate of 10 percent of the employee's basic rate for hours of regularly scheduled (non-overtime) work performed between the hours of 1800 and 0600. For payband employees, this is paid only for the regular hours worked between 1800 and 0600 and not for the full shift as it is for CT employees. Payment of night differential for payband employees continues during short periods of paid leave of 8 hours or less, holidays, absence on workers' compensation, court leave, military leave, and periods of official travel.

(2) Holiday Pay for Pay Band Employees

(a) The Head of the NAF activity may elect to give NF-3 and above employees who work on the holiday, another day off instead of paying holiday premium pay for the holiday worked. If possible, the day off should give the employee the three-day weekend they lost by working the holiday.

(b) Holiday pay will be paid at the employee's basic rate of pay when the employee is entitled to holiday pay and is excused from work for the holiday.

(c) Holiday premium pay is the extra pay which is paid at the employee's basic rate of pay when the employee is entitled to holiday pay and works on the holiday. When an employee entitled to a holiday works on the holiday, the employee is paid both holiday pay and holiday premium pay (the equivalent of double time) for the non-overtime hours that the employee would normally be scheduled to work on the holiday.

(d) When a legal holiday falls on the non-workday of an employee who is authorized holiday pay, the employee will receive an in-lieu of holiday. The in-lieu of day to be treated as the holiday will be the day of the basic workweek that immediately precedes or immediately follows the observance of the legal holiday, as determined by the head of the employing NAF activity. To allow for continuity of operations, managers may designate alternative days as the holiday for individual employees when strict application of the "day preceding or day succeeding" rule would result in disruption of operations for the NAF activity.

(e) When an employee eligible for holiday pay has a workday or tour of duty on a holiday (or the day that becomes their holiday) covering portions of two calendar days, they will be granted holiday pay for the workday that commences on the holiday (or the day that becomes the employee's holiday). If required to work on that day, they will receive double time (holiday pay and holiday premium pay). If the regularly scheduled hours include a workday which begins on the day before the holiday and extends into the holiday, they will be required to be on duty for that workday unless leave for that workday is requested and is approved. In order to receive holiday pay, an eligible employee must be in a pay status the last scheduled workday before the holiday or the next scheduled workday after the holiday. LWOP is not a pay status.

(f) RFT employees are entitled to holiday pay. If the employee is excused from

work on a holiday, the employee is paid holiday pay. If the employee works on the holiday, they are paid both holiday pay and holiday premium pay.

(g) RPT and Flexible Employees

1. Holiday pay is optional for regularly scheduled RPT and flexible payband employees and may be paid when the head of the NAF activity determines that it is the prevailing practice in the local wage area, and that such pay is necessary for recruitment and retention purposes. The determination on whether or not it will be paid will be included in the NAF activity's local pay document. The determination on holiday pay must apply to all employees of the same appointment type (RPT/flexible employees) within the NAF activity. If the NAF activity's determination is to pay holiday pay, then when an employee scheduled work day falls on a holiday and the employee is excused from work for the holiday, the employee will be paid holiday pay. If an employee works on the holiday, the employee will be paid both holiday pay and holiday premium pay. An employee is not entitled to holiday pay if the holiday does not fall on one of their regularly scheduled workdays.

2. An unscheduled on-call flexible employee has no entitlement to holiday pay or holiday premium pay. If such an employee works on a holiday, they are paid regular pay.

(h) Legal holidays include the 1st of January, the 3rd Monday of January, the 3rd Monday of February, the last Monday of May, the 4th day of July, the 1st Monday of September, the 2nd Monday of October, the 11th day of November, the 4th Thursday of November, the 25th of December, Inauguration Day (only for employees working in the Washington, D.C., Metropolitan area as explained in the rules for APF employees), or any other calendar day designated as a holiday by Federal statute or Executive Order.

(3) Sunday Premium Pay for Payband Employee. Sunday premium pay is optional for payband employees. Sunday premium pay may be paid to employees who meet the following requirements when the head of the NAF activity determines that it is the prevailing practice in the local wage area, and that such pay is necessary for recruitment and retention purposes. The determination on whether or not it will be paid will be included in the NAF activity's local pay policy. The determination may make distinctions between appointment types (RFT, RPT, or flexible) of employees. If authorized, it will be paid using the following guidelines:

(a) The employee must have a regular work schedule of 40 hours per week that includes an 8-hour period of work, a part of which is on Sunday, to be entitled to Sunday premium pay. An employee who works more than 8 hours in a single tour of duty on a Sunday does not receive the Sunday premium for hours in excess of 8 hours.

(b) Sunday premium pay is in addition to premium pay for holiday work, overtime pay, and night shift differential, and is not included in the rate of basic pay used to compute the pay for holiday, overtime and/or night shift differential.

(c) An employee who has two separate tours of duty on Sunday, (i.e., one tour that begins on Saturday and ends on Sunday and another tour that begins on Sunday and ends on

Monday) is entitled to premium pay for Sunday work NTE eight hours for each tour of duty.

(d) An employee who does not work during their Sunday tour of duty because of paid leave, excused absence, or use of compensatory time off, or because Sunday is a holiday, is not entitled to Sunday premium pay.

(e) When authorized, Sunday premium pay will be paid at the rate of 25 percent of the employee's basic rate for all hours of a non-overtime tour of duty that are worked.

(f) Sunday premium pay is in addition to premium pay for holiday work, overtime pay, or night shift differential, and is not included in the rate of base pay used to compute the pay for holiday, overtime pay, or night shift differential.

c. Specific CY Pay System Requirements

(1) General. The CY pay system was established by DoD to meet the requirements of the Military Child Care Act of 1989, and applies to all U.S. citizens, or U.S. resident alien NAF child care employees, irrespective of a category of employment. While caregivers have a different pay plan designation (CY vs. NF), the positions are considered payband positions. The only differences in NF and CY pay rules are as follows:

(2) CY Pay System Definitions

(a) The payband symbol used to identify the pay plan code of caregivers is CY.

(b) Full Performance or Target Level. The grade or level of the position that an employee is expected to attain once all of the required training has been satisfactorily completed. The target level is CY-02. All vacancy announcements will reflect this full performance level. Applicants selected for a CY position who meet the position's experience requirements and have completed all of the required training of the target position's grade level at another DoD facility, will be appointed at the CY-02 level.

(c) Pay Adjustment (in place). A noncompetitive pay increase based on recognized and sustained performance above the satisfactory level.

(d) Noncompetitive Pay Adjustment. An increase in pay when the employee is moved noncompetitively from the entry to the intermediate level, or intermediate level to the full performance level.

(3) CY Pay Rules. The difference between CY and NF pay rules are as follows:

(a) Schedules and Across-the-Board Pay Increases. WSD does not issue CY schedules. The minimum and maximum rates for payband CY-01 are the rates for GS-2, step 1 to GS-3 Step 10 including locality pay for the locality of the position. The payband for CY-02 is GS-4 step 1 to GS-5 step 10 including locality pay for the locality of the position. CY-01 and CY-02 employees will be given any annual across-the-board increases effective the first day of

the first pay period beginning on or after the effective date of the GS locality schedule. A CY-01 employee's pay must be no lower than the GS-2 step 1 (locality pay included). A CY-02 employee's pay must be no lower than the GS-4 step 1 (locality pay included).

(b) Pay Upon Advancement Within or Between Pay Bands. A position change to the next level of responsibility within or between paybands requires a minimum of six percent hourly rate increase or to the minimum rate associated with the applicable GS grade in the locality to which assigned, whichever is higher. Advancement occurs when an employee moves from the Educational Aid CY-01 to the intermediate level CY-01, from CY-01 to the target level CY-02, or from the target level CY-02 to the leader or technician level CY-02.

(c) Noncompetitive Pay Adjustment Actions. When a CY employee has completed the required combination of experience and DoD required training for advancement to the next level, a noncompetitive pay adjustment action will be processed and made effective within two pay periods of successful completion of both the experience and training requirement.

(4) Training. All required training modules must be successfully completed within one year of entrance into a caregiver position. Failure to do so may be the basis for termination of employment.

(5) Childcare Standard PDs (NF and CY). CNIC uses standardized PDs for caregivers. These standard PDs can be found on the CNIC HQ NAF HR Branch (N941), G2 Team site at <https://g2.cnic.navy.mil/tscnichq/N9/N94/N941>, under "Position Descriptions". This site also contains other standard PDs for childcare. These standard PDs must be used unless approval is obtained from CNIC (N926) and (N941). The full performance or target series and payband for caregiver positions is CY-1702-02.

(6) Table 3-2 depicts the structure and payband rate scale for each CY payband

CY PAY BAND RATE SCALES TABLE

BAND	STANDARD POSITIONS	MINIMUM AND MAXIMUM PAY RATES ARE EQUIVALENT TO CORRESPONDING GS LOCALITY SCHEDULE RATES	
		MINIMUM RATE	MAXIMUM RATE
CY-01	Educational Aid (Entry Level) CY-1702-1 or (GS-2)	GS-2, Step 1	GS-3, Step 10
CY-01	Educational Aid (Intermediate Level) CY-1702-1 or (GS-3)	GS-2, Step 1	GS-3, Step 10

CY-02	Education Technician (Full Performance Level) CY-1702-02 or (GS-4)	GS-4, Step 1	GS-5, Step 10
CY-02	Lead Education Technician (Leader) CY-1702-02 or (GS-5)	GS-4, Step 1	GS-5, Step 10

Table 3.2

(7) Classification Complaints. NAF caregiver may grieve their assignment to a standard PD when they believe they are required to perform the duties of, and have met the qualification requirements for a higher level standard PD. Employees may not grieve the content of the PD or the assignment of the position to a payband as long as the content and assignment are in compliance with DoD 1400.25, Volume 1405, and this manual. Per 5 U.S.C. §7121, if there is a recognized union, negotiated grievance procedure may be used only if the classification results in a pay or payband reduction.

0310. Allowances and Differentials

a. Foreign Areas. Subject to pre-employment negotiation, allowances and differentials for U.S. citizen/U.S. national employees in foreign areas may be authorized. If allowances and differentials are authorized, they will be administered per the provisions of DoD 1400.25, Volume 1412. Allowances and differentials will not exceed those provided to civil service employees in comparable positions.

b. Non-Foreign Areas. A non-foreign area allowance, or differential, established for APF employees is not granted to employees in paybands NF-1 and NF-2 employees as these rates are already based on the prevailing rate, but may be paid to paybands NF-3 through NF-6 employees. The heads of NAF activities should strive for consistency in a geographic area, internally and among DoD components.

0311. Dual Compensation

a. 5 U.S.C. §§ 5531 and 5533 and 5 C.F.R., Part 550, subpart E pertaining to dual pay and dual employment apply to NAF employees.

b. Except as provided by 5 U.S.C §5533 an individual (including a NAF employee) is not entitled to receive pay from more than one position for more than an aggregate of 40 hours of work in one calendar week (Sunday through Saturday).

(1) Authorized Exceptions

(a) An employee on LWOP from one position may be paid for another position during the period of LWOP. It is not recommended that this exception be utilized.

(b) 5 CFR §550.504 provides that when a department or agency encounters difficulty in obtaining employees to perform required personal services because of 5 U.S.C.

§5533(a), the agency may make an exception from that section upon determining that the required services cannot be readily obtained otherwise. When these situations are encountered, the head of the NAF activity may submit a written request to the CNIC (N941) for consideration. Approved waivers will not be valid for longer than one year after the approval date without re-justification and approval. The request will:

1. Specify the position(s) to which it applies.
2. Explain and justify the efforts already taken to meet the need and the reason(s) why the exception is needed.
3. Include concurrence from the local Ethics Office that there are not any ethical or other legal issues involved.
4. Include a statement that all appropriate contracting procedures will be complied with and that a determination will first be made through advertising and competitive price bidding that the most cost-effective proposal will be used.

(c) Federal employees shall not engage in outside employment or activities that conflict with or create the appearance of a conflict of interest with their official duties and responsibilities. NAF activities may require employees to receive prior approval for outside employment (5 CFR §2635.803).

(d) Members of the Armed Forces on active duty may not normally receive pay from another Government position unless authorized by law. Exceptions are:

1. Enlisted personnel may be employed as part-time or flexible employees during off-duty hours in DoD NAFIs NTE 34 hours per week as authorized by DoDI 1400.25, Volume 1403.
2. Members of the Armed Forces Reserves and members of the National Guard may receive military pay and allowance in addition to pay from another Government position (5 U.S.C. §5534).
3. Military retirees may accept Government positions without a reduction in military retirement pay.
4. The Dual Compensation Act (DCA) of 1964 prohibitions do not affect the receipt of overtime compensation for work in one position in excess of the hours required. Employment in more than one flexible position within the same NAF activity is also not a violation. However, the positions must be in the same pay plan (payband or grade). Overtime pay rules apply to the combined total hours worked in both positions. If the positions involve different rates of pay, the overtime will be paid based upon the highest rate of pay.

c. The DCA applies to foreign nationals employed and paid by NAF activities in foreign countries.

d. The restrictions of the DCA do not apply to compensation from more than one office for services rendered under emergency conditions relating to health, safety, protection of life or property, or national emergency. Examples of such conditions are fire, earthquake, flood or other disasters, civil disorder, or threat to the national security. If it becomes necessary to exercise this exception the head of the NAF activity will report the following information to CNIC (N941) as soon as possible but not later than three calendar days after the emergency ends:

- (1) Extent to which the base or activity is isolated.
- (2) At an overseas location, whether or not the exception was requested for both U.S. and non-U.S. citizen employees.
- (3) Why normal staffing methods could not be utilized.
- (4) Extent to which off-duty military personnel were used.
- (5) Extent to which dependents were used.
- (6) Any other information that would document the need for an exception.

0312. Severance Pay

a. Procedures

(1) Eligible Employees. Regular employees who have completed at least 12 months of continuous creditable service as a regular employee with one or more DoD NAFIs are eligible for severance pay. The continuous service qualifying the employee for severance pay must have occurred within the 12 months preceding the effective date of the BBA.

(2) Conditions Under Which Eligible Employees Receive Severance Pay. An eligible employee will receive severance pay when, as a result of a BBA:

(a) The employee is involuntarily separated. An employee who resigns following receipt of a specific written notice of separation due to BBA or a general written notice that announces that all positions will be abolished is considered to have been involuntarily separated.

(b) The employee's basic pay is reduced and the employee resigns instead of accepting the reduction.

(c) The employee's employment category is involuntarily changed from RFT to RPT and the employee resigns or retires instead of accepting the change. DoD Components have discretion to establish a policy whereby employees involuntarily changed from regular category to flexible category may be paid severance pay without resigning.

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

(3) Severance Pay Amount. The amount of severance pay will be one week's base pay for each year of continuous regular service with one or more DoD NAFIs up to four years of service, for a maximum of four weeks of pay. This pay will be based upon the number of hours regularly scheduled to be worked during a week and at the basic pay rate received immediately before separation. The head of the NAF activity, with the approval of CNIC (N9) via CNIC (N941), may increase the maximum amount of severance pay to eight weeks for eight years of service at BRAC installations and for employees directly impacted by regionalization, or A-76 or Functionality Assessment (FA) situations. The activity will pay all severance pay with local funds. The activity may elect to pay the severance pay in one lump sum or in two-week increments.

(4) Creditable Service for Severance Pay. Service counts as creditable service for severance pay purposes when it is:

(a) Continuous service in a pay status as a regular employee in one or more DoD NAFIs.

(b) Service in a continuing APF position, if the employee moved from a DoD APF position to a DoD NAF position on or after January 1, 1987, without a break in service of more than three days.

(c) Military service that interrupted creditable service as prescribed in Title 38 U.S.C., chapter 43.

(5) Exclusions from Creditable Service.

(a) Service upon which a NAF or civil service annuity is based if the annuity began before the date of the BBA.

(b) Periods of service for which NAF or APF severance pay were previously granted.

(c) Service used to determine an employee's APF severance entitlement under the provisions of 5 U.S.C., section §5595(h). This involves situations where an APF employee is receiving severance pay and accepts a NAF position. Acceptance of the NAF position stops the APF severance pay. Payment of the APF severance pay may be resumed if the individual is later impacted by a BBA.

(6) The payment of severance pay, including the period of employment for which paid, will be documented on the final PAR and made a permanent part of the employee's OPF.

(7) Flexible employees with three or more years of continuous employment in any NAF activity, whose category is changed from flexible to regular without a break in creditable

service after December 3, 1997, may be eligible for severance pay if later separated. In these category-changed situations, the time employed as a flexible employee will count toward severance pay eligibility.

(8) Severance pay will be paid to employees no later than four weeks after the employee is separated. It will not be paid until the employee has cleared all debts to the government.

b. Restrictions. Involuntarily separated employees will not receive severance pay if they:

(1) Are employed without a break in service of more than three calendar days after separation in another DoD NAF regular position or a DoD APF position without a time limit on the length of the appointment.

(2) Have refused an offer of employment without loss of pay, employment category, and seniority, in any NAF activity or APF position in the same commuting area.

(3) Are entitled to an immediate annuity that is not reduced because of the employee's age at the time of retirement. This exclusion covers an annuity from a NAF retirement plan or from a civil service retirement plan in which the employee elected to remain following a movement between NAF and APF.

(4) Are receiving payments from workers' compensation for a job-related injury or illness.

0313. Additional Compensation and Payment of Fees. No NAF employee will be compensated wholly or in part by supplemental remuneration composed of fees or commissions. NAF employees will not enter into contracts in the NAF activity (same fund) in which employed. As an exception, up to 90 percent of lesson fee collected by the MWR activity may be paid to the MWR Professional Golf Association golf professional for golf lessons given during periods of time for which the golf professional is off duty and not receiving regular pay.

0314. Awards

a. NAF Incentive Awards Program. This program applies to all NAF personnel, including off-duty enlisted military NAF employees and NAF volunteers. Civil service employees, other military personnel, government contractors, and APF volunteers are not eligible for this program.

(1) Purpose. The purpose of the incentive awards program is to encourage improved performance of NAF employees, which, in turn, improves the efficiency and economy of NAF operations. It is also designed to recognize and reward employees individually or in groups, who perform special acts or services in the public interest in connection with their employment.

(2) Administrative Responsibility. The head of the NAF activity is responsible for authorizing and providing funding for an incentive awards program for NAF personnel of their respective NAF activities.

(3) Award Approval. The head of the NAF activity have the basic authority to approve incentive awards within the guidelines of this manual and higher level regulations, laws and instructions. This authority may be delegated if a local procedure on awards has been established. To prevent any potential conflict of interest, the head of the NAF activity or a designated approving official must approve awards. The granting of awards should be as close as possible to the actual event or performance that called for the award, otherwise the biggest part of the "recognition" and "motivation" factor of such awards has been lost.

(4) Incentive Award Types.

(a) Cash Awards. Cash awards may be granted for performance that exceeds job requirements, either as a one-time occurrence, or over a sustained period. It also covers awards for special acts or services connected with, or related to, employment. The following guidelines for cash awards will be followed:

1. The maximum amount of a single cash award or the total of all cash awards an employees may receive in a CY is \$10,000.00

2. When two or more employees have made a contribution which is to be rewarded, all employees contributing, including supervisors, may share a cash incentive award. An award may be granted in equal shares, or to each employee in proportion to their contribution. However, the total amount of any single group award may not exceed \$10,000 in a CY.

3. Cash awards are in addition to an employee's regular pay and are subject to Federal, State, local, and Federal Insurance Contribution Act tax.

4. The cash awards process may include on-the-spot cash awards. This award provides immediate acknowledgment for specific and exceptional performance outside the bounds of an employee's job. On-the-spot cash awards must be commensurate with the nature of the service or act being recognized. If an activity uses on-the-spot cash awards, procedures must be developed to provide for documentation of the award in the OPF and for payment to the employee. On-the-spot cash award amounts are counted toward the \$10,000 limitation on cash awards.

b. Non-monetary Award/Honorary Award. This is a tangible way to recognize team or individual accomplishments that leads to improving the quality of products and services NAFIs provide to its patrons. It may also be used for recognition of continued distinguished service, a singular achievement, or an act of personal heroism. It may be granted independently of, or in addition to a cash award, but is not intended as a substitute for a monetary award. Non-monetary awards may include, but are not limited to, awards of honorific value such as plaques, certificates, letters, emblems, pins, etc., of nominal value, usually less than \$75, and are normally displayed rather than used.

c. Suggestion Award. This is an award for an idea submitted by an employee and adopted

by management that has the potential of improving operations in some way. NAF activities should establish local suggestion award programs to assess employee suggestions and recognize them with honorary or cash awards, as deemed appropriate. Suggestions with potential Navy-wide impact should be forwarded to CNIC (N941), via the chain of command, for consideration and appropriate action. Suggestions must be submitted in writing and include the following statement: "I understand that if this suggestion is adopted for use, all rights and benefits become the property of the government." Acceptance of the award constitutes an agreement that the use by the Government of the U.S., and its instrumentality's, of any idea, methods, or device for which the award is made will not form the basis of a claim of any nature upon the Government of the U.S., or its instrumentality's by the employee, the employee's heirs, or assignees.

d. Pay Adjustment for Performance. Employees with documented high performance levels may be granted an increase in salary.

e. Length of Service Recognition for NAF Civilian Employees. DoDI 1400.25, Volume 1405, provides guidance on awards and recognition related to length of service.

(1) Eligibility. All regular and flexible NAF employees currently employed for five or more years by a NAF activity under the cognizance of CNIC are eligible for length of service recognition.

(2) Years of Employment and Types of Recognition. NAF employees may be recognized for their length of service in five-year increments starting in their fifth year. A certificate and/or pin may be provided to each employee.

(3) Calculation of Length of Service. Consistent with DON Civilian Human Resource Manual (CHRM) 451.2-10.b.(1), NAF civilian employees will receive length of service certificates and/or pins in recognition of all years of service in the Government of the United States, including the combined years of previous military active duty, service in a federal agency, and employment in federal instrumentalities. Government service, as defined for purposes of issuing length of service certificates/pins, is not necessarily identical to 'creditable service' used to calculate eligibility for leave accumulation, retirement, or any other benefits. The award of a length of service certificate/pin will not be considered proof for any other employment right or benefit that may accrue to a NAF employee.

b. Financial Responsibility. Expenses for local awards will be paid from local NAFs. Expenses for awards made by CNIC (N9) will be charged to the appropriate central NAF account.

c. Award Ceremony. Activities are encouraged to present awards to all employees at an appropriate ceremony. If possible, it is suggested that an annual awards events be held to recognize the contributions of all employees. The head of the NAF activity is authorized to spend up to \$10 annually per CNIC NAF employee (total number of CNIC NAF employees on staff, not just employees receiving an award) for these events. These funds are not available for award ceremonies which recognize civil service employee, APF volunteers, military personnel or government contractors.

d. Time Off Award (TOA) for NAF Employees

(1) General

(a) TOA are an alternate means of recognizing the superior accomplishments of employees.

(b) Decisions to grant TOAs must not be granted to create the effect of a holiday or treated as administrative excusals or leave. For example, they will not be granted in conjunction with a military “down” or training” day or the like, which would grant the entire civilian employee population or a majority of the civilian population a TOA to be used on a specified day.

(c) Though TOAs may not have an immediate budget consequence, supervisors and managers must fully consider wage costs and productivity loss when granting TOAs and ensure the amount of time off granted as an award is commensurate with the individual’s contribution or accomplishment.

(d) The number of hours granted for a TOA will be based upon the value of the individual’s contribution or accomplishment and not tied to the hourly rate of the individual. DoD Components should develop a table similar to that of the intangible awards scale in order to better determine the value of a contribution and the corresponding number of hours appropriate to recognize the value (level) of contribution. The intangible table can be located in the DoDI 1400.25, Volume 451, Appendix 2 to Enclosure 3.

(e) Time off granted as an award must be scheduled and used within one year after the effective date of the award to avoid forfeiture.

(f) 5 CFR §451.104 restricts a TOA from being converted to a cash payment under any circumstances.

(g) A TOA will not be transferred from a CNIC NAFI to a Federal agency, either DoD or non-DoD. A TOA will not be forfeited when a NAF employee transfers from one CNIC NAF activity to another CNIC NAF activity. In that case, the TOA transfers with the employee. Supervisors and managers will make every effort to ensure an employee is able to use their TOA before leaving the NAF activity, particularly when transferring to a non-CNIC organization.

(2) TOA Limits

(a) The amount of TOA granted to any one individual in any one leave year will not exceed 80 hours. For part-time employees or those with an uncommon tour of duty, total time off granted during any CY will be based on the average number of hours of work generally worked during a two week period.

(b) The amount of TOA granted to an individual for a single contribution will not

exceed 40 hours. The maximum TOA for any single contribution for part-time employees or those with an uncommon tour of duty will not exceed one-half the average number of hours the employee generally works during a two week period.

(3) TOA Determination and Approval. Except as specified below, the authority to approve TOA is delegated to the head of the NAF activity who may re-delegate it to lower level supervisors. The delegation must be in writing.

(a) A decision to grant a TOA for a period in excess of one workday must be reviewed and approved by an official at an organizational level higher than the individual making the initial decision. Thus, the head of the NAF activity may designate subordinates to make initial award determinations, subject to their final review and approval. All such designations must be included in local operating guidance.

(b) Supervisors may grant TOAs NTE one workday without further review and approval. Supervisors have this authority if it is so indicated in their PD, or delegated in writing by the Head of the NAF activity or ICO.

(4) Eligibility Criteria. TOA may be granted to an employee in recognition of superior accomplishment, or other personal effort, which has contributed to the quality, efficiency, or economy of Government operations. Examples of achievements that may be considered for a TOA are:

(a) Making a high quality contribution involving a difficult or important project or assignment.

(b) Displaying special initiative and skill in completing an assignment or project before the deadline.

(c) Using initiative and creativity in making improvements in a product, activity, program or service.

(d) Ensuring the mission of the unit is accomplished during a difficult period by successfully completing additional work, or a project assignment, while maintaining the employee's own workload.

(e) Accomplishing a specific, one-time, or special assignment, that required extra effort, or resulted in the organization receiving recognition for responsiveness to unprogrammed requirements.

(f) Successfully participating in a Customer Service Initiative.

(g) Submitting a suggestion that has been adopted, but because the suggestion is considered to be within the employee's normal job responsibilities, the employee is not eligible for a cash award.

(5) Documentation

(a) Any TOA will be supported by appropriate written justification and will include a description of the reason for granting the award.

(b) The amount of time off will be documented on a PAR that will be retained in the employee's OPF.

(c) When the TOA is used, it should be recorded Kronos as time off leave, unless a separate time recording account has been set up locally.

(6) Other Awards Programs. NAF activities may develop additional awards programs for employees within their activity.

e. Compensatory Time Off for Travel

(1) General

(a) To qualify for consideration for compensatory time off for travel:

1. The time must be spent traveling between the official duty and a temporary duty station.

2. The travel must be designated in advance as officially authorized travel. All compensatory time off for travel must be requested and approved in advance of the travel dates.

(2) Compensatory Time Off for Travel Limits

(a) The amount of compensatory time off granted to any one individual in any one leave year should not exceed 80 hours. For part-time employees or those with an uncommon tour of duty, total compensatory time off for travel granted during any CY will be based on the average number of hours of work generally worked during a two week period.

(b) Normal calculations for compensatory time off for travel will consider a one hour wait period from departure (when traveling by aircraft) and will normally terminate one hour after arrival at the employee's final travel destination.

(3) Compensatory time off for travel does not convert to paid time and will not be paid out.

(4) Any compensatory time off for travel not used within 26 pay periods after the pay period in which it is earned will be forfeited.

(5) The use of compensatory time off for travel must be scheduled and approved prior to it being used.

f. Honorary Awards

(1) The DoD Components must not title a Component-established award or awards program “Department of Defense” or “Secretary of Defense (SECDEF),” either in whole or in part. These titles are reserved for DoD-level awards only.

(2) Honorary awards to DoD personnel may be granted independently or in addition to a monetary or TOA.

0315. Erroneous Overpayment. When an employee is erroneously overpaid due to administrative error, other than position misclassification, restitution will be made to the NAFI. The employee will be notified in writing by the NAF HRO requiring repayment. The employee must reimburse the NAF activity on a timely basis. Repayment may be made by short term payroll deductions, a one-time payroll deduction, or a direct cash reimbursement. In cases where the error was not initiated by the employee, and was outside the employee's influence, the head of the NAF activity may waive repayment up to \$500 per incident for travel related over-compensations, and up to \$1,000 per incident for other types. Waivers for repayments in excess of these limits may be requested from CNIC through the major claimant with proper justification. Corrective pay calculations involving erroneous personnel actions other than FLSA issues will correct all errors within the last six years. The statute of limitations for FLSA claims is two years except in cases of willful violation where the statute of limitation is three years.

0316. Mixed Job Pay

e. A mixed job involves performance on a regular and recurring basis of duties in two or more occupations at the same or different paybands or grade levels. A mixed job will be classified to the payband level or grade level of the duties that involve the highest skill requirements of the job and are a regular and recurring part of the job, provided the duty is a major duty occupying at least 25 percent of the employee's time. Every effort must be made not to mix payband and CT duties into the same PD. If this must be done, then the position will be coded and graded to the type of position that best meets the overall KSA requirements of the position.

b. A NAF employee will not be paid a separate rate of pay for work performed in two or more different occupations on a regular and recurring basis in the same NAF activity. The only exception to this rule is that flexible employees may be given more than one appointment to different positions. These appointments will be to the same pay plan (i.e., payband to payband or CT to CT). In the remarks section of the PAR, it will be noted that multiple positions and rates of pay are being used and the total hours per week to be worked.

Overtime rules apply to the combined total hours in a day and a week depending upon the type of position. Multiple position appointments may not exceed three.

c. A mixed PD is not required for an on-call flexible employee who may be called upon to occasionally replace regularly scheduled employees in any position for which the flexible employee is qualified. These details should be temporary in nature not to NTE 120 days.

0317. Employee Meals

a. In accordance with CNICINST 4061.5, the value of any meals provided to food service employees on the employer's premises, free or subsidized by the NAF activity at less than the regular menu price, that are required to be taken during, immediately before, or immediately after the employee's working hours, is not to be included in the employee's wages and is not subject to Federal income tax or Federal Insurance Contributions Act (FICA) tax by either the employee or the employer.

b. Any meal, including sandwiches, that the employer furnishes for a charge, and the employee may, but is not required to purchase, is not considered to be for "the convenience of the employer" and is, therefore, subject to taxation.

0318. Garnishment of Wages. Per DoD Financial Management Regulation (FMR), volume 13, chapter 8, section 080604 (Administrative Offset for Erroneous Overpayments), and in accordance with 5 U.S.C. §5514, installment deduction for indebtedness to the United States, NAFI employees are subject to salary offset for collection of debts in the same manner as military members and DoD civilian employees. All NAF employees are subject to salary offset for collection of debts owed to NAFIs or appropriated fund activities. NAF payroll offices shall ensure procedures are developed to comply with the requirements of 5 U.S.C §5514. Also, NAF payroll offices shall refer to Volume 8, Chapter 8 and Volume 16, Chapters 2 and 4 in developing indebtedness and debt collection procedures for NAFIs. Per DoD FMR, volume 13, chapter 8, section 080605 (Order of Precedence for Deductions), if the gross salary of an employee is not sufficient to permit all deductions to be made, then deductions will be made in the following order of precedence in accordance with Treasury Financial Manual (TFM), Volume I, Part III, Chapter 7000, section 7025:

- a. Retirement and Medicare or FICA.
- b. Federal income taxes.
- c. Health benefits.
- d. Group life insurance basic.
- e. State income taxes.
- f. Local income taxes.
- g. Indebtedness due the United States Government.
- h. Court-ordered garnishments for alimony and child support payments.
- i. Commercial garnishments.

- j. Voluntary alimony or child support payments.
- k. Court-ordered bankruptcy payments.
- l. Optional life insurance.
- m. Voluntary repayments of indebtedness to the United States.
- n. Other voluntary deductions.

m. NAF payroll offices must consult policy, legal staff, and collective bargaining agreements (CBA) to ensure the proper order of precedence is followed.

0319. Alimony and Child Support. Orders from State agencies must also be honored in alimony and child support cases. This includes the failure “to make or maintain child support, or alimony payments” if they are expressly made recoverable as child care or alimony under a decree, order or judgment, issued per applicable State or local laws, by a court of competent jurisdiction. These rules apply equally to men and women, depending on who is receiving the child support or alimony. Child support and alimony orders take priority over orders for collecting any other debts.

0320. Withholding Pay. Per 5 U.S.C. §5511 and §5512, NAFIs are authorized to withhold employees’ pay in the following circumstances:

o. If an employee is removed for cause and is indebted to the NAFI or any NAF activity, any remaining pay, including the annual leave pay off that may be due to the employee, may be withheld in an amount necessary to satisfy that debt.

p. Individuals in Arrears. The pay of an employee in arrears to the NAF activity to which assigned or to any NAF activity, will be held until the debt is exhausted, and paid to the NAF activity. A written agreement indicating the repayment arrangement will be developed and signed by both parties prior to the start withholding of pay to satisfy the debit.

q. Resignation Situations. When an employee resigns and fails to turn in all assigned government equipment, any remaining pay, including the annual leave pay due to the employee may be withheld to satisfy the debt.

r. Court Orders. The NAF activity’s payroll office must comply with all court orders for withholding pay from NAF employees.

s. Government Issued Material. When employees are issued government material/equipment, they are required to sign a receipt showing what was issued and the need to return the material/equipment in good working order.

t. Notification Requirements. When pay is going to be withheld in any of the above situations, the employee must be notified in writing that the pay withholding action is going to be

instituted and the employee shall be afforded the opportunity to make full restitution without affecting their normal pay.

0321. Recruiting Bonuses, Relocation Bonus, and Retention Allowance. A recruiting bonus, a relocation bonuses, and a retention allowance, are authorized for RFT employees and may be used as tools to assist managers in building and maintaining a quality workforce. Each of these tools are designed to offset unique problems where there is competition for employees with specialized skills in highly compensated private sector labor markets. They are not a substitute for incentive awards, pay adjustments, or foreign and non-foreign area allowances. The broadness of the NAF paybands and the maximum for cash awards provide greater flexibility than for APF positions. Consideration should only be requested for exceptional cases after use of the pay and bonus capabilities have been exhausted. Written approval by Region N9 must be obtained before payment may be made. Double digit codes may approve payments at headquarters with HQ HR coordination. Figure 3-1 provides a sample of the documentation necessary for consideration. Approval will be given in those rare cases where the documented need and potential benefits to the NAFI are exceptional. Recruiting and relocation bonuses and a retention allowances are not considered part of the basic pay of the employee for any employment related benefits, including calculation of retirement annuity.

u. Recruiting Bonus. A recruiting bonus is a one-time lump-sum payment of up to 25 percent of annual basic pay. The recruiting bonus may only be offered to individuals newly hired to fill RFT positions. The positions must be hard to fill and critical to the organization's mission. For purposes of eligibility, a newly hired employee is defined as an individual being hired to a NAF position for the first time, or one who is being reinstated or re-employed after a break in service of at least 1 year. An employee whose APF position is converted to NAF is ineligible for a recruiting bonus.

v. Relocation Bonus. A relocation bonus is a one-time lump sum payment of up to 25 percent of annual basic pay. A relocation bonus may be offered to a current NAF employee to accept a RFT position in a different area requiring a PCS move. The relocation must be without a break in service. The bonus is intended for hard to fill positions that are critical to the organization's mission and also to induce employees to relocate to remote or high-cost areas. The relocation bonus is additional to payments authorized for PCS movement.

w. Retention Allowance

(1) A retention allowance of up to 25 percent of basic pay may be authorized to RFT employees in a position without time limitation. Retention allowances are paid in the same manner and at the same time as basic pay, although the retention allowance is not considered part of basic pay. The retention allowance may be paid out over no more than 26 pay periods following the effective date of its approval.

(2) An annual review will be made by the NAF activity 90 days prior to the anniversary date to re-certify the need to continue payment of the retention allowance. The amount of the allowance may be reduced or terminated when it is determined that:

- (a) A lesser amount or no allowance at all, would be sufficient to retain the employee.
- (b) Labor market conditions have changed and recruitment of employees with needed qualifications would be possible.
- (c) The need for the service of the employee has lessened.
- (d) Budgetary considerations preclude payment.

(3) When a determination is made to reduce or terminate the retention allowance, the employee will be given a 30-day (calendar day) advance notice. This action is not grievable.

0322. Taxes. Federal income tax must be withheld from the compensation of civilian employees in conformance with the IRS code. Deductions for State, county or municipal income tax will be made when applicable. The FICA tax on wages will be deducted as required by Title 26 Internal Revenue Code §3101.

0323. Tips

- a. The IRS regulations establish procedures and requirements that must be understood and followed by both the employee and the employer in the administration of tips.
- b. The word "tips" and "gratuity" are synonymous and are defined as an amount of money that a patron voluntarily gives to an employee. This money may be in the form of cash or may be added to a credit card in favor of an employee. This does not include the amount of the service charge that management adds to a contract for administration purposes. Tips must be disbursed to the employee(s) concerned and may not be retained by management. Voluntary tip-splitting arrangements or pooling of tips between recipients of the tip and other supporting personnel is authorized. Supervisors and managers shall not share in tip splitting.
- c. Under IRS regulations, any individual who receives more than \$20 per month in tips must report the amount of such tips to their employer, since these tips are subject to payment of Federal income tax and the employee share of FICA. The IRS requires that the employee report tips received on at least a monthly basis, but more frequently if management desires, in order to coincide with a pay system. IRS Form 4070, Employee's Report of Tips to Employer, or any similar local form may be used for reporting purposes.
- d. Service Charge. A service charge is a mandatory charge added to a patron's bill or party contract. It is not a tip. At management's option, a service charge may be disbursed to employees. If it is disbursed, it is treated as additional gross wages to the employee and is subject to tax. It should not be counted as tips received by the employee. Management personnel and personnel assigned administrative duties are prohibited from accepting tips or participating in receipt of distributed service charges.

0324. Other Pay Provisions

a. A non-NAF employee is not entitled to pay for any period exclusively devoted to applying for employment, pre-employment interviews, and/or other pre-selection processes with a NAFI.

b. Pay for the date of separation will cover only the time the employee is in a duty or paid leave status. The employee will be paid for time spent before separation in complying with activity clearance requirements.

c. Pay for the day of an employee's date of death will be made for the entire day regardless of the hour of death, provided the employee was in a pay status (work or leave) on the workday immediately preceding the date of death. Upon death of an employee, payment of any unpaid compensation will be made to the beneficiary designated by the employee on a Designation of Beneficiary, CNIC SF-1152 Equivalent.

d. When the effective date of two personnel actions are the same, the actions will be processed in the order providing the employee the greater benefit.

0326. Back Pay Computation. When an appropriate authority, such as an administrative law judge, directs in writing the correction or cancellation of a personnel action, the pay, allowances, and differentials that the employee would have received had the personnel action not occurred will be computed and paid. NAFI and employee contributions to a retirement plan are not covered or included. Leave that would otherwise have accrued had personnel action not occurred will be restored to the employee or paid if circumstances do not allow for restoration.

x. In order to compute the amount of back pay, a written request will be submitted to the employee for information concerning any income earned during the period, any periods of incapacitation during the specific time frame, any requests for leave the employee wishes to submit, and any other relevant information.

y. The employee's supervisor will be given a written request to identify any overtime hours the employee would have worked had they been in a pay status.

z. General pay increases, step increases, and changes in leave earning category the employee would have received during the absence will be determined and included in the computation.

(1) The computation of the amount of back pay will exclude the following:

(a) Any period the employee was not ready, willing, and able to perform the duties of the position because of an incapacitating illness or injury.

(b) Any period during which the employee was unavailable for work for reasons other than those related to or caused by, the unjustified or unwarranted personnel action.

(2) In computing the back pay award:

(a) Sick or annual leave available to the individual and requested with appropriate justification for use will be granted.

(b) Earnings by the employee from other employment during the period covered by the corrected or canceled personnel action will be deducted from the back pay award amount. Such other employment will include only that employment engaged in by the employee to take the place of employment from that which the employee was separated or suspended by the unjustified or unwarranted personnel action. Only pay in excess of the pay the employee had been receiving from an additional or moonlight job held prior to the unjustified or unwarranted personnel action will be deducted. The rate of moonlight job pay the employee was receiving prior to the action will be excluded.

c. Any annual leave that is restored to an employee that is in excess of the normal maximum leave accumulation will be credited to a separate leave account. The gross lump sum payment the employee received will be deducted from the back pay.

d. Any severance pay given will be deducted from the back pay.

e. Retirement refunds will be deducted from the back pay and returned to the retirement fund. Erroneous retirement annuity payments will also be deducted from back pay.

f. Medical and life insurance premiums will be deducted if the employee was enrolled when the action occurred. Any claims the employee accrued during the period may be submitted for consideration of payment according to the plan's benefit schedule.

g. Interest will be paid as appropriate.

0327. Movements Between Pay Systems. When an employee moves between CT and payband pay systems, pay will be set per the requirement of the gaining system. The following applies:

a. Moving to a CT Position from a Payband Position. When an employee moves to a CT position from a payband position, the representative rate for a NF or CY position is the employee's current rate of pay. If the current rate of pay is more than step two of the CT position, the move processed as a demotion. If the current rate of pay is less than step two of the CT position, the move processed as a promotion. The representative rate for CT positions is step two of the employee's grade.

b. Moving to a Payband Position from a CT Position. When an employee moves to a NF or CY position from a CT position, the mid-point of the payband level will be considered the representative rate. If the mid-point of the payband is more than step two of the CT position, the move is processed as a demotion. If the mid-point of the payband is less, than step 2 of the CT position, the move is processed as a promotion.

0328. Travel Time As Hours of Work

a. Under the FLSA travel is hours of work for non-exempt employees if any of the following criteria are met:

- (1) The employee is required to travel during regular working hours.
- (2) The employee is required to drive a vehicle or perform other work while traveling.

(3) An employee is required to travel as a passenger on an overnight assignment away from the official duty station during hours on non-work days that correspond to the employee's regular working hours.

b. An employee who travels from home before the regular work day begins and returns home at the end of the work day is engaged in normal "home to work" travel; such travel is not hours of work. When an employee travels directly from home to a temporary duty station outside the limits of the employee's official duty station, the time the employee would have spent in normal home to work travel shall be deducted from hours of work.

c. An employee who is offered one mode of transportation, and who is permitted to use an alternate mode of transportation, or an employee who travels at a time other than that selected by the agency, shall be credited for hours of work of the lesser of the following:

(1) The actual time that is hours of work under this section.

(2) The estimated travel time which would have been considered hours of work under this section had the employee used the mode of transportation offered by the agency, or traveled at the time selected by the agency.

d. A commuting area is normally defined as a place within a 50-mile radius of the employee's official duty station.

0329. Training Time As Hours of Work. Time spent in training will be administered as follows:

a. Time spent in training during regular working hours will be considered hours of work.

b. Time spent in training outside regular working hours will be considered hours of work if:

(1) The employee is directed to participate in the training by their employing office. "Directed" to participate means the training is required by the NAF activity and the employee's performance or continued retention in their current position will be adversely affected by non-enrollment in such training. The fact the activity pays for all or part of the expenses of training does not create an entitlement to overtime hours of work unless participation in the training is directed by the NAF activity.

(2) the purpose of the training is to improve the employee's performance of the duties and responsibilities of their current position. This is distinguished from upward mobility training or developmental training to provide an employee the knowledge or skills needed for a subsequent position in the same career field.

c. Time spent by an employee performing work for the NAF activity during a period of training will be considered hours of work.

d. Time spent by an employee within a NAF activity's allowance of preparatory time for attendance at training, will be considered hours of work if such preparatory time is:

- (1) During an employee's regular working hours.
- (2) Outside the employee's regular working hours, and the purpose of the training meets the requirements stated above.

e. Time spent attending a lecture, meeting, or conference will be considered hours of work if attendance is:

- (3) During an employee's regular working hours.
- (4) Outside an employee's regular working hours.
 - (a) The employee is directed by the NAF activity to attend such an event.
 - (b) The employee performs work for the benefit of the agency during such attendance.

SAMPLE RECRUITMENT/RELOCATION BONUS, RETENTION ALLOWANCE DOCUMENTATION PACKAGE

1. Coverage. (Name of Installation/Region) requests authority to pay (specify recruitment bonus, relocation bonus, or retention allowance (whichever is applicable)) to employees in the following pay plan, series, and paybands/grades:

NF-0334-04 (List pay plan, series, and paybands/grades involved.)

2. Certification. The request must contain the following justification, be signed by the head of the NAF activity, and identify the extent to which existing flexibilities have been utilized:

a. Completed service agreement.

b. Recruitment Bonus. Certify, absent a recruiting bonus, why the activity would have difficulty filling the position with a highly qualified candidate. Describe efforts made to recruit to fill the position. Include: **(NOTE: Change this paragraph to agree with the type of bonus or allowance you are addressing.)**

(1) The results of recent efforts to attract quality candidates for similar positions.

(2) Information regarding offers made and acceptance rate.

(3) Number of pending vacancies.

(4) Length of time required to fill similar positions.

(5) Recent turnover in similar positions.

(6) Labor market factors that affect the organization's ability to recruit high-quality candidates for similar positions.

Figure 3.1

CHAPTER 4

NAF POSITON CLASSIFICATION

0401. Classification Policy. The head of the NAFI will ensure equitable and efficient classification and pay administration while properly balancing fiscal constraints with the need to recruit and retain a high quality workforce. Supervisors will continually ensure the accuracy and currency of the PDs of their subordinates. They will review the position duties and discuss them with their assigned employees during the annual performance review process. DoD classification policy is in DoDI 1400.25, Volume 1407 and appendices thereto.

a. CNIC N9 will:

- (1) Delegate position classification authority to the lowest practical level.
- (2) Emphasize sound position management to accomplish CNIC's mission in the most efficient and economical manner.
- (3) Maintain oversight of delegated classification authority to ensure consistent classification of positions throughout CNIC.
- (4) Establish and implement policy requiring all employees be provided copies of their PDs and that those PDs clearly indicate FLSA status.
- (5) Establish appeal and grievance procedures in accordance with the appendixes to DoDI 1400.25, Volume 1407, Enclosure 3.

b. Classification and Pay Systems for NAF Employees.

(1) NF Payband. The NF payband covers a wide range of clerical, administrative, recreational, resale or managerial functions performed in settings such as an office, service or retail operation. The NF payband system does not include positions designated as CY or CT. Figure 4-1 provides a detailed description of work characteristics for each band within the NF payband system. The OPM and CNIC guidance on classification will be used as appropriate.

(2) CY Payband. The CY payband covers assistants, leaders, and technicians in DoD child care centers and youth programs. CY positions are classified in the 1702 Occupational Series assigned to the CY Program. The DoDI 1400.25, Volume 1407, Appendix 3 to Enclosure 3, provides additional procedures and guidance for administering the classification and pay system for NAF CY program assistants, leaders, and technicians. All caregivers should be assigned to one of the standardized CYP PDs. The CYP standardized PDs can be found on the CNIC HQ NAF HR Branch (N941), G2 Team site at <https://g2.cnic.navy.mil/tscnichq/N9/N94/N941>, under "Position Descriptions".

(3) CT (FWS). The CT category covers positions in a recognized craft or trade or in an unskilled, semiskilled, or skilled manual labor occupation. Leader and supervisory positions having craft, trade, or laboring experience and knowledge as a paramount requirement are also

categorized as CT positions. Employees in NAF CT positions are classified and paid according to FWS policies, systems, practices, and standards administered by OPM. OPM is responsible for the overall administration of the FWS Prevailing Rate System under 5 U.S.C., Chapter 53, Subchapter IV. Further guidance on classification of CT positions is in the DoDI 1400.25, Volume 1407, Appendix 2 to Enclosure 3.

(4) Supervisory Positions. While the size of the organizational unit and number of subordinates supervised may affect the grade of a supervisor or manager, these factors alone may not be used in determining the payband or grade of supervisory or managerial positions. In grading these positions, other factors must be considered, such as kind, difficulty, and complexity of work supervised; degree and scope of responsibility delegated to the supervisor or manager.

c. Classification Authority

(1) Only NAF or APF HR Specialists certified to perform position classification determinations are authorized to classify PDs and sign off on the Official Form 8 (OF-8) issued by CNIC (N9). The Head of the NAF activity can approve non-HR Specialist who are certified to classify PDs.

(2) The requirements to become a CNIC NAF certified classifier are shown in Figure 4-2 and may also be found at <http://g2.cnic.navy.mil/tscinchq/N9/N941/Library/Classifier%20Requirements.pdf>. In the absence of a certified classifier at a region or installation, PDs must be sent to CNIC (N941) for classification.

(3) Various organizations/programs within CNIC (e.g., CYP, NGIS) have developed standardized PDs. These standardized PDs are located at <https://g2.cnic.navy.mil/tscnichq/N9/N94/N941>, under “Position Descriptions.” Classification authority for these standardized PDs resides with a certified classification specialist assigned to the CNIC (N941) who will sign the OF-8 as needed. Any requests to add to, delete, or amend a standard PD must be sent to the appropriate program manager for review and approval prior to making any changes.

(4) REGCOMS have a responsibility to ensure all classification actions within their Region comply with the instructions outlined in this guidance and all positions are classified by a NAF or APF trained and certified classification specialist. Certified classification specialists at the Region or Installation level have classification authority for all positions in paybands 1 through 4 and all FWS positions.

(5) CNIC (N941) is the only classification authority for CNIC NF-5 positions.

(6) Establishment or appointment to a position classified at the NF-6 level requires the prior approval of ASN (M&RA).

d. Figure 4-1 depicts the NF structure. It shows for each payband the generic work level, pay category, comparable GS grades, characteristics of work covered, and examples of jobs covered. The information from Figure 4-1 and any OPM or DoD Component guidance on classification may be used as appropriate.

e. PD Format

(1) NF and CY payband PDs must be written in the following Factor Evaluation System format:

- (a) Introduction
- (b) Major Duties
- (c) Factor 1 - Knowledge Required by the Position
- (d) Factor 2 - Supervisory Controls
- (e) Factor 3 - Guidelines
- (f) Factor 4 - Complexity
- (g) Factor 5 - Scope and Effect
- (h) Factor 6 - Personal Contacts
- (i) Factor 7 - Purpose of Contacts
- (j) Factor 8 - Physical Demands
- (k) Factor 9 - Work Environment
- (l) Factor 10 - Other Requirements (Optional)

(2) Craft and Trade (C&T) PDs should be written in the following format:

- (a) Introduction
- (b) Major Duties
- (c) Skill and Knowledge Required
- (d) Responsibility
- (e) Physical Effort

(f) Working Conditions

f. All supervisory or leader PDs (payband and CT) must include a listing by title, series, and payband or grade of the positions being supervised or led. The PD must also contain the supervisory evaluation factors found in the OPM supervisory classification standards.

0402. Classification Grievances and Appeals

a. Classification Grievances. Employees may grieve the assignment of their position to a particular payband. To do so, the employee must follow either:

(1) In the case of an employee covered by a CBA, the negotiated grievance procedure of the CBA. Per 5 U.S.C. §7121, the negotiated grievance procedure may be used only if the classification results in a payband or rate of pay reduction.

(2) In all other cases, the CNIC NAF administrative grievance process.

b. Classification Appeals. All NAF employees have the right to file a position classification appeal concerning their own positions. However, if an employee has a question or concern about the content of their PD and/or how the PD is classified, the employee should first discuss the issue(s) with their first-level supervisor to resolve the issue(s) at the lowest possible level. Before a classification appeal may be filed, the supervisor and employee must first agree that the content of the PD is accurate and correctly identifies the duties and responsibilities of the position to which the employee is assigned. PD accuracy must be resolved before a classification appeal can be initiated.

(1) NF and CY Employees. A NAF payband employee who believes their position is improperly classified may appeal the title, series, and/or payband of the position to which assigned.

(2) CT Employees. A CT employee may appeal the title, series, and/or grade of the position to which they are assigned. A CT employee may not appeal the classification or job grading standards for the position, the accuracy of the PD, the rate of pay, or the propriety of a wage schedule rate.

c. Classification Notification.

(1) When a classification action results in a change in title, series, payband or grade, and/or rate of pay, the deciding official will notify the affected employee promptly, in writing, of the decision and the effective date.

(2) The normal effective date of a change in pay based upon a reclassification of a position is the date the action is approved by the agency, or a later date specifically stated. The effective date may not be later than the beginning of the first pay period that begins after the 60th day from the date of the classification decision that results in a change to a lower payband or grade, or reduction in rate of pay.

(3) The notice will specify that to be entitled to the retroactive corrective action, including the remedy of saved pay when an employee is changed to a lower payband or grade, the employee must request review within 15 calendar days of the effective date of the change to a lower payband, grade, or reduction in rate of pay.

(4) Saved pay is authorized when an employee is changed to a lower payband or grade which results in a reduction in rate of pay as a result of the correction of a classification error. To be entitled to saved pay, the employee must have served for one continuous year at a payband or grade higher than the one to which demoted.

(5) The notice will advise the employee if any further right for review exists.

d. Filing a Classification Appeal

(1) An employee may file an initial appeal at any time.

(2) The filing of a classification appeal does not negate any other appeal, or grievance rights, which may be available under applicable laws, rules, regulations, or negotiated agreements.

e. Content of Classification Appeal. An employee's classification appeal or grievance must be in writing and clearly state the reason(s) the employee believes their PD is erroneously classified. To be considered, the appeal documentation must include:

(1) The subject employee's full name and mailing address.

(2) The location and organizational designation of employment.

(3) The current title, series, and payband or grade.

(4) The requested title, series, and payband or grade.

(5) a statement of facts that the employee believes may affect the classification of the position; and

(6) A statement that the employee agrees the PD accurately reflects their current duties and responsibilities.

(7) Any additional documents, records, or information in the possession of the employee that are requested by the appeal authority.

f. Classification Review and Appeal Procedures.

(1) Regardless of whether the PD was originally classified by a Region classification specialist or a CNIC HQ classification specialist, a written classification appeal must be submitted to CNIC (N941) for review and adjudication.

(a) For Region payband employees, a copy of the classification appeal must be sent by the employee to the REGCOM for information purposes.

(e) For CNIC HQ NAF payband employees, the classification appeal may be submitted directly to CNIC (N941).

(2) Decisions on classification appeals will normally be completed within 60 days from the date the appeal is received by CNIC (N941). The decision will include an analysis of the employee's position, a review of all relevant records including those provided by the employee, and reference to all applicable legal and administrative authorities. If the decision sustains the employee's appeal and corrective action is necessary, the effective date of change to the classification of the position will not be later than the first day of the first pay period beginning after the 60th day from the date the appeal was filed. If an appeal is not sustained, the written notification sent to the employee will contain information as to why the appeal was denied.

(3) The decision issued by the CNIC (N941) for NF and CY positions will be considered final. NF and CY employees may not appeal to OPM.

(a) CT employees have the right to appeal to OPM if they are not satisfied with the decision made by the CNIC (N941).

(b) A notification to the right to appeal must be included in any denial of a CT employee appeal.

(c) CT employees must file appeals with OPM within 15 calendar days of the date of receipt of the CNIC (N941) decision.

g. Cancellation of Appeal. An employee's application for review or appeal will be canceled immediately when:

(1) The employee requests, in writing, the termination of their application.

(2) The employee is no longer in the position that was the subject of the application, except when the employee is entitled to retroactive benefits, including benefits allowable after the death of the employee.

(3) The employee fails to furnish required information by specified deadline.

h. Position Classification Appeal Review File. The head of the NAF activity is responsible for maintaining a position classification review file that will constitute the review record. This record may not contain any information that is not made available to the employee. The review file must include:

(1) The PD and OF-8 which certifies the duties are accurate.

(2) Pertinent organizational charts reflecting the location of the position.

(3) An analysis and evaluation of the duties and responsibilities of the employee, as compared with appropriate standards, and a copy of the review decision.

(4) Component recommendations, or any supplementary information bearing on the employee's duties and responsibilities.

(5) A copy of the PAR implementing any changes in title, series, payband, grade, and/or rate of pay received as a result of the appeal.

REQUIREMENTS TO BE A CERTIFIED MWR NAF CLASSIFICATION SPECIALIST

1. In order to become a NAF certified classifier, an individual must:
 - a. Completed of the 10 day “Position Classification” course, CLAS7003D, offered by the Graduate School USA (mandatory requirement), or
 - b. Complete a comparable course (duration and curriculum) from a Federal agency.
 - c. Have 1-3 years of experience as a Federal Government Position Classification specialist or Human Resources Specialist with a focus on position classification, or have submitted at least 20 classification actions within two years to a NAF certified classifier in CNIC N941 for review and concurrence. The actions submitted must demonstrate accuracy and understanding of payband (i.e., NF and CY) and CT position classification.
2. It is also recommended to complete the 4 day “Advance Position Classification” course, CLAS9001D, offered by the USDA Graduate School or a comparable course (duration and curriculum) from a Federal agency.
3. CNIC N941 will maintain copies of the mandatory position classification course training certificates for each individual assigned to CNIC (N941). Training certificates will be maintained for the duration of the individual’s employment with CNIC. Training certificates for individuals completing the mandatory course who are assigned to CNIC Regions/Installations will be maintained by their respective CNIC Region NAF HRO for the duration of their employment with the NAF activity.

**PAY BANDING CLASSIFICATION AND PAY SYSTEM FOR WHITE COLLAR
NAF EMPLOYEES**

WORK LEVEL PAY CATEGORY	COMPARABLE GS GRADE	BASIC WORK CHARACTERISTICS OF BAND	EXAMPLES OF JOBS COVERED
Junior Clerical/ Customer Service NF-1	GS-1-3	Routine clerical and customer service duties such as filing, receptionist, typing, demonstrating and selling merchandise, receiving money and making change.	Computer, Accounting, HR, Operations, Supply Clerk, Sales Clerk, Mail Clerk, File Clerk, and Desk Clerk, Receptionist, I.D. Checker, Lifeguard, Recreation Aid, Cashier, Duty Officer, Courier, and Customer Service Assistant.
Senior Clerical/ Customer Service NF-2	GS-4	More complex clerical, customer service, admin and technical support duties such as typing, creating and maintaining files, applying regulations, conducting studies, demonstrating and selling merchandise, planning and conducting patron activities, supervising activities.	Recreational Assistant, Water Safety Instructor, Cashier, Computer or Personnel Clerk/Assistant, Illustrator, Club Operations Assistant, Payroll Clerk/Technician, Senior Sales Clerk, Accounting Technician, and Head of Customer Service.
Specialist/ Management NF-3	GS-5-8	Management entry jobs and certain admin and technical full performance jobs. Jobs that assist full performance specialists in the following program areas: sports, acct., payroll, budget, theater programs, catering, computer centers, personnel, and retail.	Retail or Stockroom Mgr, Administrative Assistant, Recreation Specialist, Supv Recreation Specialist, Computer Specialist, Accounting Technician, Illustrator, Bowling Center Mgr, Caterer, Club Mgr, Procurement or Purchasing Agent.

Figure 4.1

**PAY BANDING CLASSIFICATION AND PAY SYSTEM FOR WHITE COLLAR
NAF EMPLOYEES (CONT'D)**

WORK LEVEL PAY CATEGORY	COMPARABLE GS GRADE	BASIC WORK CHARACTERISTICS OF BAND	EXAMPLES OF JOBS COVERED
Senior Specialist Management NF-4	GS-9-12	A subject matter expert in a highly specialized area, responsible for developing local regulatory compliance procedures, and addressing related problems. Representing area of expertise to a NAFI. Evaluating program effectiveness, representing program to customer, coordinating support services. In an audit review capacity, conducting surveys and studies of activities and functions. Examining mission, funding, organization, reports, functional statements, etc., to correlate, analyze, determine and recommend management action to resolve problems or improve efficiency of operations.	Senior Auditor; Mechanical Engineer; Food Activity Manager (e.g. Burger King); General Manager (e.g. Exchange); Retail & Branch Managers; Family Support, HR, Recreation, Support Services, Marketing, and Computer Specialists; Program Analyst; Support Services Supervisor; Food and Beverage Director; and MWR Director.

Figure 4.1

**PAY BANDING CLASSIFICATION AND PAY SYSTEM FOR WHITE COLLAR
NAF EMPLOYEES (CONT'D)**

WORK LEVEL PAY CATEGORY	COMPARABLE GS GRADE	BASIC WORK CHARACTERISTICS OF BAND	EXAMPLES OF JOBS COVERED
Top Management NF-5	GS-13-15	Typically mgt/supv positions. Staff specialist positions at a regional or national level may be included. Includes managing a large NAFI at a large installation or directing a major program area at regional level. Planning, organizing and conducting a comprehensive program integrating a variety of resources at the national level. Serving as a consultant, providing guidance, assistance and advice to field activities. Coordinating with other national staff and other military departments. Planning, coordinating, directing and controlling all phases of a major area/division within NAFI. Developing or revising long range plans and policies which impact the NAFI and service community. Directing the mgmt of subordinated activities to include examining and making recommendations concerning expansion, relocation, or discontinuation.	General Manager (e.g. Exchange), Attorney, Retail Manager (e.g. Main Store), Family Support Officer, HR Specialist or Officer, Sr.Policy and Program Analyst, Comptroller, Finance Manager, Club Manager, Community Operations Officer, Benefits Program Manager, Club Coordinator and MWR Director.

Figure 4.1

**PAY BANDING CLASSIFICATION AND PAY SYSTEM FOR WHITE COLLAR
NAF EMPLOYEES (CONT'D)**

WORK LEVEL PAY CATEGORY	COMPARABLE GS GRADE	BASIC WORK CHARACTERISTICS OF BAND	EXAMPLES OF JOBS COVERED
Senior Executive NF-6	SES	Executive positions, with extensive mission accomplishment responsibilities in directing an entire NAF component or a major sub-division thereof.	Director Hospitality Management (Component Level), Chief Operating Officer (entire Exchange system)

Figure 4.1

CHAPTER 5

NAF WORK ATTENDANCE AND LEAVE

Part I: Work Attendance

0501. General Policy. NAF activities will establish uniform and equitable work schedules, work hours, and attendance requirements, essential to the health and welfare of NAF employees and to conform to applicable Executive Orders (E.O), and DoD and DON directives.

0502. Absence and Leave Definitions

- a. Absent Without Leave (AWOL). Absence from duty that has not been authorized or approved by the appropriate authority per the provisions of this instruction.
- b. Accrued Annual Leave. Annual leave earned which is credited to an employee's account during the current leave year.
- c. Accumulated Annual Leave. Unused annual leave remaining to the credit of an employee at the end of any pay period.
- d. Accrued Sick Leave. Sick leave earned which is credited to an employee's account during the current leave year.
- e. Accumulated Sick Leave. Unused sick leave remaining to the credit of an employee at the end of any pay period.
- f. Administrative Leave. Administratively authorized absence from duty without loss of pay, and without charge to earned leave.
- g. Break-in-Service. A separation from the rolls of an activity for a period of one day is considered a break in service under the Interchange Agreement. For most other situations a break in service is a break of more than three calendar days. A period of absence for military duty or workers' compensation, followed by the timely exercise of reemployment rights, is not regarded as a break in service for purposes of this manual.
- h. Compensatory Time for Religious Purposes. An overtime period an employee elects to work for the purpose of taking an equal amount of time off for religious observance, without receiving overtime pay and without charge to leave.
- i. Continuous Service. The total period of time an employee is on the rolls from the date of appointment until the date of separation, irrespective of pay status during such period. The service may be in one or more activities/programs.
- j. Court Leave. The authorized absence of an employee from work status for jury duty, or to appear as a witness in an unofficial capacity on behalf of the U.S. Government.

k. Home Leave. Leave authorized by administrative adoption of 5 U.S.C., §6304(a), and earned by service abroad for use in the U.S., in the Commonwealth of Puerto Rico, or in the territories or possessions of the U.S. upon renewal of an overseas tour.

l. Leave Year. The period that begins on the first day of the first full pay period in January and ends on the last day of the last pay period that starts in December each year. The cutoff date for "use or lose" annual leave is the end of the last pay period that begins in December and ends in January of the new year.

m. LWOP. Leave without pay. Approved non-pay status and absence from duty.

n. Military Furlough. A leave of absence, or separation of a regular RFT or RPT employee, for induction or recall to active duty in one of the U.S. military services.

o. Military Leave. Absence from duty without loss of pay, time, or performance ratings, for those NAF employees who are members of Reserve components of the U.S. Armed Forces, including the National Guard, on days in which they are engaged in temporary active duty or inactive duty for training.

0503. Schedule of Work Attendance. Supervisors/managers of NAF employees are authorized to establish and change the tours of duty of such employees per this manual.

a. Establishment of Workweeks

(1) The head of the NAF activity will establish the administrative workweek of seven consecutive calendar days.

(2) The head of the NAF activity will establish a basic workweek. This will not be less than a 35-hour tour for each RFT employee, and not more than 34 hours or less than 20 hours for each RPT employee, exclusive of meal times. Workdays will normally be limited to eight hours and shall not exceed 10 hours except for unusual circumstances beyond the control of management.

(3) The basic workweek will ordinarily be scheduled over a period of five or six consecutive days provided it does not exceed 40 hours. The basic workweek will include the minimum number of hours the employee is expected to work each week.

b. Establishment of Tours of Duty

(1) When possible, tours of duty for all employees will be established for the same days of each week and for the same hours each day. To the extent possible, they will be established on consecutive days of the administrative workweek. They will normally not exceed 10 hours, and may extend over 2 calendar days.

(2) Tours of duty for RFT and RPT employees will be scheduled and posted at least one week in advance of the scheduled tour and will cover a period of at least one administrative

workweek. Exception may be made to this requirement when unusual circumstances make advance scheduling impossible.

(3) Management has the right to vary tours of duty and to change an employee's scheduled hours of duty to carry out its missions as long as 24 hours advance notice is given to the employee. For long-term non-emergency situations one pay period notice should be given.

(4) If it is necessary to have an off-duty period between two portions of a daily tour of duty, the employee will be completely free during such an off-duty period. Insofar as practicable, the daily tour of duty should be established in terms of full hours. When fractional hours are required, the daily tour will be expressed in full-hour and quarter-hour multiples.

(5) When the daily tour of duty begins on one calendar day and extends into the next, the day that the tour begins will identify the tour for that day; for example, a tour of duty beginning 2000 Friday and ending 0430 Saturday is identified as the Friday tour of duty. This is applicable also to holiday pay determinations.

(6) For RPT and regularly scheduled flexible employees the basic workweek requirement may be satisfied on a pay period basis when lack of work prevents meeting the weekly minimum.

c. Special Considerations in Establishing Work Schedules. The following requirements will be observed in establishing tours and location of duty:

(1) Minors. Tours of duty for minors will be established per applicable Federal, State, and local laws, but will be limited to 8 hours each day and 48 hours each week.

(2) Adopting Daylight Saving Time. Employees working shifts when the change to Daylight saving time occurs are considered on duty for the normal number of hours of that shift, provided the hour lost is charged to annual leave (or sick leave if appropriate). If no charge is made to leave, pay may be allowed only for the number of hours worked.

(3) Return to Standard Time. When the change from daylight saving time to standard time occurs, the employee working shifts during the change will be credited, and pay allowed, for the actual number of hours worked.

(4) Rest Period. Short rest periods during the daily tour of duty will be permitted when, at the discretion of the activity manager, such periods are beneficial or necessary to the activity. The policy adopted by each manager will be established in writing and made known to all employees. Rest periods are considered hours of work. Criteria for establishing rest periods are as follows:

(a) Protection of the employee's health by relief from hazardous work.

(b) Relief of fatigue caused by continuous physical exertion or work performed in confined spaces, which limits personal activities.

- (c) Increased efficiency or production would result.
- (d) The rest period will not be a continuation of the lunch period.

d. Scheduling and Recording

(1) Requirements. A system for scheduling and recording the time and attendance of each employee will be established by the ICO/Region N9. The system need not be elaborate, or complicated, but it must be able to document the employee's work schedule and attendance. Supervisors and managers are responsible for the timely and accurate preparation, certification, and submission of time and attendance records of their assigned employees. The ICO/Region N9 will ensure that sufficient internal controls are in place to ensure time and attendance is being reported accurately. Supervisors/managers must ensure by personal observation or other internal controls that employees are present during their reported working time and that exceptions to the employee's normal tour of duty are posted timely and accurately.

(2) Recording Time. Fractions of an hour worked are creditable in tenths of hour increments. Management should monitor employee time recording carefully to prevent unplanned overtime due to variances in time recording. Employees who report any time after the start of the shift may be considered tardy based upon the timekeeping rules of the unit and the managers/supervisors time and leave authority.

(3) Use of Time Clocks. Activities that use time clocks to record time worked must set equitable rounding rules and must inform the employees of the rules. Rounding procedures will be used in such a manner that they will not, over a period of time, fail to compensate the nonexempt employee for all the time they have actually worked. The supervisor may correct employee's erroneous punches. However when this occurs, the supervisor will initial the change and be able to prove that a nonexempt employee was not performing any work before or after the supervisor's recorded time. Employees who continually fail to punch in or out properly must be counseled, and disciplined if appropriate, per the provisions of this manual.

e. Meal Periods

(1) Duration. Regular meal, or lunch periods, normally will be established at no less than 30 minutes nor more than 1 hour.

(2) Treatment for Pay Purposes. Meal or lunch periods will not be considered or paid as time worked, except for the purpose of determining entitlement to night shift differential pay for CT employees. A NAF activity will not require an employee to perform work during the meal period.

(3) Limit on Time Worked Without a Meal Break. Employees normally should not be required to work more than six consecutive hours without allowance for a meal period. An exception to the meal period requirement is for positions at isolated work sites where it is not practical to provide a replacement for the employee during the meal period. For example, in a one-person operation in a small snack bar, open from 1600-2300, where no one is available for

relief, management could eliminate the meal period. An employee may be permitted to eat at the work location while on the job and will be paid for all time on duty during the shift.

f. Compensatory Time for Religious Observance. NAF employees will be provided compensatory time off for religious observations to the same extent as that flexibility is provided to similarly situated APF employees.

(1) NAF employees may request and elect to work compensatory time for this purpose will be granted, instead of overtime pay, an amount of time off (hour for hour) equal to the compensatory time worked.

(2) This election may be disapproved if such change in work schedules interferes with the efficient accomplishment of the assigned mission.

0504. Tardiness and AWOL

a. Tardy (Lateness). Supervisors may take one of the following actions in response to employees reporting late to work:

(1) The employee may request, or the supervisor may offer, the employee the option to request leave for the period of tardiness.

(2) The supervisor may charge the employee AWOL if the supervisor does not approve the leave request. Disciplinary action should be taken as appropriated for unexcused lateness which results in the employee being placed into an AWOL status.

(3) The supervisor may permit a case-by-case, one-time adjustment to extend the employee's working hours for that day to compensate for the working time missed.

(4) Supervisors/managers may excuse up to 59 minutes of lateness on occasion when special and unusual circumstances warrant. This determination is discretionary, and the employee has no right to demand an excuse on this basis.

b. AWOL. When an employee is absent and leave has not been approved, the time will be recorded as AWOL. Pay is withheld for all time charged to AWOL. Time charged to AWOL may later be changed to an approved leave category when acceptable supporting evidence is presented within the prescribed time or when the approving official determines circumstances are such that the absence has been improperly charged as AWOL. Approved leave may not be changed to AWOL after approval unless it deals with sick leave where medical documentation was requested of the employee and none was provided. Disciplinary action should be taken as appropriate for AWOL.

0505. Special Scheduling Situations

a. Telework. Telework schedules will be implemented in accordance with CNIC 12600.1C. All staff members will follow applicable CNIC HQ and/or Region telework policy.

b. Flexible and Compressed Work Schedules. The heads of the NAF activities may authorize flexible work schedules (FWS) and compressed work schedules (CWS). When this occurs, APF guidance will be followed. Procedures established will be per P.L. 99-196 and local command directives. If a CWS is implemented, a written waiver to overtime for over 8 hours in a day and over 40 hours in a week, if the regular schedule includes these situations, must be obtained from CT employees before they can work a CWS.

c. Credit Hours. In some FWS programs, RFT or RPT employees, including GS, FWS, and NAF employees, but not Senior Executive Service, may earn and use credit hours under rules established by the agency or negotiated with a union, with supervisory approval, for hours the employee elects to work in excess of the basic work requirement. RFT employees may carry over a maximum of 24 credit hours to the next pay period. RPT employees may only carry over the hours in a biweekly basic work requirement to the next pay period.

Part II: Leave

0501. Creditable Service. NAF employees eligible to accrue annual leave will receive creditable Service as follows:

a. Civilian Service.

(1) All DoD service as a Regular category employee regardless of employer is creditable.

(a) Prior service as an APF employee is creditable only if the employee has moved from a DoD APF position to a DoD NAF position without a break in service of more than three days, on or after 1 January 1987.

(b) Credit for service used in calculating APF or NAF retirement is not used to set SCD.

(2) RPT employees get one day of service credit for each day worked.

(3) Elapsed calendar time is the maximum calendar time that can be credited. To convert days to months and years, 30 days equal one month and 260 days equal one year.

(4) All periods of six months or more of LWOP reduce the amount of creditable service on a day for day basis.

(a) Leave SCDs will be adjusted to exclude periods of six months or more total of LWOP in a calendar year. Exempted from this is LWOP while on workers' compensation.

(b) The SCD will be reduced on a calendar day for calendar day basis. The periods of LWOP that caused the reduction will be listed in the remarks of the PAR that adjusts the SCD.

b. Uniformed Service.

(1) All active Uniformed Service, except for certain retired members of the Uniformed Services as outlined below, separated by honorable discharge under honorable conditions, or by transfer to inactive Reserves under honorable conditions, is creditable for determining the annual leave accrual rate. To verify the amount of retired military service that is creditable, submit the retired member's DD 214, Certificate of Release or Discharge from Active Duty and SF 813, Verification of a Military Retiree's Service in NonWartime Campaigns or Expeditions to the address on the form.

(2) For individuals who are a retired member of any of the uniformed services, credit is restricted to the actual active service in the armed forces during wartime, or in any campaign or expedition for which a campaign badge has been authorized. If the retired member meets one or more of the following conditions, all of the active service is counted for leave accrual purposes:

(a) The retired member was employed in a civilian office after 30 November 1964 to which the annual and sick leave law applied, and continues to be employed in an office of this kind without a break in service of more than 30 days.

(b) The retirement was based on disability resulting from injury or disease received in the line of duty as a direct result of armed conflict.

(c) The retirement was based on disability caused by an instrumentality of war, and incurred in the line of duty during a period of war (as defined in 38 U.S.C. §101 and §301.).

(d) The employee is responsible for providing data concerning campaigns, expeditions, etc., to the NAF activity HRO before any credit can be authorized.

(3) Credit for Returning NAF Reservists. NAF employees returning to duty from active military service will have the same leave accrual entitlements they should have enjoyed had they remained at work. DoDI 1400.25-V1406.

(4) Credit for Military Training. Civilian employees of NAF activities who are called to active duty for short periods of time (NTE six weeks) with Reserve components of the U.S. Armed Forces will continue to accrue annual leave credit during such periods. Off-duty time while in Reserve components is not creditable.

0507. Annual Leave Accrual Rate

a. Standard Accrual Rates. Annual leave will be accrued by RFT and RPT employees while in a pay status, excluding overtime hours worked in excess of 40 hours during the basic workweek. Accrual will be based upon the employee's creditable service as indicated above:

(1) Eligible employees with less than three years of service will accrue five percent of the total non-overtime and paid leave hours in the basic workweek as annual leave.

(2) Eligible employees with three years, but less than 15 years of service, will accrue 7.5 percent of the total non-overtime and paid leave hours in the basic workweek as annual leave, except for the final biweekly period of the leave year when leave will accrue at the rate of 12.5 percent of the total hours in the basic workweek.

(3) Eligible employees with more than 15 years of service will accrue 10 percent of the total non-overtime and paid leave hours in the basic workweek.

b. Changes in Rates of Accrual. Changes in the rates of accrual are effective at the beginning of the first pay period following the completion of the prescribed service. When a change from a 7.5 percent to a 10 percent leave category occurs at the beginning of the last full biweekly pay period in the CY, the employee's leave credit for that period will be computed at 12.5 percent of hours in a pay status.

c. Time of Crediting. Changes in the rates of accrual are effective at the beginning of the first pay period following the completion of the prescribed service. When a change from a 7.5 percent to a 10 percent leave category occurs at the beginning of the last full biweekly pay period in the CY, the employee's leave credit for that period will be computed at 12.5 percent of hours in a pay status.

d. NAF Executives. The DoD Component heads will authorize NAF senior executives (NF-6 payband) to accrue annual leave at the rate of one day (eight) for each full biweekly pay period.

e. Credit for Demobilization. NAF employees returning from active military service in connection military operation established by Executive Order 13223 will be granted five days of excused absence without charge to leave before the employee's resumption of his or her duties, or at a time mutually agreeable between the employer and employee if the employee has already returned to duty. DoDI 1400.25-V1406.

f. Exemptions. No employee who is currently in a leave accrual category as a result of more liberal provisions in place prior to DoD regulations on leave issued on September 6, 1974, will be penalized by being placed in a lower category for leave accrual or accumulation purposes.

0503. Maximum Annual Leave Accrual and Carryover

a. Standard Carryover. The maximum amount of annual leave that may be carried over from one leave year to the next is 240 hours.

b. Overseas Maximum. The maximum accumulation of annual leave for U.S. citizens recruited from the U.S. for employment overseas is 45 days (360 hours) or the amount to the employee's credit at the beginning of the leave year whichever is greater. Upon return from overseas, the maximum accumulation is 30 days (240 hours) or the amount carried over from the previous leave year whichever is greater, NTE 45 days (360) hours.

c. BRAC Maximum. RFT and RPT employees assigned to a base designated for reduction or closure as a result of BRAC decisions are authorized to accumulate annual leave without regard to the 240-hour limitation. If the employee moves to another DoD NAFI and elects to transfer their leave, the 240-hour annual leave maximum limitation would be reinstated at the end of the second full CY after transfer.

d. NAF Executive Maximum. Payband level NF-6 employees may carry over a maximum of 720 hours of annual leave from one leave year to the next. 5 CFR §630.301 will be used as a guide to ensure that annual leave accumulated and carried over does not exceed leave benefits for APF employees.

e. Activated Reservist Maximum. While employees are on active military duty, unused annual leave is not subject to the employee's "use or lose" ceiling and any annual leave above the employee's annual leave ceiling is not forfeited at the end of the leave year.

f. Grants of Exception. The head of the NAF activity may approve carryover of annual leave in excess of 240 hours on a case-by-case basis. CNIC (N941) will periodically monitor these approvals as part of the personnel management evaluation process.

0504. Leave Authorization. The authorized supervisor will approve or disapprove requests for annual leave. Whenever possible, this should be at the convenience of the employee, but mission requirements must take precedence.

a. General Standards.

(1) All leave, including medical appointments, will normally be requested and approved or disapproved as far in advance of usage as possible.

(2) NAF Request for Leave or Approved Absence, CNIC 12630/1, form will be provided to the immediate supervisor.

(3) Emergency sick or annual leave will be requested from the supervisor as soon as possible prior to the scheduled starting time for the shift but not later than the end of the first hour of the work shift. In suspected abuse of leave situations, supervisors and managers may establish stricter guidelines in a letter of requirement issued to the employee.

(4) Employees are encouraged to take an annual vacation.

(5) An equitable method will be utilized for determining which employee(s) will receive leave around holidays.

b. Action Upon Leave Request. A supervisor has the following options to deal with a leave request:

(1) Approve the request and inform the employee and timekeeper of the approval.

(2) Disapprove the request and inform the employee of the disapproval. A supervisor may disapprove a leave request which had previously been approved when mission requirements and workload would be negatively impacted if the employee is permitted to continue with the requested leave. In such a case the supervisor must inform the employee of the work related reason the leave is now being disapproved and also inform the timekeeper of the disapproval. Every attempt should be made to still allow the employee to take the requested leave prior to making the decision to disapprove the request.

(3) Inform the employee additional information is needed before a decision can be made. The employee should be given a deadline to provide the information.

(4) Denial of a leave request or cancellation of approved leave normally needs to be based on the program's need. Leave must not be denied or canceled for arbitrary or capricious reasons. Denial or cancellation of leave is not disciplinary in character and must not be used as a punitive measure. When leave has been requested, approved and used by the employee, retroactive substitution of one category of leave is normally not appropriate. The primary exceptions are:

(a) When an employee is on annual leave and becomes sick and the employee requests the change and provides appropriate supporting documentation if requested.

(b) When an employee is under a leave requirement letter and management is waiting for supporting documentation.

c. Documentation and Recordkeeping.

(1) Use of CNIC 12630/1. Application for all types of leave will be made using CNIC 12630/1. After the approving official signs the leave request, the CNIC 12630/1 will be forwarded to, and retained by the payroll office.

(2) Leave Record. In the event of termination or transfer from the NAF activity, a record is made of the disposition of the final leave balances in the "Remarks" section of the termination PAR.

0505. Limitations, Exclusions and Prohibitions.

a. Regular Full-Time Employees. RFT employees may take leave to cover only the amount of hours they would normally work during the period for which leave is requested. Normally, this will not exceed 8 hours per day, or 40 hours per week. Time must be adjusted if the employee works a CWS.

b. Regular Part-Time Employees. RPT employees may take leave to cover only the actual hours that they normally work per day, and actual scheduled hours per week. For example, if an employee with 40 hours accrued leave on the books who normally works 4 hours per day,

Monday through Friday, takes the week off, 20 hours would be the maximum hours of annual leave which could be requested.

c. Flex Employees. CNIC Flexible Work employees are not authorized to earn or use annual leave.

d. Workers Compensation. Employees receiving workers' compensation benefits under the Longshore and Harbor Workers' Compensation Act (LHWCA) and employees on military furlough who are carried on the rolls of the employing NAF activity in a non-pay inactive status do not accrue annual leave.

e. Prohibition on Advance Leave. Leave will not be credited to an employee or available for use until after the completion of the pay period in which it is earned. Advanced annual leave is prohibited. In foreign areas, employees granted home or emergency leave and those in U.S. territories and possessions may, on departure, be paid in advance for accrued leave to be taken during that period.

f. Requiring Employees to Take Annual Leave. NAF employees may not be required to take annual leave but may be encouraged to use annual leave for emergencies and during or before furloughs.

0506. Transfer or Separation

a. Transfer of Accumulated Annual Leave. Upon movement to another CNIC NAF activity, a RFT or RPT employee will not be paid for unused annual leave. The losing CNIC NAF activity will transfer the amount of money to the gaining CNIC NAF activity that the employee would have been paid if the annual leave was paid out. The gaining activity will then credit the employee with the amount of annual leave that was unused prior to the transfer. If the RFT or RPT employee transfers to another DoD NAFI, the same procedure applies if the gaining DoD NAFI agrees to the transfer. If the employee transfers to a non-DoD Federal agency, the unused annual leave will not be transferred and will be paid out.

b. Disposition of Annual Leave when Employee Changes to Flexible Employment Category.

(1) When the status of a RFT or RPT employee who has been employed for more than 90 days is changed to flexible, all accrued annual leave will be paid to the employee. In the event the employee is changed back to a RFT or RPT category, the annual leave accrual rate prior to the change to flexible will be restored.

(2) When the status of a RFT or RPT employee who has been employed, less than 90 days is changed to flexible, the accrued annual leave balance is dropped and will not be paid to the employee. In the event that the employee is later changed back to a RFT or RPT category, the annual leave balance and annual leave accrual rate prior to the change to flexible will be restored.

c. Annual Leave Payment upon Separation. Upon separation (e.g., voluntary resignation, termination) from a NAF activity, an employee who has completed 90 days as a RFT or RPT employee will be paid for the accumulated annual leave credited to the employee's account. Employees with less than 90 days RFT or RPT NAF service will not receive payment for accrued annual leave. Payment is normally made at the salary rate in effect at time of separation. When an employee is on a temporary promotion and the HRO has not terminated the temporary promotion prior to the employee's separation date, the payoff may be at the rate of the temporary promotion through the NTE date of the temporary promotion. After the NTE date, the rate will revert back to the employee's permanent rate of pay. Employees reinstated within 6 months of separation from a NAF activity are not required to serve another 90-day qualifying period before they can use annual leave. No lump sum payment of accrued annual leave can occur until after the employee terminates NAF employment.

0507. Sick Leave Policy

a. Eligibility

(1) Sick Leave for Regular Employees Sick leave will be accrued by RFT and RPT employees while in a pay status excluding overtime hours worked in excess of 40 hours during the basic workweek. There is no minimum qualifying period for the crediting of sick leave.

(2) Sick Leave for Flexible Employees. CNIC Flexible employees are not authorized to earn or use sick leave.

b. Granting Sick Leave. Employees who have sick leave to their credit may be granted such leave for legitimate medical reasons. Employees on furlough or LWOP are not eligible to be paid for or accrue sick leave. Sick leave is a privilege and will be approved only when an employee cannot perform assigned duties due to legitimate medical reasons or has other acceptable reasons for using sick leave which includes:

(1) Receiving medical, dental, or optical examination or treatment.

(2) Being incapacitated for the performance of duties by physical or mental illness, injury, pregnancy, or childbirth.

(3) A determination by the health authorities having jurisdiction or by a healthcare provider, that the employee would jeopardize the health of others by their presence on the job because of exposure to a communicable disease.

(4) Funeral and Bereavement Leave may be granted to regular employees, not to exceed three consecutive workdays, for death in the immediate family including:

(a) Spouse or legally recognized domestic partner.

(b) Parents or legally recognized domestic partner of the employee and parents of the employee's spouse or legally recognized domestic partner.

(c) Children of the employee or their spouse or legally recognized domestic partners.

(d) Siblings of the employee or their spouse or legally recognized domestic partners.

(e) Grandparents and grandchildren or their spouses or legally recognized domestic partners.

(f) Any individual related by blood or affinity whose close association with the employee is equivalent of a family relationship. At the discretion of the supervisor, employees may be granted time off charged to annual leave, or LWOP in the event of death of other relatives who do not qualify as immediate family members.

c. Documentation. A supervisor of a NAF employee may require medical certification or other documentary proof from a medical provider verifying the need for sick leave, subject to the provisions of 5 U.S.C. §6381 through §6387 or 5 CFR §630.405 and the NAF activity's leave policy. See subparagraph 'h' below.

d. Prohibition on Paying Advance Sick Leave. Except as provided for under the Family and Medical Leave Act (FMLA), advance payment for sick leave is not authorized. Employees who are absent due to sickness who do not utilize sick leave or annual leave will be placed on LWOP. See subparagraph 'i' below.

e. Sick Leave Accrual Rate

(1) Sick leave will accrue at the rate of five percent of the total non-overtime and paid leave hours in a basic workweek or biweekly pay period and will be credited from the date of appointment as a regular status employee.

(2) Sick leave credits, including those accrued while in an approved leave status (e.g., annual, sick, compensatory time used, compensatory time for travel used, TOA used), are credited to the employee's account at the end of the pay period in which accrued.

f. Sick Leave Credit and Re-credit

(1) Upon transfer of a CNIC NAF employee from one CNIC NAF activity to another CNIC NAF activity, or between DoD NAFIs, sick leave credits will be transferred provided the employee did not retire from the losing NAF activity and/or did not receive retirement service credit for sick leave. All accumulated sick leave will be transferred by the losing NAF activity to the gaining NAF activity without a transfer of funds. The gaining NAF activity will assume the financial obligation. If the employee transfers to a non-DoD Federal agency, the unused annual leave will not be transferred and will be forfeited.

(2) A former CNIC NAF employee who is rehired into a regular position in a CNIC NAF activity or who is converted from regular to flexible status and who later returns to a

regular position in a CNIC NAF activity is entitled to a re-credit of the unused sick leave while a CNIC NAF employee.

(3) Unused sick leave earned as an APF employee will not be re-credited if employed in NAF activity following a break in service.

(4) When the status of a RFT or RPT employee is changed to flexible, accrued sick leave is suspended and no longer available for use. In the event the employee is changed back to a RFT or RPT status in the same NAF activity or hired as a regular employee in another CNIC NAF activity, the suspended sick leave will be restored.

g. Accumulation of Sick Leave. There is no limit on the amount of sick leave an employee may accumulate and carryover from one leave year to the next. No payment for unused sick leave will be made to an employee under any circumstances.

h. Requirement for Medical Certificate for Illness

(1) Absence of More Than Three Days. If an employee is absent from work due to illness or injury or one of the other acceptable sick leave uses for more than three consecutive workdays, upon request, the employee is required to furnish the supervisor with a doctor's certificate of incapacitation or other acceptable documentation that substantiates the use of sick leave, and certifies that the employee is unable to work. In periods of extended illness, supervisors may require the employee to provide updated medical certification on a biweekly basis. If there is doubt as to the employee's medical ability to perform the duties of the position after being off work for illness or injury, the supervisor may require a doctor's certification that the employee has been released and is ready and able to work.

(2) When Sick Leave Abuse is Suspected. When a supervisor believes an employee is abusing sick leave, the supervisor may deny the employee's sick leave request(s), or require a medical certificate for each absence that is claimed as sick leave. Supervisors may also require documentation on the expected specific duration of the illness if they have reason to doubt the validity of the employee's request to use sick leave. Abuse of sick leave privileges is cause for disciplinary action including possible termination due to absence from work without adequate excuse. When there is evidence of sick leave abuse, the supervisor must give the employee a letter of requirement including specific instructions on what is required to request and receive leave. There may be a possibility of sick leave abuse if the employee is consistently calling in sick:

- a. On a workday after pay day.
- b. Before and/or after a holiday.
- c. On Fridays and/or Mondays.
- d. On the same day of the week (i.e., on Tuesday).

e. In conjunction with annual leave.

f. As soon as sick leave is earned.

g. When Sick Leave is Exhausted. When sick leave is exhausted, the employee may use annual leave or other types of leave (e.g., compensatory time earned, time off award) for medical reasons. Should the period of illness extend beyond the limits of sick and annual leave, the supervisor may elect to approve an employee's request for LWOP. The approval of LWOP is a management prerogative after the employee has been given their 12 weeks of LWOP under FMLA based upon work needs and requirements. If LWOP is disapproved and the employee is not able to return to work, the employee may be terminated due to medical disability extending beyond sick leave.

0508. Absence for Pregnancy or Childbirth

a. Leave for Child-Bearing Employee. RFT or RPT employees who are pregnant or in the process of childbirth may request sick leave, annual leave, FMLA leave, or LWOP when incapacitation related to their pregnancy or childbirth exists and medical authority has properly verified the need for medical care or confinement. An absence covering pregnancy and childbirth confinement will be treated as any other medically certified temporary incapacitation.

(1) Absence due to a normal and healthy pregnancy, or childbirth without significant medical complications, does not qualify as a medical emergency under the leave donation program.

(2) Sick leave in this context is only appropriate for medical treatment, pre-natal and post-natal care, and medical incapacitation of the employee due to pregnancy, or as a result of giving birth, or to care for the newborn child if such child is sick or suffering from medical complications.

b. Leave for Spouse or Partner. RFT or RPT employees who are the spouse or otherwise legally recognized partner of a person who is pregnant or undergoing childbirth may request annual leave, FMLA leave, or LWOP for purposes of assisting or caring for the pregnant or delivering spouse or partner, or to care for the newborn child.

c. Sick leave may be used for the time periods the employee's spouse or legally recognized partner is seeking medical treatment, pre-natal or post-natal care, or is incapacitated due to pregnancy, or as a result of giving birth, or to care for the newborn child if such child is sick or suffering from medical complications.

d. FMLA

(1) NAF employees in both regular positions and flexible positions without time limitation, who have completed at least 1,250 hours of service within any NAFI during the 12 month period immediately before the date the FMLA leave is to start, are covered under Title II of the FMLA. The 12 months of employment do not have to be consecutive. The FMLA is

administratively extended to NAF employees except for the health benefits cited in 5 CFR §630.1209.

(2) NAF employees serving under a flexible appointment with a time limitation of one year or less are subject to the provisions of Title I of the FMLA. The DOL prescribes regulations governing workers under Title I. These regulations are in 29 CFR Part 825. See the DOL notice “Your Rights under the Family and Medical Leave Act of 1993” at <https://www.dol.gov/whd/regs/compliance/posters/fmlaen.pdf> for a coverage summary.

(3) An employee shall complete a CNIC 12630/1 and provide medical certification regarding the situation to invoke FMLA entitlement. An employee may take only the amount of FMLA leave necessary to manage the circumstances that prompted the need for the leave.

(4) Each NAF activity will inform its employees of their entitlements and responsibilities including the requirements and obligations of the employees.

(5) The FMLA provides eligible employees with entitlement to a total of 12 administrative workweeks of LWOP during any 12-month period for any of the following reasons:

- (a) The birth of child and the care of that newborn.
- (b) The placement of a child with the employee for adoption or foster care.
- (c) The care of a spouse, child, or parent of the employee, if such spouse, child, or parent has a serious health condition.
- (d) A serious health condition of the employee that makes the employee unable to perform any one or more of the essential functions of their position.

d. Federal Employee Family Friendly Leave Act (FEFFLA).

(1) The initial FEFFLA that was in place for civil service employees and was extended to NAF employees by CNIC (N9) on August 19, 1998. Later modifications to the FEFFLA have not been adopted by CNIC.

(2) Under the adopted part of the FEFFLA, RFT employees may use up to 40 hours of sick leave in a leave year. An additional 64 hours may be used during the leave year as long as the employee maintains a sick leave balance of at least 80 hours. A RPT employee may use up to the average number of hours of work in the employee’s scheduled tour of duty each week. The amount of sick leave a RPT employee may use will be pro-rated.

(3) This leave may be used to care for a family member as a result of physical or mental illness; injury; pregnancy; childbirth; medical, dental or optical examination or treatment; to make arrangements necessitated by the death of a family member as defined below; or to

attend the funeral of a family member. FEFFLA leave may not be used in pregnancy situations unless medical complications are involved with the pregnancy.

(4) FEFFLA uses the family member definition for leave in 5 CFR §630.201. This definition is:

- (a) Spouse or legally recognized partner and that person's parents.
- (b) Parents and their spouses or legally recognized partners.
- (c) Children and their spouses or legally recognized partners.
- (d) Siblings and their spouses or legally recognized partners.
- (e) Grandparents and grandchildren or their spouses or legally recognized partners.
- (f) Any individual related by blood or affinity whose close association with the employee is equivalent of a family relationship. At the discretion of the employee's supervisor, employees may be granted time-off charged to any approved leave category except sick leave, in the event of death of other close relatives.

(5) The employee must use the CNIC 12630/1 to request leave under FEFFLA. The appropriate supporting documentation as required for other sick leave usage will be attached to the CNIC 12630/1.

e. Further Guidance. Guidance relating to leave for adoptions and foster care, as well as additional information regarding family leave for pregnancy and childbirth, can be found in Office of Personnel Management, *Handbook on Leave and Workplace Flexibilities for Childbirth, Adoption, and Foster Care*.

0509. Disabled Veteran Leave Entitlement

a. Under the Wounded Warriors Federal Leave Act of 2015 (P.L. 114-75), an employee hired on or after November 5, 2016, who is a veteran with a service-connected disability rating of 30 percent or more from the Veterans Benefits Administration (VBA) of the Department of Veterans Affairs (VA) is entitled to up to 104 hours of disabled veteran leave for the purposes of undergoing medical treatment for such disability.

b. An eligible employee will receive the appropriate amount of disabled veteran leave as of the employee's first day of employment, as defined below. Disabled veteran leave is a one-time benefit provided to an eligible employee. The employee will have a single, continuous 12-month eligibility period, beginning on the first day of employment in which to use the leave or it will be forfeited with no opportunity to carry over the leave into subsequent years. An employee may not receive a lump-sum payment for any unused or forfeited disabled veteran leave under any circumstance.

(1) First Day of Employment. The first day of service that occurs on or after the later of:

(a) The earliest date an employee is hired (after the effective date of the employee's qualifying service-connected disability as determined by VBA).

(b) The effective date of the employee's qualifying service-connected disability, as determined by VBA.

c. Who is Covered.

(1) Civil service employees as defined in 5 U.S.C. § 2105 and NAF employees.

(2) Employees covered by U.S. Code (i.e., not covered by another authority: Federal Aviation Administration, Transportation Security Agency, etc.).

(3) Veterans with service-connected disability rating of 30 percent or more (as determined by the VBA) who were discharged under conditions other than dishonorable.

(4) Employees who have a scheduled tour of duty (i.e., not an intermittent work schedule or leave-exempt Presidential Appointee).

(5) Employees hired in a covered civilian position on or after November 5, 2016.

d. Qualifying Service-Connected Disability. Employee must provide official documentation of the VBA rating to the employing agency.

(1) A service-connected disability rating of 30 percent or more.

(2) Disability rating must be provided by the VBA.

(3) Includes a VBA rating of one disability rated at 30 percent or more, or a combined degree of disability of 30 percent or more that reflects the combined effect of multiple individual disabilities.

(4) Temporary VBA rating issued under 38 U.S.C. § 1156.

e. Leave Benefit. There is a one-time credit of appropriate amount of leave into an employee's disabled veteran leave account at the beginning of the employee's 12 month eligibility period. Leave must be used during that period. The leave benefit expires at the end of the 12 month eligibility period. Unused leave is forfeited and cannot be paid out. RFT employees will be credited with 104 hours. Leave credit is proportionally adjusted based on the employee's work schedule and may be subject to offset. See Figure 5-1 for crediting of hours by work schedule. If the employee, without a break in service, leaves one CNIC NAFI, and is hired by another CNIC NAFI during the 12-month eligibility period, such period will continue to run

from the First Day of Employment at the first CNIC NAFI until the end of the 12-month period at the subsequent CNIC NAFI.

Crediting of Disabled Veteran Leave Hours by Work Schedule

WORK SCHEDULE	# HOURS	EXAMPLE
RFT	104	104
RPT	(hrs/80) x 104	40 hrs/biweekly – 52 weeks

Figure 5.1

f. **Disabled Veteran Leave Usage.** Disabled veteran leave may be used only when both of the following conditions are met:

(1) It is used for a purpose for which regular sick leave may be used.

(2) It is used for medical treatment of a VBA-approved qualifying service-connected disability. Medical treatment must be carried out or prescribed by a health care provider as defined in OPM's FMLA regulations at 5 CFR §630.1202 or by the broader definition of a health care provider which includes Christian Science practitioners and Native American traditional healing practitioners.

0510. Administrative Leave. Non-emergency employees may be released from duty when an authorized official closes all or part of an activity. Administrative dismissals of NAF employees will be in accordance with the DoDI 1400.25, Volume 610. The head of the NAF activity is authorized to excuse NAF employees from their normal duties for brief periods without charge to leave or loss of pay. Some of the common situations for which excused absence may be granted, include blood donations; voting in Federal, State, county, and municipal government elections; and for other reasons acceptable to the head of the NAF activity when deemed prudent and in the best interest of the NAF activity.

a. Court Leave

(1) Authorized Usage.

(a) **Unofficial Capacity.** Upon advance submission of a court order, subpoena, summons, or any other judicial notification, regular employees will be granted paid court leave for jury duty to appear in court in an unofficial capacity as a witness on behalf of the U.S. government or the government of the District of Columbia; and to appear in court in an unofficial capacity as a witness on behalf of private parties where the U.S., the District of Columbia, or a State or local government is a party to the proceedings. The court may be a Federal, District of Columbia, State, or local governmental-unit court. This provision does not apply to an employee appearing as a witness in a judicial proceeding that involves only private parties.

(b) An employee who is summoned as a witness in an official capacity on behalf of the federal government is on official duty, not court leave.

(2) Pay Offset

(a) Regular employees on court leave will receive their regular pay for such time spent in court or the amount of court fees received from the court, whichever is greater. If the court fees are the lesser amount, such fees, exclusive of transportation fees when separately identified or otherwise identifiable will be turned over to the employing NAF activity. When a State statute provides for reimbursement of expense, or an expense allowance rather than a jury fee, employees will receive their regular pay and the money paid by the court.

(b) Employees on official duty who are directed to appear or participate in court must reimburse fees paid for service as a juror or witness. However, monies paid to jurors or witnesses which are in the nature of expenses (e.g., transportation, parking) do not have to be reimbursed to the agency unless the employee is on orders and submits a voucher for reimbursement for such expenses.

b. Funeral—Combat Zone Death. An employee is entitled to up to three workdays of administrative funeral leave to make arrangements for or to attend the funeral of an immediate relative who died as a result of wounds, disease, or injury incurred while serving as a member of the Armed Forces in a combat zone. If the employee provides satisfactory reasons, the three workdays do not need to be consecutive. When an employee requests funeral leave for a combat-related death of an immediate relative, the agency may require the employee to document his or her relationship to that immediate relative.

c. Disruption of Normal Operations

(1) Local Authority. When normal operations of a NAF activity, or a specific element of the NAF activity, are interrupted by events beyond the control of management (e.g. inclement weather, fire, flood), the head of the NAF activity at the impacted location, may grant all employees scheduled to work, administrative leave for up to three consecutive workdays. Management has the discretion to identify the specific employees who will be granted administrative leave, and those who will be required to come to work. If it is an emergency that also impacts APF employees on the installation, the NAF activity will follow the same policy for NAF employees as the installation uses for APF employees.

(a) For emergency situations requiring suspension of operations, where administrative leave is granted, a minimum of 24 hours' notice will be given to all employees before the administrative leave is terminated.

(b) Inclement Weather Which Forces Closure of all, or Part of the Base, on which the NAF Activity is Located. In this event, the NAF activity will follow the same rules as applied to APF employees on the base subject to approval by the head of the NAF activity, and concurrence of the ICO.

(2) If a decision is made to close all or part of a NAF activity for over three consecutive workdays, the head of the NAF activity will implement the local Continuity of Operations Plan (COOP) and may grant leave according to the COOP and per this manual.

(3) Notification of Planned Closure. When, because of planned managerial reasons, the closing of all or part of a NAF activity is required for short periods of time, employees will be notified at least one work shift in advance. Regular employees will be allowed to take leave to include annual leave, compensatory time, compensatory time for travel, time off award, or LWOP, as appropriate. Under these circumstances, if an employee is not notified one work shift in advance, the employee is paid for the shift. When 24 hours advance notice is given, regular employees who cannot be assigned to other work within the same pay period may be placed on annual leave, with or without their consent, or LWOP in the event they do not have sufficient annual leave to their credit. Efforts will be made to keep to a minimum the occasions on which a regular employee is required to take leave with less than 24 hours' notice.

(4) Requiring Employees to Take Leave. In cases of interrupted or suspended operations (e.g. holiday close-downs), the head of the NAF activity may assign employees to other work, if available, or direct the taking of some form of eligible leave (e.g., annual leave, compensatory time, compensatory time for travel, time off award). Such situations require a minimum of 24 hours advance notice to the employee. When 24 hours advance notice is not possible, all employees who were scheduled to work and who cannot be reassigned, will be paid for that day. After this period, employees will be required to take annual leave, LWOP or some other form of eligible leave.

(5) Application of Administrative Leave for Disruption of Normal Operations. Administrative leave is to be used to prevent any loss of compensation for employees who are scheduled to work, but due to disruption of normal operations are unable to work their scheduled shift(s).

0511. Military Leave

a. An employee who is serving in a regular position is entitled to time off at full pay for certain types of active or inactive duty in the National Guard or as a Reservist of the Armed Forces without adverse effect on performance rating or loss of pay. This leave is "military leave". The procedures for use of, charge to, and documentation of military leave will be the same as those governing military leave for APF employees of DoD.

b. The Reserve Components of the Armed Forces of the U.S. include the Reserves of the Army, Navy, Air Force, Coast Guard, and Marine Corps; and the National Guards of the Army and Air Force.

c. Flexible employees are not entitled to military leave regardless of the number of guaranteed hours.

d. The service listed below is not considered military duty and military leave is not authorized for these. Absence of regular employees for any of the following reasons will be charged to annual leave, LWOP, or some other form of eligible leave:

- (1) Summer training as members of Reserve Officers Training Corps.
- (2) Temporary Coast Guard Reserve duty.
- (3) Participation in parades by members of the State National Guard, except DC National Guard (who are entitled to military leave for this purpose).
- (4) Training with a State Guard or other State military organization.
- (5) Civil Air Patrol duty.

e. Maximum Amount of Military Leave.

(1) Military leave for training purposes is limited to a maximum of 120 hours for RFT employees during each FY, regardless of the number of training periods in the year, and regardless of whether taken intermittently or all at one time. Any part of the military leave that is not used in any FY year accumulates for use in succeeding years, NTE 120 hours maximum carryover per FY. Therefore, a regular employee could have a maximum of 240 hours for use during a FY. In the case of RPT employees, the rate at which military leave accrues will be a percentage of the full time authorization of 120 hours. The percentage will be determined by dividing the number of hours in the employee's basic workweek by 40. While on military leave, employees will receive their full compensation from the employing NAF activity and will retain all military pay and allowances.

(2) Regular employees who are members of the National Guard or Armed Forces Reserves and who are called to duty to provide military aid to enforce the law may be granted additional military leave, NTE 22 workdays in a CY. Payment to the employee will be reduced by any amount of pay other than travel, transportation, or per diem allowances received by the employee for military service for this purpose, up to the amount paid by the NAF activity for the same period of time. Civilian pay will be reduced by only the amount received for military service performed on a workday; any amount of military pay the individual may receive for non-workdays is not considered.

f. The minimum charge for military leave is one hour and additional charges are in multiples of one hour. Employees will not be charged military leave for hours they would not otherwise work.

0512. Military Furlough. Regular and flexible employees in continuing positions (without time limits) will be placed in a military furlough status for purposes of induction into the Armed Forces of the U.S. or recall to active duty for up to 5 years. When the employee returns to NAF duty from military furlough, they will be placed in the same position they would have held had the person remained continuously employed. They will also have the same seniority, status, pay,

and leave accrual entitlements they would have enjoyed had they remained in the NAF position. When the military furlough lasts more than 90 days and the position the employee previously held is no longer available, the employee may be placed in a comparable position with the same seniority, status, pay, and leave accrual entitlements as the position previously held.

0513. Home Leave

a. DoD employee recruited for overseas duty from the U.S., or its territories or possessions including the Commonwealth of Puerto Rico, who may accumulate a maximum of 45 days of annual leave pursuant to DoDI 1400.25, Volume 1260.

b. Per 5 U.S.C. §6305, a DoD employee must complete 24 months of continuous service outside the U.S. (or after a shorter period of such service if the employee's assignment is terminated for the convenience of the government) to be eligible to take home leave. The 24 months of continuous service abroad is a one-time requirement. When the initial 24 month threshold is achieved, the employee may use accrued home leave at any time during subsequent tours overseas.

(1) Home leave is earned and credited on a monthly basis.

(2) Earning rates of home leave range from five days to 15 days every 12 months per 5 CFR §630.604.

(3) The minimum charge for home leave is one day. There is no limit on accumulation of home leave.

(4) Home leave, so granted, may be used:

(a) In combination with other leaves of absence.

(b) Only in the U.S. or its territories and possessions to include the Commonwealth of Puerto Rico.

(c) Only during a period of service abroad when it is contemplated that the DoD employee will return to service abroad upon completion of the home leave period or upon completion of an assignment in the U.S.

c. Additional conditions on home leave are prescribed in 5 CFR §630.606.

0514. LWOP

a. Routine Circumstances. LWOP may be granted an employee who is receiving benefits under the LHWCA, for military service, for disability, or for other reasons acceptable to and

approved by the Head of the NAF activity. Upon request, such leave may be granted to a RFT or RPT employee instead of annual, sick, or another approved leave category. Normally, such leave will not be granted for a period exceeding one year.

b. Leave for Spouse and Other Dependent NAF Employees upon Transfer of Military/Federal Civilian Sponsor. To assist employees in the transition process, LWOP will be granted to spouse or dependent RFT and RPT NAF employees who are transferring with their military or civilian Federal (APF or NAF) sponsor. LWOP may also be granted to other employees who are transferring so they will not incur a break in service. Such LWOP will only be granted to eligible employees whose performance is rated satisfactory or higher. Employees requesting this type of leave must complete a CNIC 12630/1. They are also required to complete Part E, block 2, of a SF-52 listing a termination date effective the first day after completion of the first 90 days of LWOP. Upon written request of the employee, extensions may be approved in 90-day increments NTE 1 year.

0515. Leave Donation Program

a. Program Approval. The head of the NAFI or their designees may establish leave donation programs to allow NAF employees under the component's authority to transfer leave to other NAF employees for a medical or family emergency or other hardship situation.

(1) OPM leave transfer programs for APF employees may be used as a guide.

(2) The transfer of leave between APF and NAF employees for the purpose of donating leave is prohibited.

b. Required criteria. The program for civil service employees will be used as a guideline within the following parameters:

(1) Voluntary participation is limited to current RFT or RPT CNIC NAF employees.

(2) The transfer of annual leave must be among NAF donors within the recipient's employing NAF activity.

(3) The approval and use of transferred annual leave will be subject to the conditions and requirements imposed by this manual and local command regulations pertaining to annual leave.

(4) Approved leave recipients will provide medical documentation of a medical emergency prior to receipt of donated leave. Pregnancy without medical complications is not a medical emergency. Sick leave abusers will not be allowed to use this program to replace leave they have squandered in the past.

(5) The leave donated is taken from the annual leave account of the donor. It is then converted to NAFs based upon the salary rate of the donating employee and is transferred to the receiving employee to use as sick leave. The number of hours received is based upon the salary

rate of the receiving employee. Donated leave will only be credited to the user's account as it is used. Unused donated leave will be returned to the donor.

CHAPTER 6

NAF LABOR MANAGEMENT AND EMPLOYEE RELATIONS

0601. Labor-Management Relations Policy. The Federal Service Labor-Management Relations Statutes, 5 U.S.C. §7101 et seq., and 5 U.S.C. §7103 (a) (2) and (3) apply to both APF and NAF employees. DoDM 1400.25, Volume 711. Increased costs resulting from any NAF activity's collective bargaining agreement will not be voluntarily shared by other NAF activities. The authority to deal with the Federal Labor Relations Authority (FLRA) and other third parties on union issues is delegated to the APF Office of Civilian Human Resources (OCHR) Operation Centers. Therefore, union issues should be directed to the OCHR Operation Center and CNIC (N941), NAF Labor and Employee Relations Program Manager (LER PM) simultaneously.

a. Events Requiring Higher Level Notification. The following labor relations events require immediate simultaneous notification to OCHR and the CNIC (N941) NAF LER PM:

(1) When a labor organization is going to attempt to organize all or part of the NAF activities' work force.

(2) FLRA Region Director decision and orders on new, revised, or terminated bargaining units.

(3) When a determination needs to be made concerning whether or not an issue is negotiable.

(4) Upon receipt of a notification of the filing of an Unfair Labor Practice charge and also the FLRA findings on the charge.

(5) Prohibited activities by a recognized union such as a strike or work slowdown.

(6) When impasse results during negotiation.

b. Upon completion of negotiations on a union negotiated collective bargaining agreement, the agreement must be approved by the DoD DCPAS within 30 calendar days of the date the agreement is signed. The signed negotiated collective bargaining agreement must be sent via e-mail to the CNIC (N941) NAF LER PM. In addition, management's chief negotiator will contact the CNIC (N941) NAF LER PM via telephone with the information that the collective bargaining agreement has been signed and is being e-mailed. The CNIC (N941) NAF LER PM will then send the agreement to DCPAS.

c. Addresses and Phone Numbers

(1) Include the name of the NAF activity POC, work telephone number, fax number, and the NAF activity's express shipment address on all submissions to DCPAS. Include the name, business address, and local telephone number of the Union President.

(2) The address and telephone number for DCPAS is:

17 Jul 2023

Defense Civilian Personnel Advisory Service (DCPAS)
Labor and Employee Relations Division
4800 Mark Center Drive
Arlington, VA 22350-1100

Phone (Comm.) (703) 696-6301/DSN 426
Fax(Comm.) (703) 696-4588/DSN 426

- (3) The address, and telephone number for CNIC (N941) is:

(Mail)
CNIC Millington (N941)
5720 Integrity Drive
Millington, TN 38054

(Express Shipment)
CNIC Millington (N941)
Commander, Navy Installations Command
5720 Integrity Drive, Bldg. #457
Millington, TN 38055-6540
Phone (Comm.) (901) 874-6704/DSN 882
Fax(Comm.) (901) 874-6844/DSN 882

d. Employee Rights. 5 U.S.C. §7102 gives each employee a right to form, join, or assist any labor organization or to refrain from any such NAF activity, freely and without fear of penalty or reprisal and each employee is protected in the exercise of these rights. Except as otherwise provided by law, such rights include the right:

(1) To act for a labor organization in the capacity of a representative and the right in that capacity, to present the views of the labor organization to heads of agencies and other officials of the executive branch of the Government, the Congress, or any other appropriate authorities.

(2) To engage in collective bargaining with respect to conditions of employment through representatives chosen by employees under 5 U.S.C., chapter 71.

(3) The case law interpreting 5 U.S.C. §7102 indicates that restrictions on an employee's right in this area must be narrowly tailored. Therefore if NAF management feels that an employee is taking an action that is a conflict of interest with their union rights under 5 U.S.C. §7102, NAF management will consult with their legal office before ordering a NAF employee to refrain from acting on behalf of a union.

e. Management Neutrality. Managers, supervisors and other management officials will maintain a position of neutrality with regard to membership or non-membership of subordinates in a labor organization.

f. Strike Prohibition. Federal employees are prohibited from participating or assisting in a strike, work stoppage, or slowdown. They are also prohibited from picketing a NAF activity in a labor management dispute if such picketing interferes with the operation of the activity. Employees engaging in such illegal NAF activity are subject to disciplinary action up to and including removal. Notification of any activity regarding the aforementioned should immediately be reported to the local NAF HRO who in turn will notify the CNIC (N941) NAF LER PM.

g. Exclusions. Labor-management policies and procedures do not extend to aliens or non-citizens of the U.S. that occupy a position OCONUS. They are not extended to supervisors or managers, other management officials, or any person who participates in a strike in violation of the law. Relationships with labor organizations of non-U.S. citizen employees will be consistent with pertinent inter-government agreements, or local practices and customs.

h. Appropriate Unit. The FLRA will determine the appropriateness of any NAF unit. It will determine those employees to be included in the appropriate unit on a basis that will ensure a clear and identifiable community of interest among the employees concerned. A unit will be designed to promote effective dealings and efficiency of CNIC NAF operations. A unit will not be established solely on the basis of the extent to which employees in the proposed unit have organized. NAF and APF employees should not be in the same bargaining unit but that determination will be made by the FLRA.

i. Payroll Withholding of Labor Organization Dues. Once exclusive recognition is granted to a union, the NAF activity and the union may enter into an agreement whereby members of the organization who are employees in the unit may authorize the payment of their dues to the organization through a payroll deduction. Employees who are members of the labor organization but who are not included in the unit cannot participate in the plan for payroll withholding of dues. Arrangements with respect to voluntary allotment of payment of labor organization dues will conform to 5 U.S.C. §7115.

0602. Employee Relations Policy

a. Communications.

(1) Continued and unimpeded communications are vital factors to an informed and productive work force. Management and employees should strive to build orderly and constructive working relationships to facilitate this process.

(2) Employees should be informed, insofar as possible, of plans and policies that affect them and their work. This includes (but is not limited to) a thorough understanding of conditions of employment, job requirements, employee rights, privileges, and responsibilities, of both management and employees.

(3) Employees should be encouraged to participate to the fullest extent possible on improvements of work methods and working conditions.

b. Health and Safety

(1) General MWR operational policy guidance on health and safety issues for CNIC NAFI is contained in CNICINST 5890.1. NAF activities also need to comply with local installation health and safety requirements.

(2) Employee working conditions will be made as safe and healthy as possible. NAF management and employees will strictly follow all safety and health regulations as cited per DoDI 6055.01. Where safety technicians are not available on the installation, outside consultants may be used.

(3) Effective safety practices will be established in conjunction with the overall safety program of the Navy installation on which the NAF activity is located.

(4) Employee complaints about working conditions related to health and safety issues will be carefully investigated. Action will be taken immediately to correct any unwarranted discrepancies.

c. Security. NAF employees will comply with all established security regulations. They will be advised of prohibitions on the use of cameras and recording devices on the base, handling of classified information, and all other security precautions necessary in their work. NAF activities will comply with all local installation security requirements.

d. Employee Services Programs. NAF Employees will be included, to the fullest extent authorized by regulations, in the employee services programs at the command at which the NAF activity is located. This includes Civilian Employee Assistance Program, and drug and alcohol abuse prevention programs in DoDI 1010.4 of February 20, 2014. NAF employees will have the same access and privileges as APF employees to use civilian cafeterias and civilian recreation facilities, obtain vehicle and personal passes, use station parking, and provide other authorized services beneficial to employee morale.

e. Use of MWR Facilities and Programs.

(1) NAF employees are authorized to use military MWR facilities and participate in MWR programs, if approved by the ICO. Access by NAF employees to military MWR facilities and programs should not interfere with usage by regularly authorized patrons. DoDI 1015.10 of 14 contains specific guidance on authorized usage of MWR facilities.

(2) NAF employees are authorized to use Civilian MWR (CMWR) facilities and participate in MWR programs and activities. DoD 1015.8; SECNAVINST 12990.1.

(3) Use and participation in MWR and CMWR facilities, programs and activities does not entail permission to engage in otherwise prohibited conduct, such as:

(a) Employees are not permitted to consume alcoholic beverages during working

hours and managers may not drink in facilities that they manage.

(b) Employees working in a MWR program are not entitled to participate as a recipient of the services of that program during assigned working hours.

f. Use of Government Quarters and Facilities

(1) NAF employees are entitled to the same quarters and facilities authorizations as comparable APF employees.

(2) NAF employees are generally expected to secure personal quarters from the private sector. The following are three specific exceptions where government quarters may be provided:

(a) When employees recruited from the U.S. to work at overseas foreign installations.

(b) At isolated sites in rare circumstances where the only suitable quarters and facilities available are government owned.

(c) In rare instances where the presence of a key staff member is essential to carrying out the mission of the installation. Only the ICO, subject to prior written approval by the REGCOM, can only make this determination.

(3) NAF employees are authorized temporary use of government quarters, if available, while traveling on official business.

0603. Political Activity

a. Principles. The principles of 5 U.S.C. §7324, relating to political activity of government employees apply to NAF employees. DoDI 1400.25, Vol 1471. NAF employees will not use official authority or influence to interfere with an election, or attempt to affect its results. The Hatch Act Reform Amendments of 1993, P.L. 103-94, liberalized the extent to which the majority of federal employees are permitted to engage in off-duty partisan political activities.

b. Employee Rights. Guidelines for NAF employees covered under the New Hatch Act Amendments are as follows:

(1) NAF employees may be candidates for public office in nonpartisan elections; register and vote as they choose; assist in voter registration drives; express opinions about candidates and issues; contribute money to political organizations; attend political fund-raising functions; attend and be active at political rallies and meetings; join and be an active member of a political party or club; sign nominating petitions; campaign for or against referendum questions, constitutional amendments or municipal ordinances; campaign for or against candidates in partisan elections; make campaign speeches for candidates in partisan elections; hold office in political clubs or parties and be delegates to party conventions; and distribute campaign literature in partisan elections.

(2) NAF employees may not use their official authority or influence to interfere with an election; solicit, accept, or receive political contributions, unless both individuals are members of the same Federal labor organization or employees' organization, and the one solicited is not a subordinate employee. They may not knowingly solicit or discourage the political activity of any person who has business before the agency; engage in political activity in any government office; engage in political activity while wearing an official uniform; engage in political activity while using a government vehicle; be candidates for public office in partisan elections; or wear political buttons on duty.

c. Investigating Violations

(1) A NAF employee, with knowledge of a violation of the regulations governing political activity, will immediately report it to the Head of the NAF activity. The local ICO will be notified if the violation involves the head of the NAF activity.

(2) The head of the NAF activity (or the ICO if the violation involves the Head of the NAF activity) will investigate all reports immediately. A written statement of findings and recommended disposition will be forwarded expeditiously through the chain of command within 30 days of the report of violation to CNIC (N941).

(3) CNIC (N941) will promptly forward the report via CNIC to DASN (CP/EEO) who will make the final determination as to violations.

0604. Fiduciary Responsibility. There is an individual fiduciary responsibility for properly using NAF resources and preventing waste, loss, or unauthorized use. This responsibility extends to all DoD personnel, including members of the Armed Forces and civilian employees paid with either APF or NAF. Under 10 U.S.C. §2783, personnel who violate NAF regulations in management of funds are subject to the same penalties under federal laws that govern the misuse of APF.

0605. Loyalty to the U.S. Government. No person will be employed or continue to be employed in a NAF activity who advocates the overthrow of the U.S. Government; is a member of an organization that advocates the overthrow of the U.S. Government; or participates in any strike against the U.S. Government, including all instrumentalities of the U.S. Government.

0606. Whistleblower Protection for NAF Employees and Applicants.

a. DoDD 1401.3 provides policy and implements P.L. 98-94, "DoD Authorization Act, 1984, §1253 (10 U.S.C., §1587), which establishes protection against reprisals for certain NAFI civilian employees and applicants who have made protected disclosures. SECNAVINST 5370.7C further extends protection to NAF employees, or applicants, from reprisal for making, or preparing a complaint, which they reasonably believe evidences a violation of law or regulation, mismanagement, a gross waste of funds, an abuse of authority, or a substantial and specific danger to public health or safety to a Member of Congress, IG, or member of a DoD audit, inspection, investigation, or law enforcement organization.

b. No government employee or military member may take or threaten to take an

unfavorable personnel action, or withhold or threaten to withhold a favorable personnel action, in reprisal for any NAF employee or applicant who exercises the right to report any misconduct, fraud, waste, or abuse that they are aware of or observe.

c. If any unfavorable action is taken against a NAF employee or applicant for the exercise of these rights, the offended employee or applicant may file a complaint with the Naval Inspector General (NAVINSGEN), or the DoD IG. REGCOMs and ICOs are required to publicize the procedure for filing a complaint.

d. DoDD 7050.01 establishes policy and assigns responsibilities for the DoD Hotline Program for reporting fraud or mismanagement. The DoD Hotline phone number is 800-424-9098. Information on how to file a complaint is located at <http://www.dodig.mil/hotline>.

e. NAVINSGEN can be reached at (800) 522-3451 (Commercial) or 288-2613 (DSN). Information on how to file a complaint is located at www.secnav.navy.mil.

0607. Administrative and Disciplinary Actions. See Appendix “C” for an in-depth review of administrative and disciplinary actions.)

a. Administrative Actions. The following are considered administrative actions:

- (1) Oral Admonishments.
- (2) Letters of Requirement–Leave and Attendance.
- (3) Letters of Caution.

b. Basic Disciplinary Actions. The following are considered basic disciplinary actions:

- (1) Letters of Reprimand.
- (2) Letters of Reprimand in lieu of a Suspension.
- (3) Suspensions of 30 calendar days or less.

0608. Non-Disciplinary Involuntary Separations. Not all involuntary separations are for disciplinary reasons. An employee may have to be separated because of long term disability, such as based on a medical finding of long term non-availability that extends beyond accrued sick and annual leave and use of authorized FMLA leave; being on extended workers’ compensation (more than one year); or separations at the completion of transportation agreements for overseas tours. These separations are not punitive in nature. However, if these type separations become necessary after the employee has received their FMLA entitlements, if any, they will be provided the same due process and appeal rights afforded under the procedures for severe disciplinary action separations.

0609. Emergency Suspension. Additional information on Emergency Suspension can be found in chapter 8 of this manual.

0610. BBA.

a. Definition. A BBA is a reduction in an employment category or pay rate, a furlough of eight calendar days or more, a reduction in grade as a result of a reclassification action, or a separation action initiated by management for non-disciplinary reasons. A BBA is used to adjust resources in response to changes in business revenue, budget, workload, organization, or mission. It is not used to address performance or conduct deficiencies. Employees are affected by BBAs only if so identified after an objective, fair, and equitable ranking against other employees in the same employment category and group of affected positions.

b. Coverage. BBA guidelines apply to regular employees who have completed their probationary period, and those flexible employees who have been on the rolls of the NAF activity effecting the BBA for three continuous years. Flexible employees are not covered for furlough BBAs, nor do they have a right to the third stage of the BBA appeal process.

c. Coverage Exclusions. Excluded from coverage are employees currently serving probationary periods, employees with unsatisfactory performance ratings, and flexible employees who have been on the rolls of the NAF activity effecting the BBA less than three continuous years. These employees are non-competing employees in a BBA.

d. Delegation of Authority. All BBA notices will be signed by the head of the NAF activity.

e. BBA notifications usually involve a general notice for all employees and then a specific notice for the impacted employee(s) identified on the retention register. Advance notice periods are shown in table D-1. However, if an activity can narrow the list of potentially impacted employees through a mock BBA, an individual general notice with a greater than 30 day lead time can be given to those employees. If this is done, a second specific individual notice must be issued when the retention register is worked. If an individual general notice was issued well in advance of the notice period in table D-1, then the notice period for the second specific notice may be reduced from 30 to 14 days for regular employees.

f. SECNAVINST 12351.5G indicates that DON will issue a single annual notice to Congress of all planned reductions-in-force (RIF), BBAs, transfers of function, and transfers of work actions. APF actions must be approved by Congress. NAF is exempted from the Congressional approval requirement. The annual report is compiled by the APF command HRO representative. Claimant NAF representatives will gather and report the NAF data to the APF command HRO representative for the annual report.

0611. Classification Appeal Processes. Classification Appeals. Detailed information concerning classification grievances and appeals is contained in Enclosure 4 of this instruction.

0612. Medical Fitness-for-Duty Examinations.

a. Purpose. The purpose of a NAF fitness-for-duty examination is to ascertain whether or not the employee is medically capable of meeting the requirements of their position.

b. Requesting Examination. Management, at their expense, can order fitness-for-duty examinations at any time and repeat them, as necessary, to safeguard the employee or coworkers. Specific reasons for the fitness-for-duty examination must be stated by the requesting official. In addition, at management's option, a fitness-for-duty medical examination may be offered following the procedures in 5 CFR 339 per 5 CFR 752.404 (c) (3):

“If the employee wishes the agency to consider any medical condition which may contribute to a conduct, performance, or leave problem, the employee must be given a reasonable time to furnish medical documentation (as defined in §339.104 of this chapter) of the condition. Whenever possible, the employee will supply such documentation within the time limits allowed for an answer.”

CHAPTER 7

NAF ADMINISTRATIVE GRIEVANCE PROCESS

0701. Employee and Applicant Grievances - General

a. A grievance is a request by an employee or by a group of employees for personal relief from matters of concern or dissatisfaction that are subject to the control of the NAF activity as well as requests for relief from personnel actions. The process outlined in this chapter will be the only grievance process available to any CNIC NAF employee not covered by a negotiated union grievance procedure. It is also the procedure for NAF applicants, even if not active employees, who are denied employment due to unsatisfactory suitability and fitness. Employees who are part of a recognized bargaining unit must use their union negotiated grievance procedure in their CBA unless the matter is shown in the CBA to be specifically excluded from that procedure.

b. Remedy or relief. In order for a grievance to be considered, any requested remedy or relief must be personal to the employee or applicant and may not include a request for disciplinary or other action affecting another employee.

c. Pursuant to DoDI 1400.25, Volume 1471, NAF employees are covered by E.O. 11478 which prohibits employment discrimination based on an individual's status as a parent. As this form of discrimination is not enforced by the Equal Employment Opportunity Commission (EEOC), it is not processed through that complaints process. NAF employee claims of employment discrimination based on status as a parent may be filed in accordance with this administrative grievance procedure or a negotiated grievance procedure, whichever is appropriate.

0702. Exclusions. All of the following are matters that are excluded from coverage of the NAF administrative grievance process and will not be accepted as grievances:

a. Grievances covered by a union-management CBA. The union CBA is the exclusive procedure available for resolving grievances that fall within the coverage of a collective bargaining agreement.

b. Actions taken pertaining to the security program.

c. Separation during the probationary period provided all procedural requirements have been met.

d. Separation from a flexible appointment (unless the separation is for BBA and the employee has been on the rolls of the NAF activity for three continuous years).

e. Allegations of discrimination on the basis of race, age, color, religion, sex, disability, national origin, gender identification or reprisal for participation in the EEO process. These cases should be referred to the CNIC NAF EEO Office.

f. Personnel actions voluntarily requested by the employee.

- g. Granting or not granting an honorary or monetary award.
- h. Granting or not granting a pay increase to a payband employee.
- i. The content of published policy applicable to CNIC NAF employees.
- j. A specific action required by an authority outside of CNIC or any matter subject to final administrative review outside CNIC.
- k. Wage or salary rates or schedules established by appropriate authority.
- l. Terminating a temporary promotion or temporary pay increase due to the assignment of additional duties and the return to the rate of pay that was being received prior to the temporary promotion and/or pay increase.
- m. Non-selection from a referral list of properly certified candidates.
- n. Management decisions regarding budget, workload, organization, and mission.
- o. Allegations of mismanagement or any other allegations/situations when no form of personal relief to the grieving employee is appropriate.
- p. Failure to release information and records from Navy files.
- q. Reassignment to a position at the same rate of pay or grade/level and in the same employment category.
- r. Content of performance standards.
- s. Separation of off-duty military employees upon withdrawal of their military CO approval to work.
- t. Any matter that has its own review or appeal procedure stated as part of its regulatory provisions. This includes, but is not limited to, crafts and trades classification appeals which are processed in accordance with DoDI 1400.25, Volume 1407 and subchapter 7 of the OPM Operating Manual.
- u. Matters accepted by the Inspector General for review.
- v. Any issue previously decided in an earlier grievance, complaint or appeal brought by the employee.
- w. Oral admonishments, letters of caution, letters of requirement-leave and attendance, and letters of expectation.
- x. Letters of reprimand and letters of reprimand in lieu of suspension.

y. An individual whose rights or interests under the Civil Service Retirement System (CSRS) or Federal Employee Retirement System (FERS) are affected by the employing agency's decision regarding eligibility to make a retirement portability of benefits election will not be reviewed under these employee grievance procedures. The exclusive remedy for review of those agency decisions rests with the MSPB.

z. Complaints regarding violation of employment rights in accordance with 38 U.S.C., Chapter 43, also known as the "Uniform Services Employment and Reemployment Rights Act of 1994" or USERRA. These complaints are within the jurisdiction of the MSPB.

(1) Grievances that request a remedy that is not personal to the grievant or applicant including, but not limited to, a request for disciplinary or other action affecting another employee or applicant.

(2) Issues regarding retirement, life insurance, and health insurance

(3) A notice of a proposed disciplinary action.

(4) The classification of any position.

(5) Release of information from Navy files.

0703. Employee Rights

a. All employees will be treated fairly and equitably in all respects. Those who feel they have not been so treated have a right to present their grievance to appropriate management officials for prompt consideration and decision. An employee may exercise this right personally or through a personal representative. In exercising this right, the employee will be unimpeded and free from restraint, coercion, discrimination, or reprisal. Dissatisfactions and disagreements arise occasionally in any work situation; the filing of a grievance will not be construed as reflecting unfavorably on the quality of supervision or on the general management of an organization.

b. Attempts to resolve grievances will be at the lowest practicable organizational level and in the shortest time possible.

c. Consideration of a grievance must be expeditious, fair, thorough, and impartial. Lengthy delays in the resolution of a grievance may overshadow the original matter about which the grievant was dissatisfied, with an accompanying adverse effect on morale.

d. Upon request, grievants may be given redacted information from official records related to their grievance; however, records or investigative work products will not be released if prohibited by law or regulation. Also, grievants will be given full access to relevant regulations and official directives. When feasible, extracts or copies of these regulations and directives will be given to the grievant on request.

e. Both the aggrieved and the designated representative may review documentary evidence. Any individual whose involvement is not required for resolution of the case will not be permitted to review the documentary evidence or attend meetings or interviews related to the issue.

f. A grievance of a BBA will be accepted for processing only if the employee alleges that the BBA procedures or regulations were not properly applied.

0704. Employee Representation

a. A grievant may be represented and advised by a representative of their choosing. The representative's service must not result in a conflict or apparent conflict of interest or position, conflict with the priority needs of the service, or cause unreasonable cost to the NAF. A representative associated with a labor organization may act as a personal representative to an aggrieved employee exercising his or her rights under this chapter. As a personal representative, and if otherwise in an active duty status as a CNIC NAF employee, they may engage in representational duties described elsewhere in this chapter while on official duty time. They may not, however, represent an employee in either his or her official union capacity or on official time described in the Federal Service Labor-Management Relations Statute, any applicable CBA, or other labor-management agreement. An individual associated with a labor organization may not act in any capacity as a representative of supervisory personnel as this would constitute a conflict of interest. The NAF management official may not designate a representative for an employee nor require any employee or individual to serve as a representative of another employee. All expenses of the grievant and representative shall be the responsibility of the grievant, the representative, or both.

b. Representatives must be designated in writing. The representative's name will be sent through the NAF activity HRO and forwarded to the grievant's immediate supervisor. Changes in representatives must be made in writing in the same manner.

c. The head of the NAF activity may disapprove a grievant's choice of representative at any time for any of the reasons set forth in paragraph 4a above. The employee will be told, in writing, the specific reasons for the disapproval.

d. If the employee's choice of representative is disapproved, the employee may send a written appeal to the person who disapproved the grievant's choice of representative. The appeal must be sent within seven calendar days of receiving the notice of disapproval. The appeal will state why the grievant believes they should be allowed the representative who was disapproved. The individual to whom the appeal was sent will have seven calendar days after receiving the written appeal to issue a decision in the matter. There will be no further appeal to this decision.

e. The representative must obey the same rules of conduct and procedures as the grievant. If classified information is involved, the representative must have the proper security clearance. If the representative does not, the grievant has the following choices:

- (1) Pick a representative who has the proper clearance.

(2) Forego representation.

(3) Let the case proceed without the representative being allowed to have access to the classified information or be able to challenge or otherwise comment on it.

0705. Use of Official Time and Resources

a. The aggrieved employee and designated representative, if otherwise in an active duty status as a CNIC NAF employee, may use reasonable amounts of official duty time subject to supervisory approval for preparing and presenting a grievance. The time allowed depends on the facts of the specific case. This time must be requested in writing to the appropriate supervisor for approval and may be used to:

(1) Get advice on rights and privileges from official sources.

(2) Get information on or assistance with the grievance from official sources (i.e., get copies of witnesses' statements, etc.)>

(3) Communicate with management and the NAF activity HRO.

(4) Present the grievance.

0706. Discontinuance of Consideration

a. A grievance may be canceled or withdrawn at any time at the grievant's request. The request will be in writing and shall state that the employee is voluntarily submitting the request to either cancel or withdraw the grievance. When a grievant requests that a grievance be canceled or withdrawn, a subsequent grievance on the same matter may not be accepted for processing.

b. Any unjustified delay or dilatory tactic on the part of the grievant will serve as a basis for closing out action on a grievance. Specifically, failure without reasonable basis, to furnish requested information within specified time limits or any other unjustifiable delay in the processing of the case will justify closing the case and rendering a decision on the basis of the information available. Unjustified delay on the part of management will serve as basis for the employee to request that the grievance move to the next higher level.

c. Except where a separation or a pay issue is involved, if the grievant files an EEO complaint regarding the same issue as the grievance, resigns, dies, or is separated before a decision is reached, action will be stopped and all interested parties will be notified promptly in writing that the case is being closed without decision. A copy of this notification will be made a part of the case record. If a separation or a pay issue is involved, the case will be processed to conclusion in the same manner as though the grievant had remained on the rolls.

0707. Grievance Steps

a. There are two formal steps in the administrative grievance process for non-disciplinary issues and suspensions. Employees, managers and supervisors are encouraged to discuss issues informally before a formal grievance is initiated. Many issues are usually resolved through open communication. There is not any requirement the employee do this and the employee may go directly to step one of the grievance procedure.

b. Step One: Administrative Grievance Process.

(1) A formal written administrative grievance may be submitted through the employee's supervisor unless the action is disciplinary in nature as defined in this chapter. The grievance is submitted to the next level of supervision above the individual who issued the decision on the disciplinary action. The grievance shall be submitted not later than seven calendar days after the effective date or date the event occurred or the date that the employee became aware of the event that is the basis of the grievance. Written step one or step two grievances must contain:

- (a) A detailed and clear description of the grievance.
- (b) The date of the occurrence or awareness of the incident or matter being grieved.
- (c) The relief sought. Requested relief must be personal to the employee or applicant and may not include a request for disciplinary or other action affecting another employee.

(2) Upon receipt of the grievance the step one official may resolve the grievance on the basis of the record. If further information is required, a disinterested third party may be designated by the step one official to obtain the facts and, if desired, submit a recommendation to the step one official. This fact finder may not be a subordinate of the official involved in the grievance unless that official is the ICO or the Regional (N9).

(3) The step one official may approve and implement the recommendation of the fact finder, or determine another resolution. A written decision will be provided to the employee within 30 calendar days of receipt of the grievance. If the fact-finding process will be lengthy the employee will be advised of the expected date of decision. Failure to render a decision within 90 calendar days is a basis for the employee to request forwarding the grievance to the next higher level. The written decision on the grievance shall summarize the grievance and the consideration given. The employee will be advised that if they are dissatisfied with the step one decision, the grievance may be advanced to step two not later than seven calendar days from the date of the receipt of the step one decision. If the grievance is not filed within the aforementioned timeframe the employee will be so notified and the grievance will be closed.

c. Step Two: Administrative Grievance Process.

- (1) Within seven calendar days of receiving the step one decision, or in the event such

response was not received within the specified timeframe, the employee may continue the attempt to resolve the grievance by filing the grievance at the next level of command above the step one official.

(2) If the step one official was the ICO or their designee at the regional level, then the step one decision is the final answer and there is not any step two available. If the action being grieved is a demotion or termination action the employee can appeal to the CNIC N9 pursuant to item “d” below.

(3) If step two of the administrative grievance procedure is used by the employee, the step one manager will provide the step two official with all available information concerning the grievance. The step two deciding official may use any means to gather relevant information in order to arrive at the facts of the case (i.e., appointment of a fact finder or a review of the case as presented). Based on the review of the grievance issue(s), the step two official shall issue a written response of the findings and decision to the employee. The step two official's decision is the final Navy decision. The step two official should provide the grievant with a written decision within 90 calendar days of receipt of the grievance. If a decision cannot be rendered within the 90 calendar day timeframe, the employee will be notified to include an estimated timeframe wherein a decision may be rendered.

d. **Step Three: Administrative Grievance Process regarding Demotions and Terminations ONLY.**

(1) The step three process is through the management level that signed the step two decision to CNIC (N9). The decision of CNIC (N9) is the final Navy decision on the appeal. CNIC (N9) will request from the NAF activity HRO all information regarding the issue(s) being grieved including the full grievance file. The grievance file shall include all documents considered both in the action, and the preceding step(s) of the grievance procedure. The CNIC decision will be based upon a review of the grievance file and any other related documents. There will not be any formal hearing prior to step three. CNIC (N9) will issue a decision within 60 calendar days of receipt of the employee's grievance. If a decision cannot be rendered within the 60 calendar day timeframe, the employee will be notified to include an estimated timeframe wherein a decision may be rendered. Failure to meet this time limit does not give the employee the requested relief. The CNIC (N9) decision is the final Navy decision and there is no further right to grieve.

e. Administrative Grievance File. A grievance file will be established and maintained by the servicing NAF activity HRO and must contain all documents related to the grievance.

f. Issues previously decided. If an employee attempts to grieve an issue that was decided in an earlier grievance by the same employee, the previous decision will be cited and the grievance rejected.

g. Administrative Grievances of Performance Evaluations. An employee may grieve the overall performance evaluation, or the rating of an individual factor using the two step procedure above. When grieving performance, the employee shall provide written justification as to why

the rating should be different. The burden of proof rests with the employee for ratings of satisfactory or above. Grievances must be filed within seven calendar days of receipt of the rating. If the grievance is not filed within the aforementioned timeframe the employee will be so notified and the grievance will be closed. If the issue concerns the supervisor's failure to issue a timely performance evaluation, the grievance must be filed within seven days of the expiration date of the current, or last annual rating. This time may be extended when the employee has not been informed in a timely fashion as to the date of their next rating. Management should consider a supervisor's use, or neglect of the appraisal rating process during overall annual performance evaluation of each supervisor and manager.

0708. Standard of Proof for Upholding the Proposed Disciplinary Actions

a. The standard of proof is the substantial evidence standard. Substantial evidence is such relevant evidence that a reasonable mind might accept as adequate to support a conclusion. The grievance official's responsibility is not to look only for evidence which will sustain, for the example, the MWR Director's action but to look impartially at all the evidence presented by both sides. However, the burden of proof is on the government to reach the substantial evidence standard. If the government has met the burden, then the disciplinary action taken should be upheld, unless the discipline imposed is disproportionate under all the facts and circumstances of the case.

b. Because most severe discipline cases are for termination, the evidence, if it establishes the misconduct in question, will normally sustain the termination. There should be very few instances where the grievance official will be faced with balancing the discipline taken against the offense which generated the proceedings to determine the appropriate level of discipline. The grievance official must be constantly alert not to substitute their judgment for that of, for example, the MWR Director. Just because the grievance official would not terminate someone for the offense in question is not the standard the grievance official should use. As long as the substantial evidence rule standard is met, the discipline should not be disturbed.

c. However, there may be times when the discipline taken is so disproportionate as to lead a reasonable person to believe that the action taken was not sustained by the substantial evidence of record. At these times, the grievance official should so state the findings and explain why there is a recommendation for a lesser form of discipline.

0709. Regulatory Interpretation

a. When the only issue in a grievance involves the interpretation of a regulation or policy, the proponent of the regulation or policy may be requested to provide interpretation and decision. The NAF activity will obtain the employee's written concurrence to resolve the grievance this way.

b. The NAF activity will provide to the requesting organization a record of facts on the case. This record will cite the regulation or policy involved and will include a copy of the grievance and other supporting material.

c. The employee and any representative will be given seven calendar days to review this material and submit written comments to the requesting organization for inclusion as a part of the record.

d. The grievance file will be sent to the proponent of the regulation or policy for interpretation, and the requesting organization will also send a copy of the file to the command levels in between. The proponent will inform the employee and activity of its interpretation and that its decision is final.

CHAPTER 8

DISCIPLINARY AND ADMINISTRATIVE ACTION PROCEDURES

0801. Authority to take Basic or Severe Disciplinary Actions. The employee's immediate supervisor or any supervisor in the employee's chain of command may sign, issue, and take basic and/or severe disciplinary actions against their employee(s). Individuals officially assigned or designated as acting for the supervisor in the supervisor's absence have the same authority. Any supervisor in the employee's chain of command may sign and issue severe disciplinary action proposal letters and letters of decision. For employees who are represented by a union, any agreements (CBAs, Memorandums of Understanding, or Memorandums of Agreement) between the employer and the union must be read in conjunction with this chapter. Where there are differences between the Employer and Union Agreement and this instruction, the Employer and Union Agreement will take precedence.

0802. Delivery of Proposal Letters and Letters of Decision

a. A management official may hand deliver the letter to the employee, if on duty, in a designated private location. The employee should sign the management copy to acknowledge receipt. The signature is not indicating any agreement or disagreement with the contents. If the employee refuses to sign the receipt acknowledgement portion of the letter, the supervisor should annotate on the bottom of the letter the employee refused to acknowledge the letter. The supervisor should then have another employee acknowledge and sign that the employee refused to acknowledge the letter. The employee will then be provided a copy of the letter.

b. If the employee is not on duty, this disciplinary action should be mailed via both regular and certified mail signature required or via express mail signature-required. If the action is mailed, two employees should verify the contents of the mailing. The verification will be done by making a copy of the envelope and the letter and annotating on both that they were mailed on (specify date). The letter should not be placed in an in-office distribution box. For regular mail, it may be assumed delivery occurred in five days if the letter is not returned to the activity.

0803. Administrative Actions. CNIC (N941) NAF HRO will assist in the preparation of, and conduct technical review for adequacy of, all administrative action letters except oral admonishments.

a. **Oral Admonishments.** To be most effective, an oral admonishment will be conducted by management in private as promptly as possible and in such a manner that it does not cause embarrassment to the employee or others. The employee must be advised of what they did wrong, when the incident occurred, the circumstances surrounding the incident, and management's expectations relative to the conduct. Finally, the employee must be informed that repeated occurrences of misconduct could lead to formal disciplinary action. Upon completing the oral admonishment, the supervisor must make a memorandum for the record of the incident and the admonishment. The supervisor must retain the oral admonishment memorandum for a period of two years from the date of the admonishment, or until such time as the employee is no longer supervised by that supervisor. The memorandum may be used during that time as support

for disciplinary action in the event the employee commits another infraction within that time period. Supervisory memorandums relating to oral admonishment are not placed in the employee's OPF.

b. Letters of Requirement for Leave and Attendance

(1) A Letter of Requirement for Leave and Attendance prescribes procedures the employee must follow in the future if a request for sick leave is made. This requirement is based upon a failure by the employee to conform to expected norms regarding the use of sick leave. A Letter of Requirement for Leave and Attendance imposes more stringent demands for a fixed period of time on the affected employee than is required of other employees because of the affected employee's sick leave abuse.

(2) When a supervisor believes an employee is abusing sick leave, the supervisor may deny sick leave requests, or require a medical certificate for the requested time. Supervisors may also require documentation on the expected duration of the illness if they have reason to doubt the validity of the request.

(3) When there is evidence of sick leave abuse, the supervisor must issue the employee a Letter of Requirement for Leave and Attendance which will include specific instructions on what is required to request and receive approved leave. Abuse of sick leave privileges is cause for disciplinary action including possible termination as absence from work without adequate excuse has an adverse impact on the mission of the NAF activity.

(4) The signs of sick leave abuse a supervisor should look for include an employee calling in requesting sick leave:

- (a) On a work day after pay day.
- (b) Before and/or after a holiday.
- (c) On Fridays and/or Mondays or any two consecutive days where the employee is not scheduled to work.
- (d) On the same day of the week (i.e. only on Tuesdays).
- (e) In conjunction with annual leave.
- (f) As soon as sick leave is earned.

c. Letters of Caution for Unsatisfactory Performance. Should the determination of unsatisfactory performance occur while preparing the annual performance evaluation, the annual rating will be delayed until the letter of caution has been issued and the specified remedial period has been completed.

(1) A letter of caution places the employee on notice that their performance is unsatisfactory. It details what the employee's duties and responsibilities are, the current reason for the unsatisfactory performance determination, and the criteria for the rating to become satisfactory. The employee is then given a set period of time to bring the rating to at least a "satisfactory" level.

(2) A letter of caution, based on the employee's unsatisfactory performance, must:

(a) State the employee's performance shortcomings.

(b) State specifically the performance levels that must be met, or corrections made, in order to achieve a satisfactory level.

(c) Set a definite remedial period of reasonable duration of 30, 60, or 90 calendar days or more. This time frame depends upon such factors as the nature of deficiencies, type of position, etc. It should not appear that management is hurrying the process. Instead, a reasonable amount of time, relative to the type of position involved, and corrections and improvements that must be made, needs to be considered in establishing such time frame. During this time, the employee must demonstrate at least satisfactory performance. The remedial period may be extended if appropriate but it may not be terminated early.

(d) State that reasonable assistance to help the employee improve their performance will be provided by the employee's supervisor. The type of assistance to be given must be listed.

(e) State that improvement must be sustained.

(f) State that failure to improve may result in demotion, removal, or reassignment.

(3) If upon completion of the remedial period, the employee's performance meets the requirements for satisfactory or higher performance as stated in the letter of caution, the employee will be issued a performance evaluation reflecting their level of performance at the end of the remedial trial period. The employee will also be notified in writing that similar deficiencies in performance occurring within the next one year period may result in demotion or removal based upon unsatisfactory performance. If the employees' performance becomes unsatisfactory during the year, another letter of caution and trial period will not be required or issued. Instead a letter of decision effecting a demotion, reassignment, or removal will be issued at least 14 calendar days before the effective date of the action. The letter of decision will reference the letter of caution and other records as well as citing the specific performance problems that have reoccurred.

(4) If, upon completion of the remedial period, the employee's performance is still deemed as "unsatisfactory", then demotion, removal, or reassignment action will be taken.

(5) Reassignment should only be to a position that management has some assurance that the employee can perform satisfactorily. If management decides to reassign the employee, such reassignments are made at management's discretion by use of a management initiated SF-52. In such instances, the employee does not have the right to administratively grieve or appeal the reassignment action.

(6) The letter of caution must be given for at least 30 calendar days before a final re-evaluation of the employee's performance can be completed. The letter of caution meets the 30-day minimum notice for demotion or termination action based on unsatisfactory performance. The letter of caution also substitutes for the proposal letter for a demotion or termination action.

(7) Management will issue a final letter of decision at the completion of the remedial period when the unsatisfactory performance evaluation is issued. The letter of decision will include a statement justifying the final unsatisfactory rating and identifying the performance requirements listed in the letter of caution that the employee failed to meet and what action was taken to assist the employee in improving. The letter of decision will also inform the employee of the specific corrective action to be taken, the effective date of the action, and the employee's appeal rights. Severance pay is not authorized under such conditions. The head of the NAF activity will sign the final letter of decision concerning "unsatisfactory" employee performance.

(8) Letters of caution are not appropriate for probationary or flexible employees. If the performance of a probationary or flexible employee is found to be unsatisfactory, then they should be terminated for performance reasons.

0804. Basic Disciplinary Actions. The NAF activity HRO will assist in the preparation of, and conduct technical review for adequacy of, all basic disciplinary action letters.

a. Letters of Reprimand. A reprimand is a written communication from a supervisor or manager to an employee that identifies unacceptable conduct. The reprimand must cite the conduct in sufficient detail so the employee fully understands the action for which they are being reprimanded. It also must contain a statement notifying the employee the letter of reprimand will be placed in the employee's OPF for a two year period from the date the employee receives the letter (unless a union collective bargaining agreement states a different period of time), and that during that time it may be used as a basis for taking additional disciplinary action should future infractions or conduct warrant. Letters of reprimand are not administratively grievable. However, if the employee is covered by a union collective bargaining agreement, the employee may be able to grieve the letter of reprimand through the union's contractual grievance procedure.

b. Suspensions of 30 Calendar Days or Less. This type of suspension is limited to regular employees only in that it does not make sense to suspend flexible employees as they often have days without pay unrelated to disciplinary actions. If a flexible employee has committed an action warranting suspension, the employee should be terminated. A suspension places an employee in a non-pay status and will be used when a supervisor determines that a serious or

repeated offense has occurred. All suspensions will begin with a proposal letter followed by a letter of decision.

(1) The proposed suspension letter must state that the effective date of the suspension will be at least 14 calendar days from the date the employee receives the proposal letter.

(2) Following the 14 calendar day period, a letter of decision will be issued stating the rationale for the decision. If a suspension is determined to be appropriate, the days of the suspension will be consecutive calendar days and will only contain a weekend or days off when the suspension is for more than five days.

(3) Suspension proposal letters and letters of decision must be followed with an appropriate PAR. A copy of the proposal letter, the letter of decision, and the PAR must be filed in the employee's OPF as a permanent record. Appropriate action must be taken to ensure the employee's salary is reduced for the time suspended.

c. Alternative Disciplinary Program (ADP) for Suspensions of 30 Days or Less.

(1) Letters of Reprimand in lieu of a Suspension. At their discretion, managers and supervisors may use an ADP for all infractions except for serious offenses (e.g., threats, physical contact and/or bodily harm, disruptive and/or abusive behavior/language towards supervisors and/or employees, theft, misappropriation of government property/assets, submitting fraudulent claims), or offenses where specific penalties are dictated.

(a) Under ADP, managers/supervisors may issue letters of reprimand in lieu of suspensions of 30 calendar days or less (e.g., letters of reprimand in lieu of one day suspension, letters of reprimand in lieu of seven day suspension). Letters of reprimand in lieu of a suspension, for purposes of determining past and progressive discipline and appropriate penalties, will be considered as, and will carry the same weight as the suspension listed on the action.

(b) Processing Written Letters of Reprimand, Letters of Reprimand in lieu of Suspension of 30 Calendar Days or Less, and Suspensions of 30 Calendar Days or Less for Regular Employees. Any manager or supervisor in the employee's chain of command may issue the employee a letter of reprimand, a proposed suspension letter, or a letter of decision with the following provisions:

1. Letters of reprimand and letters of reprimand in lieu of suspension do not require advance notice.

2. All suspensions require a proposal letter followed by a letter of decision. Proposed letters of suspension will state that the starting date will not be any earlier than 14 calendar days from the date the employee receives the proposal letter.

3. Suspension letters of decision must be followed with an appropriate PAR. A copy of the proposal letter, the letter of decision, and the PAR must be filed in the employee's

OPF as a permanent record. A second copy will be sent to the appropriate payroll office. Appropriate action must be taken to ensure the employee's salary is reduced for the time suspended.

4. The proposing and deciding officials for suspensions must be different. The deciding official must be higher in the chain of command than the proposing official.

5. A suspension proposal letter will:

a. Specify the number of days of the proposed suspension.

b. Describe in detail the reason(s) supporting the proposed action, including names, dates, times, and places. The supporting documentation must be in sufficient detail to permit the employee to understand the event(s) involved, their unacceptable conduct in relationship to the event(s), and to present a defense should they elect to do so.

c. Indicate the right to review the information upon which the charge(s) and specification(s) are based and whom to contact to review this information. If the proposed action is based on an investigation conducted by another organization (e.g., IG, NCIS), permission must be obtained from the investigating organization to use the necessary portions of the investigation report being used as a basis for a charge or a specification. Arrests or indictments alone cannot be the supporting documentation for charges until the employee has pled guilty or been convicted in a court of law.

d. List any other disciplinary action(s) taken against the employee.

e. Provide the employee with the right to provide written rebuttal to the charge(s) and specification(s) within seven calendar days of receipt of the proposed action to the official who is to decide the action to be taken. The employee must be informed that use of official time, without charge to leave or loss of pay, is permitted if in a duty status, for preparation of a reply. A location or address to which the rebuttal is to be delivered must be included. The employee's response must be in writing and must identify the relief being sought.

d. After the 14 day advance notice period has passed, a letter of decision:

(1) Will be delivered to the employee in advance of the effective date of the suspension.

(2) Will indicate all pertinent material including all information provided by the employee has been reviewed and fully considered.

(3) Will identify which charge(s) and specification(s) in the original proposal letter were sustained or not sustained after consideration of the employee's rebuttal. The rationale for the decision will also be included.

- (4) Will state the specific penalty, the effective date, and the duration of the suspension.
 - (5) Will provide the right to administratively grieve the decision in writing, to the next level of management above the person who signed the letter of decision, within seven calendar days of receipt of the letter of decision.
 - (6) Will provide information regarding the right to file an EEO complaint and contact information for the NAF EEO office.
- e. The SF-52 and PAR are prepared and processed after the letter of decision has been issued. A copy of the proposal letter, the letter of decision, and the PAR must be filed in the employee's OPF as a permanent record.
 - f. The standard of proof in all basic disciplinary actions will be substantive evidence that is defined as such relevant evidence as a reasonable mind might accept to support a conclusion.

0805. Severe Disciplinary Actions

- a. These include the following actions issued to regular employees based upon conduct, performance, or behavior:
 - (1) Demotions for cause (e.g., reducing from a higher to a lower payband, reducing from a higher to a lower grade).
 - (2) Reductions in base pay for cause (not a BBA based pay reduction).
 - (3) Involuntary separations for cause including separations for performance of RFT and RPT employees after failure to improve performance to a satisfactory level while under a letter of caution.
- b. Processing Severe Disciplinary Actions for RFT and RPT Non-probationary Employees.
 - (1) The proposal letter must be given to the employee at least 14 calendar days in advance of the proposed effective date. The employee may continue to be scheduled for work and remain in a pay status unless the employee requests leave, placed in an AWOL status emergency suspension during the notice period, or if the employee's presence in the workplace would compromise the mission of the activity or jeopardize the safety of the employee or others. If the employee cannot continue to perform their normal duties, they may be assigned to another work area or directed to stay at home with pay on administrative leave. The proposal letter will:
 - (a) Specify the proposed action (i.e., termination, demotion, or reduction in pay for cause).
 - (b) Describe in detail the reason(s) supporting the proposed action, including names, dates, times, and places. The supporting documentation must be in sufficient detail to

permit the employee to understand the event(s) involved, their unacceptable conduct in relationship to the event(s) and to present a defense should they elect to do so.

(c) Indicate the right to review the information upon which the charge(s) and specification(s) are based and whom to contact to review this information. If the proposed action is based on an investigation conducted by another organization (e.g., IG, NCIS), permission must be obtained from the investigating organization to use the necessary portions of the investigation report as a basis for a charge or a specification. Arrests or indictments alone cannot be the supporting documentation for charges until the employee has pled guilty or been convicted in a court of law.

(d) List any other disciplinary action(s) taken against the employee within the last two years and any suspension action(s) taken during the employee's career with CNIC NAF activities. Unless stated otherwise in a collective bargaining agreement that is applicable to the offending employee, if a letter of reprimand has been used on a previous suspension, it can be considered still active after the two year period and can be used in a subsequent suspension or removal action.

(e) Provide the employee with the right to provide written rebuttal to the charge(s) and specification(s) within seven calendar days of receipt of the proposed action to the official who is to decide the action to be taken. The employee must be informed that use of official time, without charge to leave or loss of pay, is permitted if in a duty status, for preparation of a reply. A location or address to which the rebuttal is to be delivered must be included. The employee's response must be in writing and must identify the relief being sought.

(f) Should the employee resign after the proposal letter is issued but before the letter of decision, or after the letter of decision is issued but before the effective date of the action, the remarks section of the PAR must state "Employee resigned after being issued a proposed severe disciplinary action letter". This statement will not be used when the resignation was part of a settlement agreement between the employee and the Head of the NAF activity or some other official authorized to execute a settlement.

(2) After the 14 calendar day advance notice period has passed, a letter of decision will be issued and:

(a) Will be delivered to the employee in advance of the effective date of the disciplinary action.

(b) Will indicate all pertinent material including all information provided by the employee has been reviewed and fully considered.

(c) Will identify which charge(s) and specification(s) in the original proposal letter were sustained or not sustained, after consideration of the employee's rebuttal. The rationale for the decision will also be included.

(d) Will state the specific penalty and the effective date of the action.

(e) Will provide the right to grieve the decision in writing, to the next level of management above the person who signed the letter of decision, within seven calendar days of receipt of the letter of decision.

1. Will indicate the right of the employee to be represented by an individual of their choosing during the grievance process subject to the willingness of the individual to serve. Should an employee of the NAF activity be selected as the representative, the Head of the NAF activity will determine if there is a conflict of interest issue, and if the employee is available given the needs of the activity.

2. Any fees charged by the employee's representative are the responsibility of the employee. The employee and their representative will be given a reasonable amount of official time, if requested in writing, to prepare the grievance.

(f) Will indicate who will contact the employee to finalize all actions involved in processing the termination.

(g) Will not increase the proposed penalty stated in the proposal letter. The penalty may be less but not more than the proposed penalty.

(h) Will provide information regarding the right to file an EEO complaint and contact information for the NAF EEO office.

(3) The standard of proof in all severe disciplinary actions and grievances will be substantive evidence that is defined as such relevant evidence as a reasonable mind might accept to support a conclusion.

(4) The SF-52 and PAR are prepared and processed after the letter of decision has been issued. An employee is not kept on the rolls of the NAF activity for purposes of any grievance.

0806. Emergency Suspensions

a. An employee may be placed on emergency suspension without pay, pending completion of an investigation related to a disciplinary action when:

(1) Retention of the employee might result in damage to or loss of property or funds.

(2) It might be injurious to the employee or others.

(3) It might be detrimental to the interests of the NAF activity.

(4) there are justifiable reasons to believe that the employee is guilty of a crime for which a prison sentence may be imposed.

b. In such cases, the employee will be provided at least 24 hours advance written notice of the emergency suspension.

c. The employee will be paid during the 24-hour notice period for normally scheduled work hours during this period.

d. An emergency suspension without pay, which extends for 30 calendar days or less, may be administratively grieved.

e. If after an investigation it is determined that the employee will be terminated, the employee does not have to be retained in a pay status for the advance notice period of the termination action, if the employee has already been on emergency suspension for at least 14 days.

f. The emergency suspension process is as follows:

(1) Provide the employee with a written notice 24 hours in advance of the emergency suspension.

(2) Conduct an investigation. The investigation is complete and disciplinary action is warranted when:

(a) If the investigation results in a decision to terminate the employee, then follow the proposal and decision process for termination as indicated in the Processing Severe Disciplinary Actions for Regular Non-probationary Employees. The employee will be returned to a pay status for the 14 calendar day notice period unless the employee has been on emergency suspension for at least 14 calendar days.

(b) If the action to be issued is a suspension, issue the employee a proposed suspension letter and follow the procedure for suspensions in this appendix.

(c) If the investigation yields there is no basis for disciplinary action, issue the employee a written letter of decision and pay the employee for the days they were on emergency suspension.

0807. Termination for Cause. Any employee terminated for cause (does not include abandonment of position and disability related separations) will not be reinstated or re-employed in any CNIC NAF activity. Requests for exceptions to this may be submitted through the chain of command to CNIC (N941) with complete justification if the individual has been separated for more than three years.

0808. Processing Basic and Severe Disciplinary Actions for Flexible Employees.

a. A disciplinary action is a personnel action affecting regular employees only. SECNAVINST 5300.22C excludes the termination of flexible employees from the Agency's administrative grievance process.

(1) The termination of a flexible employee at the completion of a work assignment, at the end of a NTE appointment, or for any reason that will not place adverse information on the employee's record, is not considered to be a disciplinary action and is not grievable.

(2) There are no formal appeal or grievance procedures available to flexible employee on severe disciplinary actions. There must be documentation at the NAF activity of the reason(s) for the action. The employee must be informed in advance of taking the action of the management's reason(s) for taking action.

(a) Flexible employees will be given at least one day advance written notice prior to the effective date of the termination.

(b) The severe action process for flexible employees does not require a proposed action letter followed by a letter of decision. The termination letter represents management's decision relative to the conduct or performance that led to the severe action.

(c) Management must ensure it has gathered or collected all necessary data in support of the action. The termination letter in this case is a notice of finding and decision. At a minimum the letter must include:

1. The action to be effected (i.e., termination).
2. The conduct or performance that led to the decision.
3. The rationale behind the decision.
4. At least one 1 day advance notice.
5. Instructions on who to contact to review all evidence relied upon to support the reason(s) for the termination, and
6. Information on grievance rights if the action is a basic disciplinary action.
7. Information regarding the right to file an EEO complaint and contact information for the NAF EEO office.

b. Flexible employees may grieve basic disciplinary actions to the head of the NAF activity, and then to the ICO if dissatisfied with the Head of the NAF activity's decision, within seven calendar days of the effective date of the action. Flexible employees cannot grieve or appeal

severe disciplinary actions. The decision of the ICO is the final Navy decision on flexible employee grievances.

0809. Processing Terminations of Regular Probationary Employees

a. The process for terminating regular probationary employees does not require a proposal letter. Any supervisor or manager in the employee's chain of command can issue the probationary employee a termination letter. Management must ensure it has gathered or collected all necessary data in support of the action. A termination letter is a notice of finding and decision. The termination letter must provide at least one-day advance notice. However, if necessary it can be issued and effective as late as any time prior to the close of business on the last day of the probationary period as long as the probationary employee receives the letter of decision that day. Additional advance notice may be given if desired and if there is sufficient time remaining in the probationary period. The employee must receive the letter of decision before the probationary period ends.

b. At a minimum the letter must include:

- (1) The action to be effected (i.e., termination).
- (2) The reason for the decision (when the reason is performance related, the employee must have been counseled one or more times concerning the deficiency prior to the termination).
- (3) The opportunity to review all evidence relied upon to support the action.
- (4) Instruction on who to contact to review the information.
- (5) The person who will contact them about processing out on the last duty day.
- (6) The effective date of the termination.
- (7) Information regarding the right to file an EEO complaint and contact information for the NAF EEO office.

c. Probationary employees do not have any administrative grievance or appeal rights.

0810. Official Disciplinary Action File. An official disciplinary file will be established by the NAF activity HRO for each disciplinary or performance-based action effected. This official record will be maintained for a period of at least two years from the effective date of the action. The record will consist of:

a. A copy of the proposed disciplinary action or the letter of caution for unsatisfactory performance.

- b. A copy of the employee's written response, if any, to the notice of proposed disciplinary action.
- c. A copy of the letter of decision of the disciplinary or performance-related action.
- d. A copy of the official document effecting the disciplinary or performance-based action.
- e. Any and all evidence relied upon in support of the disciplinary or performance-based action.
- f. All grievances, hearing transcripts if an arbitration was held and a court reporter was in attendance, investigation and fact-finding files if any, etc. involved in the grievance related to the action.

PART II

DISCIPLINARY OFFENSE AND ACTION TABLE

0801. Offenses and Recommended Remedies. The following table lists many of the potential offenses that could occur in a NAF, and a range of disciplinary action penalties that could be taken for each of those offenses. It is emphasized that these are used as a guide and are not a total list of possible offenses. Unlisted offenses can be compared to the listed offenses that have similar impact for guidance on the appropriate penalty. In addition if circumstances warrant, stronger action may be taken than that indicated in the table.

- a. The table is a guide only. Discipline is corrective in nature and is expected to be progressive for subsequent offenses, and normally falls within the range shown in this figure. Mitigating or aggravating factors can justify a remedy outside the range. For example, remedies greater than those shown can be appropriate when the facts of an aggravated offense, frequent infractions, or simultaneous multiple offenses are established.
- b. Consistent with CNIC policy the table generally provides for a range of remedies (e.g., reprimand to removal) to provide management with flexibility in correcting conduct deficiencies. Selection of a reasonable remedy from such a broad range should be made with good judgment.
- c. Some of the offenses listed in this schedule combine several offenses in one statement connected by the word "or". Use only the portion of the statement of offense that accurately describes the employee's conduct; leave out all parts that do not apply. In choosing a charge, it may be better to describe the offense, rather than select a charge from the schedule that does not accurately describe the offense, and then to refer to similar offenses in the schedule when selecting the remedy.
- d. The table does not cover every possible offense. When specifying an offense not listed in the table, be careful when using terms such as theft or fraud, which require establishing the element of intent and should only be used when the element of intent can be proven. Management officials should contact their NAF activity HRO for assistance in framing appropriate charges.

e. Due to the nature of their positions, offenses by supervisors or managers may warrant more severe remedies than the same offense committed by a non-supervisory employee.

f. All disciplinary action cases, whether based on off-duty or on-duty misconduct, require establishment of a nexus or link between the conduct and its effect upon the efficiency of the service. Nexus is normally assumed when the misconduct is sustained in on-duty misconduct cases. In taking adverse actions for off-duty misconduct, the deciding official must show, by preponderant evidence, that the disciplinary action will promote the efficiency of the service by establishing a nexus between the off-duty misconduct and the employee's or NAF activity's performance. The NAF activity must not rely on a presumption of nexus but must make its strongest possible argument and introduce evidence showing the relationship between the misconduct and the employee's or NAF activity's performance.

g. Other statutory and regulatory offenses. For information concerning other offenses for which employees may be disciplined by removal, fine, or imprisonment, including offenses which require minimum mandatory remedies (e.g., misuse of government vehicles, Hatch Act violations, giving gifts to superiors), see 5 CFR §734, §735, and §2635, and DoD 5500.7-R.

h. An alcoholic employee who engages in misconduct does not need to be offered a choice between treatment and discharge.

(1) To be considered a request for reasonable accommodation, the employee must request accommodation before committing the misconduct that violates one of the agency's qualification standards for employment or job performance and behavior under which the agency uniformly imposes discipline.

(2) There are certain acts of misconduct which when committed by an employee who is an alcoholic or drug addict, take that employee outside the scope of the protecting legislation because the misconduct renders that person not a qualified individual with disabilities. Egregious or notorious misconduct that hampers an employee's ability to perform their duties or to represent the agency, or which strikes at the core of the job or the agency's mission, can, standing alone, disqualify a Federal employee from their position.

TABLE OF OFFENSES AND RECOMMENDED ACTIONS

OFFENSES	RECOMMENDED ACTIONS		
ALCOHOL ABUSE	FIRST OFFENSE	SECOND OFFENSE	THIRD OFFENSE
Unauthorized possession, sale or transfer of alcohol on duty or on a military ship, aircraft, submarine, NAF activity, or command	Reprimand to removal	14 day suspension to removal	Removal

Use of, or being under the influence of alcohol on duty or on a military ship, aircraft, submarine, NAF activity or command	14 to day suspension to removal	30 day suspension to removal	Removal
ATTENDANCE	FIRST OFFENSE	SECOND OFFENSE	THIRD OFFENSE
Excessive unauthorized absence (more than 3 consecutive workdays)	Reprimand to removal	10 day suspension to removal	Removal
Leaving job to which assigned or leaving DON premises at any working time without proper authorization	Reprimand to 14 day suspension	14 day suspension to removal	Removal
Unexcused or unauthorized absence on 1 or more scheduled days of work or assigned overtime/AWOL	Reprimand to removal	14 day suspension to removal	Removal
Unexcused tardiness/AWOL	Reprimand	Reprimand to 5 day suspension	5 day suspension to removal

DISCRIMINATION	FIRST OFFENSE	SECOND OFFENSE	THIRD OFFENSE
Discrimination against an employee or applicant based on race, color, religion, sex, disability, national origin, or age, or any reprisal or retaliation action against a complainant, representative, witness, or other person involved in the EEO complaint process	Reprimand to removal	10 day suspension to removal	30 day suspension to removal
Discrimination based on sexual orientation	Reprimand to removal	10 day suspension to removal	30 day suspension to removal
Sexual harassment	Reprimand to removal	Removal	
DRUG ABUSE	FIRST OFFENSE	SECOND	THIRD

		OFFENSE	OFFENSE
**Unlawful use, being under the influence, or possession of illegal drugs or drug paraphernalia on duty	14 day suspension to removal	Removal	
**Unlawful use, being under the influence, or possession of illegal drugs or drug paraphernalia on a military ship, aircraft, or submarine	14 day suspension to removal	Removal	
Refusal to obtain counseling and rehabilitation after having been found to use illegal drugs	Reprimand to removal	Removal	
Unlawful distribution, sale, or transfer of drugs or drug paraphernalia on duty	Removal		

OFFENSES

RECOMMENDED ACTIONS

DRUG TESTING	FIRST OFFENSE	SECOND OFFENSE	THIRD OFFENSE
Refusal to provide a urine sample when required	14 day suspension to removal	Removal	
Failure to appear for testing when directed, without a deferral	Reprimand to removal	Removal	
Substituting, adulterating or otherwise tampering with a urine sample, testing equipment or related paraphernalia	14 day suspension to removal	Removal	
Attempted or actual falsification, misstatement or concealment of a material fact, record, correspondence or other communication prepared in connection with the collection, handling, transportation or testing of urine samples	Reprimand to removal	14 day suspension to removal	Removal

MISCELLANEOUS OFFENSES	FIRST OFFENSE	SECOND OFFENSE	THIRD OFFENSE
Betting, gambling or the promotion thereof on duty or on DON premises	Reprimand to removal	5 day suspension to removal	Removal
Careless workmanship resulting in delay in production or spoilage or waste of materials	Reprimand to removal	10 day suspension to removal	Removal
Criminal, dishonest, infamous or notoriously disgraceful conduct	Reprimand to removal	14 day suspension to removal	Removal

Disobedience to constituted authorities; deliberate refusal or failure or delay in carrying out any proper order, work assignment or instruction; insubordination including failure to follow local or higher level policy	Reprimand to removal	5 day suspension to removal	Removal
Discourteous conduct to the public within any one-year period or any other pattern of discourteous conduct	Reprimand to 14 day suspension	10 day suspension to removal	Removal
Disrespectful conduct, use of insulting, abuse or obscene language to or about other personnel	Reprimand to Removal	10 day suspension to removal	Removal
Falsification (or aiding or assisting in falsification) of time and attendance records or claims against the government	Reprimand to removal	14 day suspension to removal	Removal
Falsification, misstatement or concealment of material fact in connection with any official record or proceeding	Reprimand to removal	14 day suspension to removal	Removal

False testimony or refusal to testify in an inquiry, investigation or other official proceeding	Reprimand to removal	14 day suspension to removal	Removal
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TABLE OF OFFENSES AND RECOMMENDED ACTIONS (CONT'D)

OFFENSES	RECOMMENDED ACTIONS		
Loafing, wasting time, inattention to duty or sleeping on duty	Reprimand to 10 day suspension	10 day suspension to removal	Removal
Making threats to other employees or supervisor; fighting; engaging in dangerous horseplay	Reprimand to removal	14 day suspension to removal	
***Misuse of a Government vehicle	30-day suspension	Removal	
Reckless driving or improper operation of motor vehicle	Reprimand to removal	Suspension to removal	Removal
Causing personal injury to self or others or damage to Government property	Reprimand to removal	Suspension to removal	Removal
Violations of the Standards of Conduct or Joint Ethics Regulation	Reprimand to removal	Suspension to removal	Removal
Gross Negligence	Reprimand to removal	Suspension to removal	Removal
Abuse of NAF privileges	Reprimand to removal	Suspension to removal	Removal

TABLE OF OFFENSES AND RECOMMENDED ACTIONS (CONT'D)

OFFENSES	RECOMMENDED ACTIONS		
Unsatisfactory performance or conduct offenses by a flexible employee for which a suspension would be given a regular employee	Removal		
Performance or conduct that indicates an inability to adapt to Federal employment during probationary period	Removal		
Unauthorized possession, theft of Government property or the property of others	Reprimand to removal	10 day suspension to removal	Removal
Misuse of or loss of Government equipment (e.g., unauthorized use of electronic mail, Internet, phones, or facsimile equipment)	Reprimand to removal	14 day suspension to removal	Removal
Misuse of Government sponsored travel charge card (e.g., use for unauthorized personal expenses, failure to pay charge card bill in a timely manner, or failure to use card for required expenses arising from official travel)	Reprimand to removal	5 day suspension to removal	Removal
Unauthorized use of or failure to appropriately control use of Government purchase card	Reprimand to removal	14 day suspension to removal	Removal

TABLE OF OFFENSES AND RECOMMENDED ACTIONS (CONT'D)

OFFENSES	RECOMMENDED ACTIONS		
PROHIBITED PERSONNEL PRACTICE	FIRST OFFENSE	SECOND OFFENSE	THIRD OFFENSE
Committing a prohibited personnel practice (see 5 U.S.C. §2302)	Reprimand to removal	14 day suspension to removal	Removal
SAFETY	FIRST OFFENSE	SECOND OFFENSE	THIRD OFFENSE
Failure to observe posted smoking prohibitions	Reprimand to 14 day suspension	10 day suspension to removal	Removal
Failure to use protective clothing or equipment	Reprimand to 14 day suspension	14 day suspension to removal	Removal
Violation of safety or traffic regulations on duty or on an installation (on or off duty)	Reprimand to removal	Suspension to removal	Removal
SECURITY	FIRST OFFENSE	SECOND OFFENSE	THIRD OFFENSE
Failure to safeguard classified material	Reprimand to removal	14 day suspension to removal	Removal
UNAUTHORIZED DISCLOSURE OR USE OF PROTECTED MATERIAL	FIRST OFFENSE	SECOND OFFENSE	THIRD OFFENSE
Unauthorized disclosure or use of information or other protected material (e.g., records covered by the Privacy Act)	Reprimand to removal	14 day suspension to removal	Removal

** Mandatory referral to CEAP is required.

*** 31 U.S.C. §1439(b) requires a minimum suspension of 30 calendar days even for the first offense, if the misuse was willful (i.e., employee acted either with knowledge that the intended use would be characterized as unofficial or with reckless disregard of whether such use was unofficial).

CHAPTER 9

BUSINESS BASED ACTIONS

0901. Factors to Consider. A BBA is used to adjust resources in response to changes in business revenue, budget, workload, organization, or mission. Covered employees will be issued a BBA if they are identified after an objective, fair, and equitable ranking against other employees in the same employment category and group of affected positions. Careful planning is necessary to do as much as possible to lessen adverse effects and avoid administrative and morale problems. It is important to consider whether the cause of the reduction or realignment is temporary or permanent, along with each of the various actions that may be taken. For example, a reduction in hours of work or pay rate may be more appropriate than separation in some cases.

0902. BBA Types

a. **Reduction in Pay Rate.** Such actions could result from reorganization, realignment of a workload, elimination of duties or responsibilities from a position, lack of funds, or from a need to be competitive with pay in other organizations or the local labor market. Reductions should impact all similar employees in the competitive area. Due to the delicate nature of such action, and the equity or “fairness” issue involved in forcing decreases in pay rate and related actions from a select group of employees of CNIC’s NAF workforce, management should explore all other possible options before using this option. Employees may challenge the perceived equity in application of the decrease in pay. Such basis for appeals and grievances is over and above those normally allowed in appealing or grieving other BBAs. NOTE: reductions in pay rate as a result of misconduct are processed using severe disciplinary action procedures. Once the decision has been made to affect a reduction in pay rate due to a BBA, management must ensure that:

- (1) Employees are informed of the need for the action and plans for taking such action.
- (2) The action applies to all NAF employees in any one or more competitive area(s). Management may not single out specific NAF employees.
- (3) NF and CT employees in the competitive area designated to take the decrease share in the decrease on a proportionate basis.
- (4) The notice period and time frames for taking such actions are the same as those specified for other BBAs.

b. **Furlough.** A furlough occurs when a regular employee is placed in a non-pay status for business-based reasons for eight calendar days or more (i.e., a temporary layoff for a definite or indefinite period of time). Note: flexible employees are excluded but will be placed in a non-work status. Whenever a furlough of regular employees for any duration is to take place, flexible employees whose hours will be reduced must be provided with a written notification as to the reason for not being scheduled to work, the effective date of the furlough, and the duration of the furlough. Figures D-1 and D-2 are examples of letters to use in furlough situations.

c. **Reduction in Employment Category.** This occurs when an employee is changed for business-based reasons to a lower appointment type (e.g., RFT to RPT, RPT to flexible). Figure D-3 provides an example of a letter to use in this situation.

d. **Separation.** This action entails removal of an employee from the organization for business-based reasons. This includes any situation where the employee's established position is abolished. Figure D-4 provides an example of a separation notice.

0903. Employee Notification

a. **Limitation on Effective Date.** A BBA will not be issued with an effective date for separation during the period 15 December through 3 January; nor, will any such notices be issued for delivery to employees during this period.

b. **General Notification.** Prior to issuance of required specific individual BBA notices to impacted competing employees, management must provide a general notification to employees in affected competitive areas. This notice must contain the reason(s) for the planned action(s); the nature of the BBA; the projected effective date of such actions; titles, series, paybands or grades, and employment category of the positions involved in the planned actions; and other pertinent data. Placement of such notice on official bulletin boards will suffice to meet this requirement. Management may use other avenues to announce impending BBA actions (e.g., employee newsletters). Irrespective of the means used, management must assure that employees in competitive areas to be impacted by planned BBAs are provided with an advance notice of at least one calendar day before BBA notices are issued. Figure 9.5 is an example of this type of action.

c. The minimum specific notices are in table 9.1.

Employment Category	Minimum Period Requirement	
	Separations	All other BBA Actions
Regular non-probationary employees	30 days	7 days
Flexible employees with a total of 3 or more years in a CNIC NAF activity	7 days	24 hours
Regular probationary employees	7 days	24 hours
Flexible employees with a total of less than 3 years in a CNIC NAF activity, employees with time limited appointments, and employees with a current performance rating of unsatisfactory	24 hours	24 hours

Table 9.1

d. Under emergency conditions (i.e., breakdown of equipment or other emergency conditions requiring suspension of operations, or an unanticipated reduction in business) a minimum of 24 hours' notice may be given to regular employees.

e. The Head of the NAF activity will normally sign the individual BBA notices. Such notices are not "notices of proposal"; instead, they are the actual notices of a BBA decision.

0904. Competing (CE) and Non-competing Employees (NCEs)

a. CE. When the competitive area involves regular employees, all regular non-probationary employees who are on the rolls and assigned to the competitive level to be impacted by the BBA are CEs. When the competitive area involves flexible employees who have been on the rolls of a CNIC NAF activity for three or more calendar years, those flexible employees assigned to the competitive level to be impacted are also considered CEs.

b. NCE. An NCE is an employee who does not meet the foregoing competing employee definition. An NCE does not compete with true competing employees under BBA procedures. An NCE in any competitive level must be in a separate category below competing employees. An NCE may however, compete with another NCE in determining BBA impact before any competing employees in the same competitive level are impacted by the BBA. NCEs include:

(1) Regular employees still under a probationary period on the date the general notice is issued.

(2) Regular employees with a current unsatisfactory performance rating.

(3) Flexible employees with less than three continuous years of service in their current CNIC NAF activity on the date the BBA general notice is issued.

(4) All employees on time limited appointments.

c. NCE. Order of Impact. When NCEs are to be impacted by a BBA, they will be impacted in the following order:

(1) First. All employees in the competitive level whose latest record of rating is "unsatisfactory" (when such rating has not been upgraded due to a higher performance rating based on improved performance). In such cases, the improved rating will count as the employee's most recent annual performance rating, and have such counted in determining assigned performance rating category (i.e., Gold, Silver, or Bronze). Where there is more than one employee with an "unsatisfactory" rating in a given competitive level, management will decide which employee or employees are impacted based upon their comparative evaluation of the employees in this group.

(2) Second. Employees on a time limited appointment.

(3) Third. Flexible employees with less than three years of service in their current CNIC NAF activity.

(4) Fourth. Regular probationary employees. When there is more than one regular probationary employee in the competitive level, the BBA procedure used will be the same as that for regular non-probationary employees, except that only one performance rating will be used.

0905. The Process for Taking a BBA - An Overview. In deciding who is to be impacted by a BBA, management must follow these basic steps:

- a. Determine the type of action (e.g., furlough, abolishment of position(s)).
- b. Determine the competitive area(s) and competitive level(s) impacted.
- c. Determine the position(s) involved by employment category, title, series, and payband or grade level (e.g., Bartender - NA-7405-4 – RFT).
- d. List all involved employees (including NCEs) separately by competitive level and area.
- e. Screen personnel file(s) to determine performance evaluation information to verify SCD(s) and to calculate service acceptable for severance pay. Using performance as a basis place involved employees into their earned performance rating category (i.e., Gold, Silver, or Bronze).
- f. Within each performance rating "category," place employees on the list in descending order of seniority by SCD (i.e., highest seniority to lowest seniority).
- g. Prepare specific individual notice to the impacted employee(s).
- h. Affect the BBA starting with NCEs. In the absence of NCEs, management will take the necessary action starting with the individual in the lowest performance rating group with the least amount of creditable service. This process will continue until all needed BBAs in that one competitive level have been taken.
- i. Prepare and issue PARs implementing the BBA.

0906. A Definitive Explanation of the Component Parts of a BBA (i.e., Competitive Area, Competitive Level, Performance Category, and SCD)

a. Competitive Area. This is the NAF activity defined geographical and organizational limits within which employees compete for retention. A competitive area may consist of all or part of a NAF activity. The minimum competitive area is a subdivision of the agency under separate administration within a local commuting area (e.g., club, branch, division). All competitive areas must be announced to employees and be in place for a minimum of 90 calendar days from the date of employee notification before the effective date of the BBA.

(1) When the NAF activity in a commuting area is considered a competitive area but a group of employees is working at a location outside the commuting area, the employees outside the commuting area will only be competing against each other. Transfer of function guidelines governs moves between commuting areas.

(2) CNIC has the authority to establish competitive areas for BBA purposes. This authority is further delegated to REGCOMs who may in turn delegate the authority to ICOs. The local determinations must also be in place for at least 90 calendar days before use in a BBA (90 days from publication and employee notification of the change). If local competitive area designations have not been in place for at least the required 90 day period, the following options are available:

(a) The delegated authority may issue local competitive area definitions, inform employees of this determination, and wait 90 days before starting any BBA action. If notification has been made, but it has been less than 90 days since that notification, the delegated authority must wait until the 90 day period has ended before starting any BBA action.

(b) Use a BBA competitive area which includes all NAF employees in the same cost code in the impacted commuting area, inform employees of this determination in writing, and wait 90 days before starting any BBA action.

b. Competitive Level. A competitive level represents all positions in a competitive area that are:

(1) Assigned to the same pay plan, series, position title, and grade level for CT positions.

(2) Assigned to the same series, position title, and payband for paybanded positions.

(3) In the same employment category (i.e., RFT, RPT, or flexible (more than three consecutive years)).

The following example depicts three different competitive levels for CT positions:

Title	Series-Grade	Employment Category
Bartender	NA-7405-04	Full-time
Bartender	NA-7405-04	Part-time
Cook	NA-7404-05	Flexible

As such, employees in these positions would never compete with one another during any BBA action.

c. Total Component Parts of a Competitive Level.

(1) Position title.

- (2) Series.
- (3) Grade level or payband.
- (4) Employment category (i.e., RFT, RPT, or flexible). These categories are never mixed in one competitive level.
- (5) Name of employee(s) encumbering such position(s).
- (6) SCD(s) of employee(s) in the competitive level. For flexible employees, use the date of hire in the current NAF activity as the SCD for BBA purposes.
- (7) The last two current annual Performance Ratings of Record of the employee(s) in the competitive level.

d. Performance Category

(1) Performance plays a key role in employee retention and in deciding who is impacted during a BBA action. This provides NAF activities with a more balanced and equitable BBA approach in that it allows for retention of the most flexible, efficient, and productive organization and employees needed to fulfill mission needs.

(2) Once management has determined what competitive level(s) are to be impacted in a BBA, place incumbents of positions in the competitive level into one of three performance categories based on their last two ratings of record (i.e., Gold, Silver, or Bronze).

(3) The following approach has been devised in order to meet the two performance rating requirement.

Performance Rating	Points
Outstanding	5
Highly Satisfactory	4
Satisfactory	3
Minimally Satisfactory	1
Unsatisfactory	0

(a) Using above ratings and points, and the requirement to use two ratings during the BBA process, the following are possible variations in "adding" any two ratings:

- 1. Outstanding + outstanding = 10 points
- 2. Outstanding + highly satisfactory = 9 points
- 3. Outstanding + satisfactory = 8 points
- 4. Highly satisfactory + highly satisfactory = 8 points

- 5. Highly satisfactory + satisfactory = 7 points
- 6. Satisfactory + satisfactory = 6 points
- 7. Highly satisfactory + minimally satisfactory = 5 points
- 8. Minimally satisfactory + minimally satisfactory = 2 points

(4) Using the above point values, competing employees are placed into one of three performance categories for BBA purposes. If an employee's last performance rating is "unsatisfactory" and performance is still judged as such, that employee is a NCE irrespective of total score of two ratings. Therefore, those employees must be impacted before any other employee in their competitive level.

Performance	Category Points
Gold	9 and 10
Silver	7 and 8
Bronze	3 through 6

(5) Only annual performance ratings will be used in determining BBA outcomes. While a manager may re-rate an employee anytime during the performance rating year for pay adjustment or other purposes, this rating will not be used in place of annual performance ratings for BBA purposes.

(6) While there is no time limit for use of the second or "secondary" performance rating in an employee's OPF, the most recent rating (i.e., primary rating), cannot be more than 14 months old.

(7) If the most recent annual performance rating in the OPF is more than 14 months old, two options exist:

(a) Re-rate the employee (employee must be provided with a copy of the rating during the updated appraisal discussion). The new rating then becomes the most recent rating of record (i.e., primary rating) and the previous outdated rating becomes the secondary rating of record. The new rating cannot be used for BBA purposes unless the rating is issued to the employee at least 90 days calendar days before the BBA notice date.

(b) If a new rating is not prepared, or if a new rating is not prepared and issued to the employee at least 90 calendar days before the BBA notice date, the employee will be given a presumptive duplicate rating (i.e., equal to the last rating in the employee's OPF). These two rating scores will be used to determine the employee's performance category if the employee has been on board a sufficient period of time to receive two ratings. If the employee has not been on board a sufficient time to be entitled to two annual performance ratings, the second rating will be a presumptive rating of "satisfactory". In this case the two rating scores to be used would be the score of the rating in the employee's OPF and the score of the presumptive "satisfactory" rating.

(c) Presumptive ratings will be granted the employee by the servicing NAF HRO as necessary during the BBA process. A regular performance appraisal form will be completed and placed in the employee's OPF.

1. The rating provided will be identical to the most current rating of record if the employee has been on board long enough to receive two annual performance ratings. This is a presumptive "identical" rating). The HR specialist will check the appropriate rating block typing or writing the word "presumptive" beside the checked block, and annotate the remarks block of the appraisal form with the statement below, sign the form, and place a copy in the employee's OPF.

2. "For purposes of a BBA dated _____, this employee is provided with a presumptive rating of _____ based on their most recent, but outdated, annual performance rating dated _____ – OR – based on the fact that they have not been on board long enough to receive an annual rating – OR – two annual ratings."

3. If the employee has not been on board long enough to receive a rating or if the employee has not been on board long enough to receive two ratings, the NAF HR Specialist will assign a presumptive "satisfactory" rating to the employee.

(8) SCD. This is the final piece of data management needs to understand in order to conduct a BBA. Each competing employee is placed in the assigned competitive level. Within that level, place each employee according to their earned performance rating category (i.e., Gold, Silver, or Bronze). Once placed in one of these categories, employees are stratified by their SCDs so that the employee with the least amount of service is placed lowest in the assigned performance group category. After action has been taken against NCEs, if applicable, the employee to be impacted by any given BBA action is the competing employee in the lowest performance category. Within that category, the first impact is to the employee with the least amount of NAF activity creditable service.

0907. BBA Register. Figure D-7 provides an example of what a completely structured BBA register would look like .

0908. Written Notice. Specific BBA written notices must contain the following:

a. Employee's name, current position title, series, payband/grade level, rate of pay, and employment category. This identifies the competitive level to which assigned.

b. A description of the BBA and the reason for it.

c. Effective date of action.

d. If the action results in a separation, the following must be included:

(1) A statement that the action is non-disciplinary and does not preclude re-employment.

(2) Information on the RPL.

(3) Information on eligibility for use of the Interchange Agreement to apply for APF positions for one year from the date of separation.

(4) Information on unemployment compensation.

e. A statement that the BBA register may be reviewed by the impacted employee(s) or their representative and where this may take place.

f. Information on benefits including advice on loss of benefits if applicable.

g. Information on the employee's appeal rights and right to representation during the appeal.

h. Information on severance pay entitlement if applicable. See Chapter 3 for exclusions to severance pay entitlements.

i. POC information.

0909. Challenging a BBA

a. General. Regular non-probationary and flexible employees with at least three consecutive years of service in the current NAF activity have a right to appeal a BBA on the grounds of critical procedural error within seven calendar days after the effective date of the BBA if they believe BBA regulations and procedures were not properly applied. This is the only reason for using the BBA appeal process. Management decisions regarding the budget, workload, organization, and mission are reserved to management and are not appealable or grievable. If an employee alleges that the action resulted from an act of discrimination, the action may only be contested through the discrimination complaint procedure. BBA appeals follow the chain of command. The employee has no right to a hearing during the BBA appeals process.

b. Decision Impact. A decision in favor of an employee entails the requirement that the employee be "made whole". This includes pay and restoration to duty, including employment rights and benefits, as applicable. If, however, it is clear the same action would have been taken against the employee even if the regulatory or procedural error had not been made, then there is no "made whole" provision. A corrected BBA letter will be issued and the BBA process will continue.

c. Representation. An employee may be accompanied, represented, representative of their own choosing, provided the person is willing and free to do so. The employee will designate their representative in writing and provide the designation to the first stage appeal deciding official. The representative's service must not result in a conflict of interest as determined by the head of the NAF activity. All costs for the representative will be borne by the employee.

d. Use of Official Time. The employee and their designated representative may use reasonable amounts of official duty time to prepare and present appeals, subject to supervisory determination as to when such time may be used in light of priority needs of the NAF activity.

(1) BBA Appeal Procedure. The appeal procedure for regular non-probationary employees and flexible employees with three or more years of continuous service in CNIC NAF activities is as follows:

(2) First Stage. Not later than seven calendar days after the effective date of the BBA, an employee and their representative may present a written appeal to the lowest level of management that can grant the relief (usually the person who signed the BBA notice). The appeal request must state the regulation, instruction, or other pertinent source not complied with by management in conducting the BBA. Every effort will be made to resolve the matter promptly and fairly at this stage. A written decision will be provided the employee within seven calendar days of receipt of the appeal. If the decision is not issued timely, the employee may proceed to the second stage of the BBA appeal process. The decision will:

(a) Summarize the issue.

(b) Show the consideration given.

(c) Advise the employee of the right to seek relief at the next stage within seven calendar days of the receipt of the first stage decision if the employee is not satisfied with the first stage decision.

(d) Advise the employee how and where to file the next stage of the appeal request.

(3) Second Stage. A written appeal will be submitted up the chain of command to the ICO or REGCOM. Upon receipt of the BBA appeal, the deciding official may designate a disinterested third party to review the facts and make a recommendation to the deciding official. The employee has no right to demand a formal hearing in BBA appeals. A written decision must be provided to the employee within 45 calendar days of receipt of the appeal and must:

(a) Summarize the issue.

(b) Show the consideration given.

(c) Advise a regular employee of the right to file an appeal to CNIC (N9) within seven calendar days of the receipt of the second stage decision if the employee is not satisfied with the second stage decision. There is no further appeal above this second stage level for flexible employees with more than three years of service in CNIC NAF activities.

(4) Third Stage. This stage applies to regular non-probationary employees only, who, if dissatisfied, may appeal to CNIC (N9) within seven calendar days after receipt of the second stage BBA appeal decision. CNIC (N9) will make a decision based on the written record(s)

within 30 calendar days of receipt of the appeal and appeal file from the ICO or REGCOM. There is no further appeal above this level.

e. Record of BBA Appeal. A complete case file of the appeal will be maintained with the BBA file. The file will contain at a minimum:

(1) All of the materials normally in a BBA file. Documents can be obtained from the local Human Resources Department.

(2) A copy of the employee's written appeal for each stage of the appeal process that is used.

(3) A copy of all of management's responses to the appeal.

(4) All of the documents involved in the final disposition of the appeal.

(5) Any other material deemed relevant to the appeal.

0910. RPL. RPL guidelines are in chapter 2 of this instruction .

0911. BBA File. A BBA file must be established whenever a BBA is conducted. Such files will be maintained for two years from the effective date of the action and will contain:

- a. The general notification to the employee(s) announcing the need for the BBA.
- b. A copy of the BBA register.
- c. A copy of the specific letter or notice sent to each employee.
- d. A copy of the individual PAR that affected the BBA.
- e. A copy of the full appeal file with the required contents.
- f. An annotated and updated copy of the RPL(s) established as a result of the BBA.

0912. Miscellaneous.

a. While there is no requirement to receive prior approval from CNIC HQ (N9) for a BBA, CNIC HQ (N9) should be sent an information copy of all general notices impacting 10 or more employees.

b. Neither reversion nor retreat rights are provided for in the BBA process.

17 Jul 2023

SAMPLE LETTER - FURLOUGH OF SOME REGULAR EMPLOYEES

From:

To:

Subj: BUSINESS BASED ACTION FURLOUGH

Ref: (a) CNICINST 5300.xx (Insert latest instruction number)

Encl: (1) SF-8 Notice to Federal Employee about Unemployment Insurance

1. This is written notification that you will be placed in a furlough status, for a period of up to 180 days. This furlough is effective September xx, xxxx and ends March xx, xxxx. This letter meets the minimum seven-day notice requirement regular employees must receive before such actions are taken. You will receive a PAR implementing this separation. Specific information on Budget Based Actions (BBA) may be found in reference (a).

2. This action is necessitated by the fact that the majority of the military assigned to this installation have been sent overseas as part of Operation xxxxxxxx. This move has led to a drastic curtailment in Chief Petty Officers' (CPO) Club business, thereby, necessitating a temporary cutback in our workforce.

3. The retention register for your competitive level contains the following information concerning your personal status:

a. Position Title, Series, Payband or Grade, and Salary: Accounting Technician, NF-0525-03; \$21,000 per annum

b. Competitive Area: CPO Club; Morale, Welfare and Recreation; Anywhere, USA

c. Competitive Level: Accounting Technician, NF-0525-03, Regular Full-time

d. Performance Level: Gold

e. Service Computation Date: January xx, xxxx

4. Following is information on your benefits:

a. You will not receive a lump sum payment for your accrued but unused annual leave. You will not be paid for sick leave. It will be restored to you when you return from furlough. (NOTE: MANAGEMENT MAY PERMIT USE OF ANNUAL LEAVE BEFORE THE OFFICIAL FURLOUGH.)

b. If you wish to retain your health insurance during the furlough, you will be required to pay the employee cost.

Figure 9.1

17 Jul 2023

Subj: BUSINESS BASED ACTION FURLOUGH

5. You may be eligible to receive unemployment compensation. This decision is up to the State Public Employment Service Office or the State Employment Security Office. Enclosure (1) provides details on how to find out if you will be eligible to receive unemployment compensation.

6. This BBA furlough action is a non-disciplinary action and should not be considered as reflecting upon your performance or conduct. It is being taken solely for the reason(s) stated. The services you have rendered toward the accomplishment of our mission are sincerely appreciated.

7. You and/or your representative may review the retention register utilized in taking this action by contacting the Nonappropriated Fund Human Resources Office (NAF-HRO). You also have a right to appeal this action. The appeal can only be based on procedural grounds. Should you desire to appeal this action, your written request must be received by the undersigned not later than seven calendar days after the effective date of the action. Your appeal must state the regulation, instruction, procedures, or other pertinent source not complied with by management in conducting the BBA.

8. Please contact Ms. xxxxxx of the NAF HRO if you need additional information or have questions about any of the items mentioned in this notice or any other issues concerning your employment, your benefits, or your rights. Ms. xxxxx phone number is (xxx) xxx-xxxx.

MWR Director or equivalent

Figure 9.1

17 Jul 2023

**SAMPLE LETTER- FURLOUGH OF ALL EMPLOYEES IN THE COMPETITIVE
AREA**

From:

To:

Subj: BUSINESS BASED ACTION FURLOUGH

Ref: (a) CNICINST 5300.xx (insert latest instruction number)

Encl: (1) SF 8 Notice to Federal Employee about Unemployment Insurance

1. This is written notification that you will be placed in a furlough status, for a period of up to 180 days. This furlough is effective September xx, xxxx and ends March xx, xxxx. This letter meets the minimum seven-day notice requirement that regular employees must receive before such actions are taken. You will receive a PAR implementing this separation. Specific information on Budget Based Actions (BBA) may be found in reference (a).

2. This action is necessitated by the fact that all of the Chief Petty Officers' (CPO) Club employees in your competitive area are being furloughed as a result of the CPO Club being closed for up to six months for major renovations. If the renovations are completed prior to the six-month time frame, we will notify you and provide you with a return to duty date.

3. Normally, we would provide you with information concerning your competitive standing with other competing employees; however, since all CPO Club employees are being furloughed there is no need to provide such data.

4. Following is information concerning your benefits:

a. You will not receive a lump sum payment for your accrued but unused annual leave. You will not be paid for sick leave. It will be restored to you when you return from furlough.

b. If you wish to retain your health insurance during the furlough, you will be required to pay the employee cost.

5. You may be eligible to receive unemployment compensation. This decision is up to the State Public Employment Service Office or the State Employment Security Office. Enclosure (1) provides details on how to find out if you will be able to receive unemployment compensation.

6. This BBA furlough action is a non-disciplinary action and should not be considered as reflecting upon your performance or conduct. It is being taken solely for the reason(s) stated. The services you have rendered toward the accomplishment of our mission are sincerely appreciated.

Figure 9.2

17 Jul 2023

Subj: BUSINESS BASED ACTION FURLOUGH

7. (Add for regular employees and flexible employees who have been on the rolls of the NAF activity for at least three consecutive years). You also have a right to appeal this action. The appeal can only be based on procedural grounds. Should you desire to appeal this action, your written request must be received by to the undersigned not later than seven calendar days after the effective date of the action. Your appeal must state the regulation, instruction, procedures, or other pertinent source not complied with by management in conducting the BBA.

8. Please contact Ms. xxxxx of the Nonappropriated Fund Human Resources Office if you need additional information or have questions about any of the items mentioned in this notice or any other issues concerning your employment, your benefits, or your rights. Ms. xxxxx phone number is (xxx) xxx-xxxx.

MWR DIRECTOR or equivalent

Figure 9.2

17 Jul 2023

SAMPLE LETTER - CHANGE IN EMPLOYMENT CATEGORY

From:

To:

Subj: BUSINESS BASED ACTION CHANGE IN EMPLOYMENT CATEGORY

Ref: (a) CNICINST 5300.xx (insert latest instruction number)

Encl: (1) Benefit Entitlement Package*

1. This is written notification that your employment category will be changed from regular full-time to flexible. This change will be effective March xx, xxxx, which is beyond the seven day required minimum notification for a Business Based Actions (BBA) such as this. Specific information concerning BBAs and benefits continuation is in reference (a).
2. This change in your employment category was necessitated by an acute drop in Chief Petty Officers' (CPO) Club business and related budgets.
3. The retention register for your competitive level contains the following information concerning your personal status:
 - a. Position Title, Series, Payband or Grade, and Salary: Accounting Technician, NF-0525-03; \$21,000 per annum
 - b. Competitive Area: CPO Club; Morale, Welfare and Recreation; Anywhere, USA
 - c. Competitive Level: Accounting Technician, NF-0525-03, Regular Full-time
 - d. Performance Level: Gold
 - e. Service Computation Date: January xx, xxxx
4. The retention register, which contains data on all competing employees in your competitive level, is available for your review. Please contact Ms. xxxxx, of the Nonappropriated Fund Human Resources Office at (xxx) xxx-xxxx if you wish to review the retention register.
5. Since this action will cause you to lose base pay and benefits, you may elect to resign in lieu of your change in employment category. If you decide to take this option, you may be eligible to receive severance pay. If this is your choice, you must notify Ms. xxxxx (enter the same name as in paragraph 4 above) within seven calendar days of receipt of this letter. Failure to elect this option will result in a change in your employment category with the stated effective date of August xx, xxxx. Your new supervisor, Mr. xxxxxx, will contact you prior to the effective date of your employment category change to provide you with your new work schedule.

Subj: BUSINESS BASED ACTION CHANGE IN EMPLOYMENT CATEGORY

6. As a regular, non-probationary employee, you have a right to appeal this action. An appeal can only be based on procedural grounds. Should you desire to appeal this action, your request written must be received by the undersigned not later than seven calendar days after the effective date of the action. Your appeal must state the regulation, instruction, procedures, or other pertinent source not complied with by management in conducting the BBA.

MWR Director or equivalent

Figure 9.3

17 Jul 2023

SAMPLE LETTER - SEPARATION

From:

To:

Subj: BUSINESS BASED ACTION SEPARATION

Ref: (a) CNICINST 5300.xx (insert latest instruction number)

Encl: (1) SF 8, Notice to Federal Employee about Unemployment Insurance

1. As a result of a recent A-76 study, all of the Morale, Welfare and Recreation (MWR) functions are being contracted out and all positions are being eliminated. This is written notification that per the Budget Based Action (BBA) procedures in reference (a), your position will be abolished and you will be separated from employment with the (insert name of organization) as of close of business on March xx, xxxx. This notice exceeds the minimum notification that a Nonappropriated Fund employee of your employment category must receive before such action can be taken. You will receive a PAR documenting this separation. The retention register for your competitive level contains the following information concerning your personal status:

a. Position Title, Series, Payband or Grade, and Salary: Accounting Technician, NF-0525-03; \$21,000 per annum

b. Competitive Area: CPO Club; MWR; Anywhere, USA

c. Competitive Level: Accounting Technician, NF-0525-03, Regular Full-time

d. Performance Level: Gold

e. Service Computation Date: January xx, xxxx

2. This BBA separation action is a non-disciplinary action and should not be considered as reflecting upon your performance or conduct. It is being taken solely for the reason(s) stated and does not preclude your future re-employment with MWR. The services you have rendered toward the accomplishment of our mission are sincerely appreciated.

3. Following is information concerning your benefits:

a. You will receive a lump sum payment for your accrued but unused annual leave. You will not be paid for sick leave. It may be restored to you should you be re-employed as a regular employee in a CNIC NAF activity.

b. You may be eligible to retain your health insurance for up to 18 months after the effective date of separation; however, you will be required to pay the full employee and employer cost plus a two percent administrative fee.

17 Jul 2023

Subj: BUSINESS BASED ACTION SEPARATION

c. Your life insurance and Accidental Death and Disability coverage will stop effective the last day of your employment. You may convert the life insurance coverage to an individual policy within 31 days after separation without proof of insurability. You will have to pay the total cost of this policy.

d. As a result of your years of service as a regular employee, you will be entitled to x weeks of severance pay. This will be paid to you in a lump sum within four weeks of your separation date.*

4. You may be eligible to receive unemployment compensation. This decision is up to the State Public Employment Service Office or the State Employment Security Office. Enclosure (1) provides details on how to find out if you will be able to receive unemployment compensation.

5. You will be placed on the Re-Employment Priority List (RPL) for NAF positions within this commuting area. The RPL consideration will include vacancies in your same or lower employment category and in your same or lower payband or grade. You will also be eligible to apply for appropriated fund (APF) vacancies at your same or lower payband/grade for up to one year from the date of your separation if NAF employees are within the area of consideration of the APF vacancy announcement.

6. You and or your representative may review the retention register utilized in taking this action by contacting the NAF Human Resources Office at (xxx) xxx-xxxx. You also have a right to appeal this action. The appeal can only be based on procedural grounds. Should you desire to appeal this action, your written request must be received by the undersigned not later than seven calendar days after the effective date of the action. Your appeal must state the regulation, instruction, procedures, or other pertinent source not complied with by management in conducting the BBA.

7. During the appeal process, you have a right to select a representative of your choosing as long as there is no conflict of interest involved and as long as the person is willing to serve. Any fees charged by or paid to a representative are to be paid by you.

8. Please contact Ms. xxxxx of the NAF Human Resources Office if you need additional information or have questions about any of the items mentioned in this notice or any other issues concerning your employment, your benefits, or your rights. Ms. xxxxx phone number is (xxx) xxx-xxxx.

MWR DIRECTOR or equivalent

* If employee is eligible for immediate annuity, they cannot receive severance pay. Include a paragraph on retirement eligibility if eligible for immediate annuity.

Figure 9.4

SAMPLE LETTER - GENERAL NOTICE

From:

To:

Subj: PROJECTED BUSINESS BASED ACTION

1. This is to notify employees of the Chief Petty Officers' Club that management intends to eliminate two regular full-time Bartender positions, NA-7405-04. This Business Based Action (BBA) has been necessitated due to declining revenues.

2. Individual BBA notices required to take the necessary action should be issued within two weeks of the date of this notice.

3. Questions pertaining to this matter should be directed to Ms. xxxxxxxx of the Nonappropriated Fund Human Resources Office. Ms. xxxxx phone number is (xxx) xxx-xxxx.

MWR Director

Figure 9.5

17 Jul 2023

**SAMPLE - COMPETITIVE AREA DETERMINATION NOTICE
OF THE TOTAL MWR ACTIVITY**

xx Aug xxxx

From:

To: All Nonappropriated Fund Employees

Subj: COMPETITIVE AREA

Ref: (a) CNICINST 5300.xx (insert latest instruction number)

1. This is written notification that I have determined that all Nonappropriated Fund employees of Morale, Welfare and Recreation (MWR), NAS North Island are in the same (one) competitive area.

MWR Director

NOTE: This notifies employees that the total activity will be one competitive area for Business Based Action (BBA) purposes. For this example, there are three clubs with one closing temporarily for six months. (Let's call the club that is temporarily closing, Club A, and the other two clubs, B and C). Since the total MWR activity is one competitive area, all employees could be impacted by the BBA; that is, all employees in the activity must compete in determining who is to be furloughed or terminated. In such case it is highly likely that some, but not many, of Club A people will not be furloughed. Instead, Club B, and C employees could be furloughed. This means that Club "A" employees might be reassigned to Clubs B & C due to Clubs B & C employees being furloughed because of their standing on the retention register. If each club been made a separate competitive area, impact of any and all BBAs in any one club would be restricted to that club (competitive area) only. If the three clubs had been set up as three separate competitive areas, only employees of Club A would be furloughed without disruption to employees of Clubs B & C.

Summary: Declaring competitive areas is a key management decision. By definition, it limits the impact of BBAs only to those positions and employees in the defined area. While management may change its decision on competitive area determinations, all stated competitive areas must be identified, and employees notified, at least 90 calendar days before the new competitive area can be used in a BBA.

Figure 9.6

SAMPLE - RETENTION REGISTER

xx Feb xxxx

Competitive Level: Secretary – Regular Full-time - NF-0318-02

Performance Category - Gold - (9 & 10 Points)

Name	Appraisal 1	Date/Rating Appraisal 2	Date/Rating SCD
Employee A	1 May 91 Out	1 Jun 92 Out	12 Apr 78
Employee B	3 Apr 91 Out	30 May 92 HS	1 Mar 88

Performance Category - Silver - (7 & 8 Points)

Employee C	13 Jun 91 Out	30 Jun 92 Sat	1 Mar 75
Employee D	19 Jan 91 HS	1 Dec 92 HS	1 Apr 80
Employee E	28 Jan 91 HS	1 Dec 92 Sat	15 Dec 82

Performance Category - Bronze - (3 - 6 Points)

Employee F	17 Jun 91 Sat	1 Jul 92 Sat	28 Oct 76
Employee G	1 May 91 Sat	1 Jul 92 Sat (P)	15 Mar 82

Non-Competing Employees

None

In using the above BBA register, eliminate or take BBAs from the bottom up. Names are placed in the competitive level group by performance category and placed within each category in order of SCD with the person with most credit at the top of their assigned group. Where no employees are found in an assigned group, the word "none" must be annotated under that group. Also note that the date of the two ratings are provided. Where a presumptive rating has been given, the letter "P" must be shown as it is with Employee G under the Bronze category above.

Figure 9.7

CHAPTER 10

NAF RETIREMENT AND INSURANCE

1001. Background and Policy. Retirement and insurance benefits for NAFI under the cognizance of CNIC are administered per applicable laws, E.O.s, rules and regulations regardless of whether or not they are referenced in this instruction. Should there be any conflicts between any correspondence, publication, conversation, web page, or other issuance and the specific Benefit Plan Document, the plan document prevails.

a. Retirement and insurance benefits plans have been developed to provide financial protection for CNIC NAF regular employees and their dependents. This comprehensive benefit package includes:

- (1) Life Insurance
- (2) Accidental Death and Dismemberment (AD&D)
- (3) Long Term Disability (LTD) Insurance
- (4) Comprehensive Health Insurance
- (5) Workers' Compensation (WC)
- (6) Employee Assistance Program (EAP)
- (7) Savings and Investment/CNIC NAF 401k Plan
- (8) CNIC NAF Retirement Pension Plan
- (9) Unemployment Compensation

b. Participation in all plans (except EAP, Unemployment Compensation, and WC) is voluntary for eligible employees, and a portion of the cost is borne by each participant. EAP, Unemployment Compensation, and WC benefits are provided automatically at CNIC's expense to all eligible employees.

c. Benefit information, containing cost and other specific plan details, are provided to an employee when the employee is appointed to a regular position. This information is updated as changes occur and may be obtained by contacting the CNIC (N941) Retirement Section. Additional plan information is available on various websites including www.nafhealthplans.com and www.navymwr.org. Each activity's HRO will publicize open season enrollments, and documented changes as they occur.

1002. Retirement Plan

a. Retirement Coverage. CNIC provides a retirement plan for eligible employees. Retirement benefit payments under this plan are integrated with a social security supplement benefit.

b. Eligibility. Retirement plan participation is open to CNIC NAF employees that meet the following criteria:

- (1) RFT CNIC NAF employee working in the U.S.
- (2) RPT CNIC NAF employee in the U.S. scheduled to work at least 20 hours a week and at least 5 months a year.
- (3) U.S. citizens working overseas in one of the above employment categories. Non-U.S. citizens working overseas are not eligible to enroll in the retirement plan.

c. Participation. Employee participation in the retirement plan is voluntary. The employee and the employer share the cost of the plan.

- (1) Each eligible employee will be required to submit a signed and dated enrollment form authorizing the required contributions for participation.
- (2) Contributions will begin in the first full pay period from which the enrollment form is signed. The amount of contributions is a set percentage of eligible earnings as specified in the retirement plan document. The period of time in which contributions are received into the retirement plan is considered Plan Service and is used to calculate an employee's retirement benefit.
- (3) Employees may elect to discontinue participation from the retirement plan at any time. A signed and dated written request from the employee must be submitted to discontinue participation. Contributions will stop as of the first full pay period following the signed request. The period of discontinuance cannot be repurchased for additional retirement credit once an election is made. The employee may choose to reenroll in the retirement plan after thirty days from the election.
- (4) Employees who are on authorized LWOP, FMLA, or return to employment with CNIC after a period of Uniform Service may be eligible to repurchase the periods of missed contributions. These periods of authorized leave must be formally documented in the personnel system and copies of the associated personnel actions must be retained in the employees' OPF.

d. Service. For purposes of this instruction, the following definitions of service will apply:

- (1) NAF Service. The service as a CNIC NAF RFT or RPT employee. This is the service used to determine eligibility to receive a retirement benefit, often referred to as "Vested". Under the retirement plan this service is identified as continuous service.

(2) Plan Service. The period of time that an employee is contributing in the retirement plan. This service is used in the calculation of the retirement benefit. This service may also be represented in the form of unused sick leave hours at the time an employee separates from employment for the purpose of retirement.

e. Vested. Vested status under the retirement plan indicates that the employee has met the requirements to receive a lifetime CNIC NAF retirement benefit. In order to obtain a vested status under the retirement plan, an employee must complete five years of NAF RFT or RPT service.

f. Retirement Eligibility. Retirement eligibility depends upon the age of the employee and years of NAF service at the time of separation.

(1) Full Retirement Benefits are shown below in Figure 7-1.

Regular Retirement Eligibility	
Minimum Age	Minimum Years of NAF Service
62 or older	5
60	20
55	30

Figure 10.1

(2) Early Retirement Benefit

(a) Early Retirement with a Reduced Benefit. Employee is at the minimum age of 52 but not to exceed age 61 with at least 5 years of CNIC retirement eligible NAF Service. The early retirement benefit is reduced by one-third of one percent for each month the employee is under the age of 62.

(b) Involuntary Early Retirement with a Reduced Benefit. An employee whose employment is terminated by BBA and is under the age of 62 must meet one of the following criteria to be eligible to receive a reduced retirement benefit:

1. Completed at least a minimum of 25 years of CNIC retirement eligible NAF service.

2. Be at a minimum age of 50 with 20 years of CNIC retirement eligible NAF service. The involuntary early retirement benefit is reduced by one-sixth of one percent for each month the participant is under the age of 55.

(3) Termination of Employment. If employment terminates for any reason other than retirement or death, the following options are available under the retirement plan:

(a) Less Than Five Years of NAF Service. If an employee has less than five years of NAF service at the time of termination, then a refund of total retirement plan contribution with interest will be issued, which represents the total Plan Service under the retirement plan.

(b) Five or More Years of NAF Service. If an employee has at least five years of NAF service at the time of termination, then one of the following options may be elected:

1. Option A. An employee may elect to receive a refund of total retirement plan contribution with interest, which represents the total Plan Service under the retirement plan.

2. Option B. An employee may elect to leave their contributions in the retirement plan, and when eligible, receive a retirement benefit upon completion of a retirement application.

(4) Reemployed with CNIC. Upon reemployment with CNIC, a former employee who previously contributed to the retirement plan and had received a refund of contributions with interest, and now has an immediate election to participate in the retirement plan, may submit a written election within 180 days of appointment, to request that funds be deposited to regain the prior Plan Service toward a future retirement plan benefit.

(5) Retirement Process. Employees must submit all required documents to their NAF HRO no later than one month prior to their expected separation date. The estimated time to complete the retirement process is approximately six to eight weeks depending on the complexity of the participant's Plan Service. The NAF activity HRO will submit the following documents to CNIC (N941) Retirement Section, as necessary, for processing:

(a) Application for retirement.

(b) Employee OPF.

(c) IRS (W-4P and W-9) Forms and Pension Payment Form (also known as Direct Deposit Form).

(d) Copy of employee's birth certificate.

(e) Copy of employee's marriage certificate and spouse's birth certificate (if married)

(6) Retirement Benefit While Receiving Disability. Employees receiving a disability benefit from a CNIC insurance program will also be eligible to receive their CNIC NAF retirement benefit once they reach age 62 and have completed the minimum Service Plan requirement of 5 years.

(7) Death Benefits. The beneficiary/beneficiaries of an employee who participated in the retirement plan may be eligible to receive death benefits, depending on information contained

on their enrollment form or based on their current marital status. Upon notification of the death of an employee who participated in the retirement plan, the NAF activity HRO must provide the following information to CNIC (N941) Benefits Section:

- (a) Employee's full name.
- (b) Employee's SSN.
- (c) Point of contact (POC) for the employee.
- (d) Date of Death (if applicable)

(8) Review. CNIC (N941) NAF Benefits Section will review all eligible death benefits for employees and communicate results to the employee's beneficiary/beneficiaries.

(9) DoD Portability Program in relation to CNIC Retirement. Under the DoD Portability Program, employees who move between APF and NAF are required to make an election to either remain in the losing employer's retirement system or begin participation in the gaining employer's retirement system. Each election is irrevocable and can only be made once for each type of move between agencies. Types of moves include:

- (a) APF to NAF: Election to retain APF Retirement System.
- (b) NAF to APF: Election to retain NAF Retirement System.

(10) If the employee elects to retain the retirement system of the losing employer, the employee will remain in the losing employer's retirement system for the remainder of their federal service. Therefore, regardless of any future moves between APF and NAF, breaks in service, or retirement status, the employee's retirement coverage will remain with the elected employer's retirement system.

(11) For any CNIC NAF employee that has made such an election during their federal service, and the elected employer's retirement system is not CNIC NAF, CNIC will need to ensure that this portability election is implemented properly per the requirements of the elected employer's retirement system. Employee deductions and employer match will continue as if they are an active participant. CNIC will ensure timely transfer of funds to the elected employer's retirement system.

(12) Upon applying for retirement, the employee will notify the NAF activity HRO a minimum six months in advance of their proposed retirement date. CNIC (N941) Retirement Section will assist with the completion of the retirement process.

1003. Unemployment Compensation Benefits. CNIC provides unemployment compensation coverage for NAF employees under its cognizance. Individual state unemployment offices administer the unemployment compensation program. This program covers regular and flexible

CONUS and OCONUS U.S. citizens. It also covers non-U.S. citizens employed in CONUS, but not OCONUS. OCONUS U.S. citizens may apply for payment upon return to CONUS .

a. If a NAF activity receives an IRS 4901 or some other notification for payment of unemployment wages, the activity must check "exempt" in the block provided and return the form to the originating IRS office. The form must contain the following statement: "NAF activities under the cognizance of CNIC within CONUS and overseas qualify as NAF activities as defined in Revenue Ruling 54-566 and are therefore exempt from these taxes."

b. Whenever a CONUS NAF employee or when an OCONUS NAF employee who is returning to CONUS is separated for any reason, placed in a non-pay status for more than seven consecutive days, or transferred to another payroll office with a break in service, the activity must:

(1) Complete a PAR specifying the date of the separation action and the reason for separation.

(2) Complete a Notice to Federal Employees About Unemployment Insurance, SF-8 showing the full name and address of the NAF activity where payroll records are maintained. Immediately below the address insert: "Navy Clubs and Recreation System 808."

(3) Deliver the original SF-8 and PAR to the employee and place a copy in the employee's OPF.

c. The following actions are required upon receipt of inquiries from State unemployment agencies:

(1) If a former employee files a claim for unemployment compensation, the State agency will forward an ES-931, Request for Wage and Separation Information to the NAF activity listed on the SF-8. When the ES-931 is received by the activity, the form must be completed and returned to the State agency within four working days. If, for any reason, the four day limit cannot be met, the State agency must be advised of the reason for the delay and the estimated completion date.

(2) If, for any reason, the information supplied on the ES-931 is not adequate, the State agency or State administrative appeal authority will request additional forms. These requests for information are subject to the same time limit and controls as the ES-931. The local NAF activity must furnish any relevant information requested that it is not otherwise prohibited by law from releasing.

(3) On unemployment compensation related forms, ensure that "Navy Clubs and Recreation System 808" is inserted in the block indicated for Name of Parent Federal Agency.

(4) Upon notification of an unemployment hearing, a member of the HR staff or some other management official with knowledge of the reason and circumstances involved in the employee separation will make arrangements to participate in the hearing. Participation through conference call may be arranged with the unemployment hearing official. The final decision on

payment or non-payment of unemployment compensation is based upon State rules. The State has the authority to pay or not make payments.

1004. Disability Plan. CNIC offers a LTD plan that works with sick leave and social security disability, to provide income protection for employees who develop non-occupational disabilities.

a. Enrollment Eligibility. All RFT NAF employees are eligible to enroll.

b. Enrollment. A RFT employee may enroll during the first 31 days of eligibility (new hire or change to eligible employment category) without providing evidence of insurability. Enrollment opportunities after this initial period are limited and subject to submission of evidence of insurability and approval by the servicing insurance administrator. Premiums are based on employee's salary and current plan document provisions.

c. Receiving Benefits.

(1) To be eligible to receive disability benefits, an employee must be totally disabled and not working for 60 days. Total disability means an employee cannot perform any gainful employment that the employee is qualified for based upon their training, education, and/or experience. Accrued sick and annual leave may be used during this period; however, sick leave must be exhausted prior to the employee receiving any disability benefits. If employee has been approved for donated leave, this leave may only be used during the 60 day elimination period.

(2) Employees will be placed on LWOP for a period of one year from the date of disability as determined by the plan administrator. During this period of time the employee may continue participation in the medical, dental, and life insurance plan by paying the employee portion of the premiums. If the employee is unable to return to work at the end of the year, a disability separation will be processed.

(3) Normally disability benefit payments continue until the employee recovers, exhausts the benefits under the plan limitations, reaches age 65 or dies. An employee who becomes disabled:

(a) Between age 62 and 64 may receive disability payments for up to 36 months.

(c) Between age 65 and 67 may receive disability payments for up to 24 months.

(d) At age 68 or older may receive disability payments for up to 12 months.

(4) The relationship between retirement and disability payment is stated in the retirement plan coverage earlier in this chapter.

1005. Group Medical, Dental, Flexible Spending Account (FSA), and Life Insurance Plans.

a. Medical and Dental. RFT and RPT employees may elect one of the following types of medical/dental participation:

- (1) Medical insurance only.
- (2) Both medical and dental insurance. In order to enroll in dental insurance, the employee must first be enrolled in medical insurance.
- (3) Stand Alone Dental (SAD). To be eligible to enroll in SAD, an employee may not enroll in any medical plan offered by CNIC.

b. FSA. RFT and RPT employees are eligible to enroll in the FSA plan(s). FSAs are offered for qualified health care and dependent child care expenses. These plans are governed by the IRS and administered by a Third Party Administrator. Employees do not have to be enrolled in any of the CNIC's medical or dental plans to enroll. Participation in the plans do not roll over from one year to the next. Enrollment will be offered during the annual open enrollment period and within 31 days of a qualifying life event.

c. Life Insurance. RFT and RPT employees may enroll within 31 days of eligibility (new hire or change in employment category to an eligible category) without providing evidence of insurability. Certain coverage levels require evidence of insurability in any circumstance (see plan document for information). Enrollment opportunities after this initial period are limited and subject to submission of evidence of insurability and approval by the servicing insurance administrator. Premiums are based on the employee's salary, age, and current plan document provisions. RFT and RPT employees may elect the following group life insurance options:

- (1) Basic life coverage amount calculated by the annual salary rounded up to the next thousand, plus \$2,000. A portion of the premium is paid by CNIC and the remainder is paid by the employee.
- (2) Optional life coverage is up to six times the employee's annual salary with a maximum benefit of \$750,000 when combined with basic life. In order to elect optional life, the employee must be enrolled in basic life. The employee pays 100 percent of the premium.
- (3) Dependent spouse and child life insurance coverage is available to employees enrolled in basic and optional life coverage. The employee pays 100 percent of the premium.
- (4) Optional, spouse and child coverage premiums are 100 percent employee paid.
- (5) Employees who enroll in basic, optional and dependent coverage are automatically given AD&D coverage.

(6) RFT and RPT employees may enroll within 31 days of eligibility (new hire or change in employment category to an eligible category) without providing evidence of insurability. Enrollment opportunities after this initial period are limited and subject to submission or evidence of insurability and approval by the servicing insurance administrator. Premiums are based on the employee's salary, age and current plan document provisions.

(7) Certain coverage levels require evidence of insurability in any circumstance (see plan document for information).

d. Group plan eligibility is as follows:

(1) All regular employees are eligible for medical, dental and life insurance coverage.

(2) Only RFT employees are eligible for LTD coverage.

(3) A flexible category employee who works an average of 30 or more hours per week during a twelve month look-back period may be eligible for medical coverage.

(4) All employees regardless of employment category are covered under the EAP at no cost to the employee.

e. Effective dates of coverage are set as follows:

(1) For new employees, group insurance becomes effective the day the employee signs and submits the enrollment election forms to HRO provided the enrollment election forms are received by the HRO within the first 31 days of eligibility. Deductions are initiated and made for the first full pay period following the election of the benefit.

(2) During the annual open enrollment period, the effective date of medical and dental coverage will be January 1 of the following year. Life insurance or LTD coverage applied for during open enrollment will be effective on the date of approval from the administrator or January 1 of the following year, whichever is later.

f. Family members may be covered under the DOD Health Benefits Program (HBP) or an authorized Health Maintenance Organization pursuant to the rules established in those plans. An employee who is enrolled in single (self-only) coverage may add dependents to coverage within 31 days of gaining a new family member (e.g., through marriage, the birth of a child).

g. To apply for group plan coverage, the employee must complete the required enrollment forms and submit them to the NAF activity HRO within the required time frames as follows:

(1) During an employee's initial 31-day eligibility period (when appointed as a regular employee).

(2) During the open enrollment period. Open enrollment for group insurance will be announced annually and during special enrollment events. The open enrollment period will

normally be a 30-day period. Employees who did not enroll in medical and/or dental insurance during the initial 31-day eligibility period may enroll during this period. Employees applying for disability or group life coverage during open enrollment must provide proof of insurability with the application. During the annual open enrollment period, insured employees may also:

- (a) Change medical coverage.
- (b) Add dental coverage to medical coverage.
- (c) Drop dental and keep medical coverage only.
- (d) Drop both medical and dental coverage.
- (e) Add or drop eligible dependents.

h. The amount of basic life and optional coverage will change with the effective date of any pay adjustment the employee receives (e.g., promotion, annual pay raise), unless the employee is not in a pay status on that date. If the employee is not in a pay status on the effective date of the pay adjustment, the amount of coverage will not change until the employee returns to a pay status for one full day. Employee deductions will change the same pay period as the effective date of the pay adjustment.

i. Coverage for an insured employee who enrolls an eligible dependent in medical and/or dental coverage within 31 days of gaining a family member, will become effective the date the enrollment form is signed. A newborn child will be covered from the date of birth, if application for the coverage is made within 31 days of birth. Premium payments will be due retroactively to the pay period coincident with the newborn child's date of birth.

j. Medical and dental coverage shall only be added, dropped or changed during open enrollment or for a qualifying event. Dental coverage ends automatically when medical coverage is discontinued. However, an employee may select SAD if medical coverage discontinued.

k. Termination of Coverage

(1) An employee ceases to be insured on the earliest of the following:

- (a) The date employment ends.
- (b) The date an employee on LWOP does not make the required premium payment on time. To ensure continuation of coverage, an employee on LWOP must submit the full amount of the premium payment(s) to the employing NAF activity no later than the payday for each pay period the employee is on LWOP.
- (c) The date the master group contract terminates.

- (2) A family member ceases to be insured on the earliest of the following dates:
- (a) The end of the month the dependent child turns 26 years of age or per the applicable plan document.
 - (b) The date the family member commences active duty in the Armed Forces of any country.
 - (c) The date the employee is no longer insured.
 - (d) The last day of the last pay period for which an employee makes contributions for family member coverage.
 - (e) The day the master group contract terminates.

1. Employees covered by medical insurance benefits may elect Temporary Continuation of Coverage per the rules of the NAF DoD HBP.

1006. Savings and Investment Plan (401(K)). This is a voluntary long-term savings and investment program that can be a supplement to the retirement plan. Employee payments into the plan reduce the employee's taxable income and lower the employee's income taxes. A Third Party Administrator (TPA) operates the plan with CNIC providing overall plan management. Specific plan information booklets are provided to eligible employees upon hire and are available at <http://www.navymwr.org>.

a. Eligibility. All RFT and RPT employees age 18 or over are eligible to enroll with the exception of those NAF RFT and RPT employees at NAF activities outside the U.S. or its territories, where participation is limited to RFT employees who are U.S. citizens.

b. Enrollment. Enrollment is allowed any time after an employee becomes eligible and the appropriate data transmission has been received by the TPA. All enrollments and changes are employee self-directed by logging into the provider website or calling the designated provider directly.

c. Changes. Participants can apply changes to their deduction or investments at any time. Changes may take one or two pay cycles before the changes are applied; depending upon the TPA.

(1) Deductions. Employees may save any percentage, represented in whole percentages, of their base pay for a CY, as long as the total employee contributions do not exceed the IRS Annual Limit.

(2) Investments. Employees may elect to change the investment fund throughout the CY. Assistance with these changes or information on the different investments offered by the CNIC NAF Savings and Investment Plan 401(k) is provided by the TPA by accessing the employee web base account or calling the provider directly.

d. Vested. An employee is 100 percent vested in their deductions to the plan at all times. There is a one-year vesting period before employer contributions to the plan become available to the employee within the IRS limits.

e. Termination of Employment and Changes in Employment Status. Upon termination of employment, the TPA will provide distribution information to the participant. The distribution options may include an automatic payment of eligible account balance; election to retain employer account; and/or transfer of account balance, in the form of a rollover, to an eligible plan account. In the event of a change in employment status, which would make the employee not eligible to participate in the savings and investment plan, the employee will retain their current account until the employee terminates from CNIC. Contributions to the account will not be eligible unless the employment status changes to RFT or RPT.

1007. Post-Retirement Benefits

f. Retired Medical. Retirees are eligible for post-retirement medical coverage if they are at least age 52 and have a minimum of 15 years of cumulative participation in any combination of DoD component NAF employer medical plan. Coverage under the Federal Employees Health Benefits (FEHB) program may be counted toward the 15 year requirement if the employee was enrolled the day before the move from an APF position to a NAF position without a break in service of more than three days. Retiree coverage will be the same as that provided to active employees and will change if the active coverage changes. Coverage will continue as long as the retiree pays the required premium. Premiums will be deducted from the monthly retirement annuity if available. Medicare becomes the primary carrier for medical coverage when the retiree becomes age 65.

g. Retired Dental. Dental coverage requires the same cumulative 15 years of participation as the medical coverage to be eligible to continue the plan in retirement. SAD is not available to retirees.

h. Retired Life Insurance. Retirees are eligible for post-retirement life insurance if the retiree has five consecutive years of CNIC NAF life insurance coverage, is age 52 or older on the date of retirement and is eligible to receive an immediate annuity.

(1) The amount of retiree life insurance coverage depends upon when the employee retired as an active CNIC NAF employee and how long the employee was enrolled in the plan immediately prior to retirement.

(a) If an employee was enrolled in the CNIC plan for at least 15 years and retires at age 62 or older, the retiree's life insurance coverage will continue in full until the retiree reaches age 66. At age 66, coverage is reduced by 25 percent per year until coverage equals 25 percent of the original coverage amount.

(b) If an employee was enrolled in the CNIC plan for at least five years and retired at age 52 or older, life insurance coverage equals 25 percent of the amount the employee had prior to retirement, subject to a \$5,000 minimum and a \$10,000 maximum.

(c) All retiree life insurance is 100 percent employee paid directly to the insurance provider.

(d) A retiree who elects to defer the retirement annuity benefit until a date after separation is not eligible for retired medical and dental or retired life insurance coverage.

1008. Prohibitions

i. Group insurance and retirement benefit plans are offered to employees on a voluntary and contributory basis. Payment by any NAF activity of the employee's contribution is prohibited. Only the employee can pay the employee contribution.

j. Local NAF activity participation in labor organization, or other local group employee benefits in lieu of the plans offered by DoD or CNIC is prohibited.

CHAPTER 11

NAF EMPLOYMENT IN OVERSEAS LOCATIONS

1101. Policy

a. DoD policies and laws governing employment practices for NAFI personnel in CONUS apply overseas to U.S. citizens and U.S. nationals and are consistent with existing treaties or agreements with host countries. The employment conditions for locally hired non-U.S. citizen employees will be based on customs and practices in the areas and the provisions of the country-to-country agreements. The NAF personnel policies developed in any one area will apply uniformly to all NAF elements of the U.S. Armed Forces in the same area.

b. DoDD 1400.6 and DoD 1400.25, Volume 1230, that prescribe the policies currently governing civilian employed by DoD Components in CONUS, OCONUS, and non-foreign OCONUS (i.e., Hawaii and Guam) are hereby administratively extended to NAF employees.

c. No organization will cause any actual or potential liability to appropriated funds by reason of employment of NAF personnel or use by such employees of non-U.S. Government facilities in foreign areas except as authorized by DoDD 1015.6, or as otherwise specifically authorized by regulations and procedures approved by SECDEF or designee.

d. This instruction as well as applicable DoD and State Department regulations will govern employment of civilian U.S. citizens and their dependents in CNIC NAF activities in foreign areas.

1102. U.S. Citizens or U.S. Nationals Recruited Locally

a. U.S. citizens and U.S. nationals residing in the host country may be recruited locally by oversea NAF activities per established country-to-country agreements. Except in those instances where placement must be made under the provisions of employment of spouses of military personnel, first priority must be given to the employment of dependents of military and civilian personnel assigned in the host country, without regard to other priorities in this instruction and to off-duty military personnel, when such actions are not at variance with the SOFAs, country-to-country agreements, treaties, or as prescribed by DoDI 1400.25 when the host nation's political or economic conditions require maintenance of the existing local national or U.S. citizen employment balance.

b. When it has been determined that local nationals, U.S. citizens, or U.S. nationals residing in the host country do not possess the necessary training or experience for a particular NAF position, civilians may be recruited from the U.S. to fill these positions. In general, such positions will be limited to key management or supervisory positions and those positions regarded as essential for security reasons.

c. Rates of pay for U.S. citizen NAF payband employees who are recruited in the U.S. and its territories and possessions for overseas assignments will be fixed in conformity with rates paid for work of a comparable level, difficulty, and responsibility to that of NAF employees in

the U.S.

1103. Employment of Non U.S. Citizens. The DoD policy governing DoD civilian employees including non-U.S. citizens is in DODD 1400.6.

a. Local Nationals. Local laws and customs shall be followed in the employment and administration of local nationals to the extent that such laws and customs are compatible with the basic management needs of the U.S. Armed Forces.

b. Third (Other) Country Nationals. The importation of workers from another country by a NAF activity will only be made when personnel requirements cannot be met by local hire. When it becomes necessary to do so, arrangements should be made with the host government to permit importation of workers who are acceptable to the host country.

c. Resident Aliens. Resident aliens will be employed per agreements made with the host country.

1104. United States Citizenship and Immigration Service I-9 (CONUS), Employment Eligibility Verification. Completion of the Form I-9 in foreign areas is not required. However the individual must complete one and meet all of the requirements for employment upon entry on duty into a NAF position in the U.S. or its territories.

1105. Allowances and Differentials

a. Authorization. Subject to pre-employment negotiation, allowances and differentials for U.S. citizen and U.S. national NAF employees in foreign areas may be authorized.

b. Controls. If allowances and differentials are authorized, they will be administered per provisions of DoDI 1400.25, Volume 1250, and Volume 1405; and Department of State Standardized Regulations (DSSR) 031.11, 031.12, and 031.13. Allowances and differentials will not exceed those provided to APF employees in comparable positions.

1106. Limitations

(1) The spouse, domestic partner, or dependent of a person employed in a NAFIs under the cognizance of CNIC (N9) who is stationed, employed, or a resident in an overseas area is not eligible for allowances or differentials when they are overseas primarily to be near their sponsor.

(2) In the case of U.S. citizens and U.S. nationals recruited locally overseas who may claim allowance/differential eligibility, extreme care must be exercised to ascertain that the prospective employee has not held other interim employment since the last entitlement eligibility. The employee must not have exited the country on official "end of assignment" travel orders and reentered at the employee's own expense for the purpose of establishing residence, or seeking employment with an instrumentality of the U.S. Government. Such interim employment, or exit and reentry will disqualify the employee for any allowance/differential eligibility.

1107. Relocation Travel and Household Goods Costs for Employees Recruited in the U.S.**a. Movement Overseas**

(a) Subject to pre-employment negotiation, the Head of the NAF activity in foreign areas may authorize costs for travel and movement of household goods NTE the limitations set forth in the JTR, provided sufficient local NAF funds are available to defray these expenses. A Transportation Agreement must be executed when these entitlements are offered to a NAF employee.

(b) Employees who complete less than one year of employment with the NAF activity that paid those relocation costs will be required to reimburse the NAF activity for those costs unless, upon request by the employee demonstrating significant extenuating circumstances, CNIC HQ N9 forgives the debt. The burden of proving any justification for the forgiveness of the debt is wholly upon the employee.

(c) NAF activity HROs will maintain a suspense file on individual tour completions. The employee may make a written request for a tour extension not earlier than eight months before the end of the tour and not later than six months before the end of the tour. NAF activities may also want to take the initiative and issue a memorandum of invitation to renew to employees who will be accepted for renewal. The decision as to whether or not to approve an employee's request for tour renewal is a command prerogative. When a tour ends, the employee loses U.S. Government sponsorship which is required for the employee to remain in the overseas location as a nonresident alien. NAF activities must make every effort to provide written notification to employees whose tour will end and not be renewed six months before the end of the tour but not later than 90 days before the end of the tour. Employees without return rights will be terminated at the end of the tour if possible. This termination is a non-disciplinary termination and is not appealable or grievable.

b. Relocation Costs for Return Home

(a) Return travel and movement of household goods costs upon completion of an overseas tour may be authorized at a level that does not exceed the limitations set forth in JTR.

(b) Funds must be reserved by the activity to pay for costs to return an employee to the home of record in the U.S., its territories or possessions, upon completion of the employee's tour. Any costs of this return transportation, beyond those associated with return to the employee's home of record, will be borne by the employee or the gaining activity.

(c) Employees are not entitled to return relocation costs until they have completed their tour of duty, unless otherwise approved by the local head of the NAF activity.

(3) Tax Consequences. The Tax Cuts and Jobs Act of 2017 amended the Federal Tax Code to treat PCS travel and transportation benefits received by federal civilian employees, including employees of NAFIs, as taxable income. This characterization of income applies regardless of whether the travel and transportation is reimbursed the individual for out-of-pocket expenses or

paid to transportation and moving companies directly. Prior to accepting any overseas assignment, the employee should consult the NAFI, as well as with their personal financial and tax advisors, about the consequences of tax rules applicable to overseas relocation to include the availability of Relocation Income Tax Allowance (RITA) and the processes, procedures, standards, and timelines required to submit an application for RITA.

1108. Returning Employees. NAF employees who were recruited in the U.S., its territories or possessions, or who otherwise qualify under that criteria and who have satisfactorily completed the established tour in the foreign area may request placement assistance from CNIC (N941). An employee who wants this assistance must submit a request to CNIC (N941) at least six months prior to completion of a tour unless a tour renewal agreement has been negotiated with the head of the NAF activity. The application must list at least three geographic areas, in order of preference, for priority placement consideration. CNIC (N941) will assist the employee to the extent possible, to obtain a position.

1109. Return Rights

c. Eligibility. NAF return rights may be negotiated with the losing NAF activity in advance of the PCS move. Consideration is limited to NAF employees in grades NF-4 and above who have been employed within the CNIC NAF system for more than two years at a NAF activity located within the 50 states. Selection must be for a position at a CNIC NAF activity outside the 50 states.

d. Negotiated Return Rights

(1) Local NAF Activity Return Rights. The employee is responsible for initially negotiating return rights with the losing NAF activity. Return rights are limited to the last position held by the employee in the losing NAF activity. The return rights agreement must be in the form of a Memorandum of Understanding signed by both the Head of the NAF activity and the employee and duly witnessed.

(2) CNIC NAF Employee Return Rights. If return rights are not approved at the local CNIC NAF activity level, the activity may request return rights, in writing via the chain of command, from CNIC (N941). Any request must be submitted and approved in writing in advance of commencement of travel to the assignment outside the 50 states. If the request is denied, the employee may then appeal to CNIC HQ NAF HR Branch (N941). Approval of CNIC (N9) return rights will be in writing and on a limited and selective basis. CNIC HQ NAF HR Branch (N941) will assist in trying to locate a position in a CNIC NAF activity upon request. Placements will be made without any geographical limitation on CNIC (N9).

e. Tour Completion

(1) Once extended to the employee, return rights are contingent on the employee successfully completing the normal tour in the area. Failure to meet this requirement nullifies a return rights agreement.

(2) Employees must inform their original NAF activity and CNIC HQ NAF HR Branch (N941) of their intention to exercise return rights not later than six months before the completion of their tour outside the 50 states. Before return rights can actually be exercised, the employee must be within 30 days of successful completion of the tour requirement.

(3) Duration of Return Rights. Return rights may be negotiated for a period NTE the length of the normal tour for the area. Return rights may be renegotiated for one additional tour if approved by both the NAF activity to which the employee was assigned prior to the overseas tour and the original approving official.

(4) Other Return Rights Standards

(a) If an employee exercising return rights is offered a comparable position within the 50 states and refuses the offer, their return rights will be canceled.

(b) When an employee accepts a comparable offer as a result of exercising return rights, the gaining NAF activity will fund the difference between returning the employee to the last place of employment within the 50 states and the new duty station within the 50 states.

(c) Any exceptions to the policy must be approved by the appropriate NAF activity which currently employs the individual and CNIC (N9) via CNIC HQ NAF HR Branch (N941).

(d) The refusal to authorize return rights is a management prerogative and is not appealable or grievable.

1110. Entitlement to Government Quarters and Facilities.

a. Each overseas military ICO will provide facilities under their jurisdiction, including government quarters and family housing, to NAF employees, per policies set forth in DoDD 1400.6 and other pertinent regulations. The principle of equal treatment of NAF employees with APF employees at equivalent grade levels will be followed.

b. U.S. citizen and U.S. national NAF employees traveling on official business may occupy temporary government quarters, including guesthouses, under the same terms and with the same eligibility as APF employees.

1111. Medical and Health Services. U.S. citizen or U.S. national NAF employees will have access to the same medical and health service provided APF employees, per provisions of 5 U.S.C. §7901.

1112. Privileges. U.S. citizen or U.S. national NAF employees will be afforded the same privileges provided their APF civilian counterparts who are in the same overseas area, to the extent permitted by country-to-country agreements. These will include commissary, exchange, laundry, transportation, postal services (APO and FPO), recreation, and religious facilities. The privilege of using clubs and messes will be per payband/grade and position responsibility, as determined by the head of the NAF activity.

1113. Home Leave. Home leave is granted on the basis that it is earned by service abroad for use in the U.S., the Commonwealth of Puerto Rico, or possessions of the U.S. The provisions of OPM regulations are hereby administratively extended and govern home leave for eligible NAF employees recruited in the U.S. and employed in OCONUS.

1114. Renewal Agreement Travel (RAT). An employee who has completed the agreed period of continuous creditable service outside the U.S., and outside the employee's place of residence if such residence is in the Commonwealth of Puerto Rico, or in any of the possessions of the U.S., and who agree in writing to serve an additional tour of duty at the same or another overseas NAF activity, may be authorized RAT at the expense of the employing NAF activity per JTR, volume 2.

a. RAT is allowed from an employee's overseas post of duty to the place of actual residence at the time of appointment or transfer and for the employee's return to the same or another overseas post of duty.

b. Time is not chargeable to leave while in a travel status as long as the travel is by the most direct route.

c. Upon reaching the place of actual residence, an employee will be charged annual leave, home leave, or LWOP, as appropriate.

1115. Emergency Leave and Travel. Emergency leave may be granted to U.S. citizen and U.S. national NAF employees assigned outside the U.S. and entitled to return transportation in cases of emergencies, such as serious injury, illness, or death of an employee's family, who is located in the U.S. The period of emergency leave, including travel time, will be charged to annual leave or sick leave under the FEFFLA if appropriate. If an employee has no accrued annual leave, the employee may be placed in a LWOP status. Such employees may be provided government transportation on a space available basis. Red Cross confirmation of the emergency must be secured prior to the approval of the leave and transportation.

1116. Local Holidays in Foreign Countries. Local national NAF employees may be authorized time off to observe certain local, national holidays. Such authorization is subject to country-to-country agreements. When all or part of an installation is closed in observance of such a local holiday, and U.S. citizens, U.S. nationals, and third country nationals are prevented from working, they will be assigned to other work if possible. Otherwise, such employees may be excused without charge to leave or loss of pay.

1117. Employee Benefits. Insurance, retirement, medical, and other employee benefits for local national NAF employees are established by agreements with the host country. Regardless of the place of recruitment, U.S. citizens will earn annual leave and accrue sick leave per policy governing employees in CONUS, as outlined in chapter 5 of this instruction.

1118. Care and Disposition of Remains of Deceased Employees. All U.S. citizen NAF employees having a permanent domicile in the United States are authorized the same care, preparation, and disposition of the remains of deceased employees as are authorized to APF

employees. All items and expenses normally furnished by the government on a reimbursable basis will be billed to and funded by the employing NAF activity.

1119. Evacuation of NAF Employees and Family Members

a. Heads of DoD Components prescribe regulations, subject to the approval of SECDEF, governing NAF employee entitlement in emergency situations; procedures for financial assistance to NAF family member evacuees; and employment status of NAF paid employees during and after an evacuation or crisis situation.

b. Entitlement to emergency evacuation for NAF employees, as well as the payment of allowances and benefits, is authorized for eligible employees as prescribed by the DSSR.

1120. Department of Defense Dependent Schools (DoDDS). With the enactment of P.L. 101-189, November 29, 1989, SECDEF has authorized dependents of NAF employees who were authorized transportation to or from the overseas area at government expense, and are provided an allowance for living quarters in the area, to enroll in the DoDDS system on a tuition-free basis. The employee must take a “Verification of Eligibility to Attend DoDDS” letter with them when they go to request enrollment of their dependents.

CHAPTER 12

NAF STANDARDS OF CONDUCT AND ETHICAL BEHAVIOR

1201. Policy. All NAF employees will adhere to the standards of conduct and perform professionally and ethically. Public service is a public trust. Each employee has a responsibility to the United States Government and its citizens to place loyalty to the Constitution, laws and ethical principles above private gain. To ensure that every citizen can have complete confidence in the integrity of the Federal Government, each employee shall respect and adhere to the principles of ethical conduct set forth in this section, as well as the implementing standards contained in this part and in supplemental DoD and Navy regulations.

1202. Guidance/Instructions

a. This chapter is only a summarized guide. Questions should be resolved using the most recent version of applicable statutes, regulations, policies, and local authorized Standard Operating Procedures.

b. All questions and/or concerns regarding Standards of Conduct and Ethics must be referred to the regional general counsel or a judge advocate office for resolution.

c. All problems should be resolved at the lowest possible level in the chain of command.

d. The following documents contain the detailed rules, regulations, policy, guidance and information regarding standards of conduct and government ethics, and fraud, waste, and abuse prevention and reporting information that apply to all Navy employees.

- (1) Criminal Statutes: 18 U.S.C. §201-216.
- (2) Office of Government Ethics Regulations: 5 CFR Part 2635.
- (3) Initial Ethics Training: 5 CFR Part 2638.304.
- (4) DoD Supplemental Regulations: 5 CFR Part 3601.
- (5) DoDD 5500.07.
- (6) DoD 5500.07-R (Joint Ethics Regulation (JER)).
- (7) SECNAVINST 5370.7C, Military Whistleblower Reprisal Protection.
- (8) SECNAVINST 5430.92C, Assignment of Responsibilities to Counteract Acquisition Fraud, Waste, And Related Improprieties.
- (9) Additional information on ethics laws, training materials and current ethics issues can be found on the DoD Standards of Conduct web site at <http://www.dtic.mil/whs/directives/corres/pdf/550007p.pdf>

1203. Responsibilities. All supervisors, managers, ICOs, and their superiors will continually monitor enforcement and compliance of these programs and policies and ensure NAF employees receive initial ethics. However it is the responsibility of every employee to personally comply with the rules of ethical conduct. NAF employee performance will improve and problems will decrease proportionally to each NAF employee's understanding of, and commitment to standards of conduct, government ethics, and fraud, waste, and abuse prevention and reporting.

1204. Penalties. Penalties for violations of ethics standards and rules of conduct prescribed by the JER includes the full range of statutory and regulatory sanctions for civilian and military personnel. A violation of the JER is punishable per Uniform Code of Military Justice (UCMJ) for military personnel and may also be the basis for basic or severe disciplinary actions against federal civilian employees, which includes NAF employees. Under current DON regulations, employees are encouraged to seek the advice of agency ethics officials. These requests will first be directed to the local installation ethics office. Disciplinary action for violation of regulatory standards will not be taken against an employee who relies on such advice.

1205. Ethical Decision-Making Process

- a. To make the best ethical choice or judgment, a decision maker needs the following:
 - (1) A complete understanding of the situation/problem and the environment.
 - (2) A thorough conceptualization of the DoD, DON, NAF, and local rules and regulations that bear on the situation/problem.
 - (3) A commitment to ethical behavior and adherence to the standards of conduct to examine the pending decision/action (i.e., an ethics check).
- b. The decision maker should ask the following about the pending decision or proposed action:
 - (1) Is it legal and is it authorized? Will I be violating civil law or current DoD, DON, NAF or local rules and regulations?
 - (2) Is it balanced? Is it fair to all concerned in the short term as well as the long term?
 - (3) How will it make me feel about myself? Will it make me proud? Would I feel good if my decision/action were published in the newspaper? Would I feel good if my family knew about it?
 - (4) Am I being sensible, political, and tactful? How can I/we accomplish the outcome of this choice/decision and maintain positive working relationships?

1206. Standards of Conduct

a. The nature of many of the activities supported by NAF is such that the civilian employees and assigned military personnel must exemplify the highest standard of personal conduct and integrity.

b. The Standards of Conduct are rules designed to assist in maintaining a high level of integrity and foster public confidence in Government activities. The JER provides these rules and requirements for all government NAF and APF employees.

c. Heads of NAF Activities will provide all NAF employees training on the Standards of Conduct upon entry and as needed. Training will be provided annually to those employees who are required to file an annual statement of financial interest.

d. In order to maintain the public's confidence in our institutional and individual integrity, all DON personnel will read, be familiar with, and comply with DoD 5500.7-R. Employees will avoid any action, whether or not specifically prohibited by the Standards of Conduct, which might result in, or reasonably be expected to create an appearance of violation of the JER. Employees are public servants and their actions must not violate any of the following:

(1) Public service is a public trust requiring employees to place loyalty to the Constitution, the laws, and ethical principles above private gain.

(2) Employees shall not use their public office for private gain.

(3) Employees shall not bind the Government with unauthorized promises or commitments.

(4) Employees shall not misuse Government resources or information.

(5) Employees shall not impede Government efficiency or economy.

(6) Employees shall not lose complete independence or individual impartiality.

(7) Employees shall not make a government decision outside official channels.

(8) Employees shall not do anything that will adversely affect the confidence of the public in the integrity of the government.

(9) Employees shall not engage in any activity or acquire or retain any financial or association interest that conflicts or appears to conflict with the public interest of the U.S. as it relates to the employee's duties.

(10) Employees shall not accept gratuities from contractors unless specifically authorized by law or regulation.

(11) Employees shall not use their official position to improperly influence any person to provide any private benefit.

(12) Employees shall not use inside information to further a private gain.

(13) Employees shall not wrongfully use rank, title, or position for commercial purposes.

(14) Employees shall not accept or engage in outside employment or activities, including seeking or negotiating for employment that conflicts with official Government duties or which may discredit the Navy.

(15) Employees shall not take or use Government property or services for other than officially approved purposes. All NAF employees have a duty to protect and conserve Federal property, including equipment supplies and other property entrusted to or issued to them. They cannot directly or indirectly use or allow the use of government property for other than official approved activities (this includes property leased to the government).

(16) Employees shall not give gifts to superiors or accept them from subordinates when it is not appropriate to do so.

(17) Employees shall not conduct official business with persons whose participation in the transaction would violate law or regulations.

(18) Employees shall not make private promises of any kind binding upon the duties of office or the Government.

(19) Employees shall not engage in business with the Government, whether directly or indirectly, inconsistent with the conscientious performance of duty.

(20) Employees shall not engage in financial transactions using nonpublic Government information or allow the improper use of such information to further any private interest.

(21) Employees shall not hold financial interests that conflict with the conscientious performance of duty.

e. All NAF employees shall do all of the following:

(1) Seek ways to promote efficiency and economy in Government operations.

(2) Preserve the public's confidence in the Navy and its personnel by exercising public office, as a public trust.

(3) Put loyalty to the highest moral principles and to country above loyalty to persons, party, or Government department.

(4) Uphold the Constitution, laws, and regulations of the U.S. and never be a party to their evasion.

(5) Give a full day's labor for a full day's pay, providing earnest effort to the performance of duties.

(6) Ensure that they never discriminate unfairly by the dispensing of special favors or privileges to anyone, whether for remuneration or not and never accept for themselves or for family members, favors or benefits under circumstances which might be construed by reasonable persons as influencing the performance of Government duties.

(7) Expose corruption and wrong doing wherever discovered. Employees are strongly encouraged to seek the advice of agency ethics officials located in the legal office, on the installation, whenever questions arise.

(8) Satisfy in good faith their obligations as citizens, including all just financial obligations, especially those such as Federal, State or local taxes that are imposed by law.

(9) Adhere to all laws and regulations that provide equal opportunity for all Americans regardless of race, color, religion, sex, national origin, age or handicap.

(10) Act impartially and must not extend preferential treatment to any private organization or individual.

(11) Use assigned government equipment including computers for official business only. This includes only sending e-mails involving official government business and not accessing any improper or pornographic web sites.

(12) Disclose fraud, waste, and abuse.

f. The head of the NAF activity will establish policy with internal controls that establishes and maintains clear procedures to control the consumption of alcoholic beverages and entertainment programs in MWR activities. These standards should promote responsible alcoholic beverage service and provide a safe and wholesome atmosphere for all patrons using these facilities. All MWR employees must support these standards. Accordingly, violation of alcoholic beverage control or entertainment standards (even as a first offense) by managers, or staff members, may be grounds for termination per normal separation procedures described in SECNAVINST 5300.22C and this instruction.

CHAPTER 13

NAF CHARACTER AND SUITABILITY REQUIREMENTS

1301. Policy. NAF activities will ensure that applicant and NAF civilian employees are suitable for appointment to include scrutiny of application materials, careful observation during the interview process, and initiation of a thorough background investigation. Information uncovered during personnel investigations that reflect adversely upon the general character, conduct, suitability and reliability of an applicant or of a NAF employee will be handled with confidentiality and in a prompt equitable manner. Such adverse information, if known, may have disqualified an individual from being hired initially or being placed into a different position from which they previously held.

a. A demotion or removal action on suitability grounds will be processed under the established procedures for basic/severe disciplinary actions. Reassignment is not appealable or grievable. CNIC HQ NAF HR Branch (N941) must be notified whenever a supervisor of a NAF employee takes action against that employee for suitability reasons.

b. When processing reassignment, demotion, or termination on suitability grounds, certain safeguards will be observed. Information contained in reports of investigation, including the Federal Bureau of Investigation, Naval Criminal Investigative Service (NCIS), and IG should be cleared for use and/or release by the investigatory agency or office in question.

c. Information from investigative reports, which has led to considering taking adverse action against an employee but which in itself is not acceptable as evidence, may be made the basis for development of unclassified evidence to serve as grounds for the proposed action. This may occur provided there is similar protection of confidential sources and the responsible investigative agency.

d. If security considerations preclude using the investigative information as evidence, or as the basis for developing evidence that may be used, and the employee is serving in a non-sensitive position, an adverse action cannot be taken until there is sufficient supportable evidence which may be used to proceed with taking the actions.

1302. Guidelines for Making Suitability Determinations

a. These guidelines provide a basis for uniformity in making suitability determinations for NAF employment. The many complexities in human behavior preclude the development of a single form to assist the examiner in deciding individual cases. Guidelines are based on the concept that each case shall be decided on its own merits. These guidelines attempt to provide a setting in which intelligent and uniform suitability judgments are possible and depend on sound judgment, mature thinking, and in-depth analysis.

b. Examiners will consider all information, both favorable and unfavorable, and assess relevance, seriousness and how recent. They must also be mindful that the objective is to evaluate the fitness of applicants and employees in a manner that will promote the efficiency of the government while assuring fair, impartial, and equitable treatment of the individual.

Protecting the interest of the government is the first responsibility, but it also must be remembered that suitability decisions directly affect people's lives and careers.

c. An applicant may not be denied consideration for employment and an employee may not be removed, except for such cause as will promote the efficiency of the service. There must be a rational connection between the individual's conduct and the efficiency of the service.

d. OPNAVINST 1700.9E established guidelines for child care and youth employees. SECNAVINST 5510.30B also contains guidance on suitability situations.

1303. Factors to Consider in Making Decisions. Application of the general, specific, and additional factors in this section should result in decisions that are fair to the individual and to the concept that any personnel action should promote the efficiency of the service.

a. General Factors. In determining whether an action will promote the efficiency of the service, the evaluator will make the decision on the basis of the following considerations:

(1) Whether the individual's conduct may reasonably be expected to interfere with effective job performance.

(2) Whether the conduct of the individual may reasonably be expected to interfere with or prevent effective performance by the employing activity.

b. Specific Factors. Any of the following factors may be considered a basis for disqualification in making a determination on the application of the general factors:

(1) Delinquency or misconduct in prior employment.

(2) Criminal, dishonest, or disgraceful conduct.

(3) Intentional false statement or deception or fraud in examination or appointment.

(4) Improper use of intoxicating beverages.

(5) Abuse of narcotics, drugs, or other controlled substances.

(6) Reasonable doubt as to the loyalty to the government of the U.S.

(7) Any statutory disqualification which makes the individual unfit for service.

c. Additional Factors. In making a determination, the evaluator will consider the following additional factors to the extent they are deemed pertinent in the individual case:

(1) The position for which the person is applying, or in which the person is employed, including its sensitivity.

- (2) The nature and seriousness of the conduct.
- (3) The circumstances surrounding the conduct.
- (4) The timeframe of the conduct.
- (5) The age of the applicant or appointee at the time of the conduct.
- (6) Contributing social or environmental conditions.
- (7) The absence or presence of rehabilitation or efforts toward rehabilitation.

1304. Guidelines for Applying Specific Factors

a. Security. If there has been a removal or a resignation (while under suspension or after the employee has been informed that charges were to be preferred) in the interest of national security (5 U.S.C. §7532, P.L. 81-733 or other similar law) and there is no evidence of a subsequent clearance, the case should be referred to CNIC HQ NAF HR Branch (N941) for consideration.

b. Prohibited Political Activity. If it has been proposed to separate an employee for prohibited political activity, the case must be referred to CNIC HQ NAF HR Branch (N941) for review and a recommended final disposition.

c. Criminal, Dishonest, Infamous, or Notoriously Disgraceful Conduct. This is the broadest of the disqualification factors and one that most frequently overlaps with others. It implies behavior outside the normal pattern and is generally unacceptable in our society. The components are discussed separately below. When overlapping occurs, it will be necessary to apply the guidelines for each particular disqualification and to consider the whole in determining the effect it may have on promoting the efficiency of the service.

(1) Arrests. If a person's record contains multiple arrests or an arrest for a single serious crime, but those charges have been dismissed or not prosecuted, more facts are usually needed before a decision can be made. An arrest record by itself is not proof of guilt or commission of a crime. All pertinent facts must be considered before making a decision in the case. Fitness decisions are administrative in nature and are based on facts that establish a person's conduct and actions, not solely on the legal outcome of a criminal proceeding.

(2) Convictions. Arrest records, officers' reports, and court records are generally considered in deciding cases involving criminal convictions. When individuals have been imprisoned, information concerning the prison record, the extent of rehabilitation, and related matters should be obtained from the appropriate prison, probation officers, and parole officers. Then, all facts must be considered to determine whether employment of the individual could reasonably be expected to have an adverse effect on the efficiency of the service.

(3) Indictments. Application from persons who have been indicted for a serious offense may be accepted, but the person will not be considered for employment. The person will be informed that they will not be considered for employment until a disposition of the case has been submitted to the NAF HRO where the person is applying. Upon receipt of this evidence and following any necessary investigation, a suitability determination will be made. Activities must likewise suspend consideration for employment until a disposition is made of pending criminal charges.

(4) Juvenile Crimes. A juvenile offender is one who committed an act in violation of a law, regulation, or ordinance before their 18th birthday, and the offense was finally adjudicated in a juvenile court or under a youth offender law. A juvenile offender is not required to answer affirmatively a question as to whether they were convicted for an offense against the law when the question is asked on NAF employment application forms. Arrests that were adjudicated in a juvenile court may not be used by a NAF activity to disqualify a person for appointment to a NAF position. If the offense was adjudicated in a court other than a juvenile court, or under a law other than a youth offender law, the applicant is required to answer affirmatively any questions on convictions, which may appear on applications and employment papers, regardless of the person's age at the time the offense was committed.

(a) The arrest for which juvenile offenders were required to appear before a juvenile court may not be used to disqualify them for a position in the Federal service.

(b) A person whose conviction has been set aside under the Federal Youth Corrections Act, or similar state authority, need not list a conviction in response to a question asking for this kind of information in any application for federal employment. If convictions set aside under the act are admitted, they may not be used to disqualify a person for any examination or for employment in a NAF position.

(5) Expunged Records. Some states authorize expungement of a record of arrest or conviction in certain circumstances. Applicants for federal employment are not required to admit a record of conviction when that record has been expunged under state or federal law. Even though a criminal record may have been expunged, the examiner, in making fitness determinations, must be concerned with the fact and circumstances of the behavior initially alleged to have been criminal, not with the legal ramifications of expunged records. Accordingly, applicants may be required to disclose arrests or indictments, regardless of whether charges were subsequently dropped or prosecution resulted in an acquittal.

(6) Dishonest Conduct. Dishonest conduct is an act or failure to act which indicates deliberate disregard for the rights of others, generally through the use of lies, fraud, or deceit. The following examples of dishonest conduct are not intended to exclude other types of conduct that may also involve dishonesty:

(a) Misappropriation, or misuse of funds.

(b) Falsification of records or accounts, or willful failure to keep accurate records or accounts.

- (c) Theft.
- (d) Offer or acceptance of a bribe.
- (e) Willful disregard for just financial obligation.
- (f) Willful disregard for the truth.

(7) Infamous or Notoriously Disgraceful Conduct.

(a) The disqualification for infamous conduct relates to those individuals whose social behavior is so bizarre or so clearly aberrant that the conduct itself evidences depravity. Such things as incest, child abuse, bestiality, self-mutilation, and similar acts are of such a nature that employment of the individual clearly would not promote the efficiency of service. In such cases, the behavior itself is sufficient grounds for disqualification for any position in the federal service.

(b) Notoriously disgraceful conduct is that conduct which is shameful in nature and is generally known and talked of in a scornful manner. It is important to recognize that in most instances, the presence of notoriety and public censure would be the prime consideration in making an adverse finding rather than the shameful conduct itself. Evaluators must be careful to avoid letting personal disapproval of such conduct influence their decisions. Disqualification in such cases is warranted only when the notoriety accompanying the conduct can reasonably be expected to adversely affect the person's ability to perform the job, or the activity's ability to carry out its responsibilities.

(c) Individual sexual misconduct will be considered under the guides discussed above.

(8) Sexual Orientation or Identity. Persons may not be disqualified from Federal employment solely on the basis of homosexuality, bi-sexuality, trans-sexuality or other sexual orientation or gender identification that does not otherwise involve conduct or actions prohibited by law.

(9) False Statements, Deception, or Fraud in or During Examination or Hiring. If a person has made a false statement or concealed or misrepresented pertinent information, disqualification or termination is usually appropriate.

(10) Habitual Use of Intoxicating Beverage to Excess. P.L. 91-616, the "Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment, and Rehabilitation Act of 1970", states that "No person may be denied or deprived of Federal civilian employment or a Federal professional or other license or right solely on the ground of prior alcohol abuse or prior alcoholism". This law affords full opportunity for employment consideration to those who have been alcohol abusers but now are rehabilitated or make genuine efforts to become rehabilitated. It encourages rehabilitation by eliminating penalties for past abuse. While the law prohibits

denial of employment solely on the grounds of prior alcohol abuse, the Federal Government is not required to employ persons who are abusing alcohol on a current and continuing basis.

(11) Abuse of Narcotics, Drugs, or Other Controlled Substances. P.L. 92-255, the “Drug Abuse Office and Treatment Act of 1972”, states that “No person may be denied or deprived of Federal civilian employment or a Federal professional or other license or right solely on the ground of prior drug abuse”. Since the language in P.L. 92-255 and P.L. 91-616 (alcohol abuse) is identical for all practical purposes, it may be concluded that the intent and purpose of these laws are the same.

(12) Reasonable Doubt as to the Loyalty of the Person Involved to the Government of the U.S. In cases involving a reasonable doubt as to the loyalty of the applicant or employee to the government of the U.S., the nexus between disloyalty and inability to serve is self-evident.

(13) Any Statutory Disqualification Which Makes the Individual Unfit for Service. Only persons who are legally disqualified are automatically excluded from employment in NAF positions. Judgmental factors are not involved where legal bars exist. The various laws contain specific employment restrictions that must be enforced. When a person is excluded by such restrictions, notification of ineligibility must be in writing, citing the appropriate statutes. For example, P.L. 90-351, the “Omnibus Crime Control and Safe Streets Act of 1968”, (5 U.S.C. §7313) places restrictions on the employment of persons convicted in connection with certain riots.

1305. Guidelines for Applying Additional Factors. Certain types of personal conduct are disqualifying without regard to the additional factors. Examples of such conduct are current use of intoxicants habitually to excess, current drug abuse, sex offenses, terrorist activity and all statutory disqualification. In the majority of cases, consideration must be given to the additional following factors below:

- a. Kind and sensitivity of position.
- b. Nature and seriousness of the conduct.
- c. Circumstances surrounding the conduct.
- d. Recency of the conduct.
- e. Age of the applicant or appointee at time of the conduct.
- f. Contributing social or environmental conditions.
- g. Absence or presence of rehabilitation or efforts toward rehabilitation.

CHAPTER 14 **NAF TRAVEL**

1401. Policy and Scope

a. It is CNIC policy to follow the guidelines established in the JTR for travel funded with NAF. The travel guidance in this chapter summarizes the main points of the JTR and supplements JTR guidance for personnel whose Temporary Additional Duty (TAD) travel is paid with Navy NAF. NAF policy may be more stringent than JTR policy, but it may not exceed the JTR without CNIC (N94) approval. Contact CNIC (N94-Finance and Accounting) for further information, if needed.

b. CNIC N9 may occasionally issue NAF travel policy memoranda. Any policy issued by N9 subsequent to the promulgation of this Instruction shall take precedence during such time it is in force.

1402. Types of Temporary Travel

a. TAD. This duty status applies to an employee who is temporarily detached from the permanent duty station to perform duty at another location, either within CONUS or OCONUS. Upon completion of the TAD, the employee returns to the permanent duty station and resume regularly assigned duties. NAF activities will not direct civilian employees to perform official travel without furnishing or providing for reimbursement for necessary transportation and travel allowances.

b. Invitational Travel Orders (ITOs). This term applies to travel which may be authorized for persons who are not federal employees or members of the Uniformed Services when they are acting in a capacity that is directly related to, or in connection with, official activities of DoD. ITOs for Navy are issued using Department of the Navy Invitational Travel Orders, NAVSO 4650/10, available at https://navalforms.documentservices.dla.mil/formsDir/_NAVSO_4650_10_1381.pdf. Individuals receiving an ITO may not be paid a travel advance. JTR, sets forth:

- (1) The circumstances under which orders of this type may, and may not, be issued.
- (2) The travel entitlement of persons performing this travel.
- (3) The modes of transportation which the traveler is authorized to use.
- (4) A sample order format.

c. TAD "No Cost" (Permissive) Travel Authorizations. On certain occasions, travel may be desirable from the Navy's viewpoint but not sufficiently necessary to warrant the expenditure of limited travel funds. Under these circumstances, an authorization may be issued, as distinguished from directing, for the individual concerned to travel at no expense to the government. A Request and Authorization for TDY Travel of DoD Personnel, DD Form 1610,

available at <http://www.esd.whs.mil/Portals/54/Documents/DD/forms/dd/dd1610.pdf>, must be completed when an individual is on "No Cost" travel. The travel authorization block on DD Form 1610 must contain the following statement:

(1) "This authorization is issued with the understanding that you will not be entitled to reimbursement for transportation, per diem, or miscellaneous expenses in connection therewith. In case you do not desire to personally bear this expense, you will consider this authorization canceled."

(2) The traveler must sign after the above statement.

1403. Criteria for Travel

a. Mission Essential. The definition of mission essential travel is travel necessary to carry out a basic mission objective. Prior to approving travel fitting this definition, alternatives such as correspondence, tele-conferencing, or combining trips to the same area in order to accomplish multiple purposes, must be considered. Once the necessity for the travel has been established, the approving official must ensure that the number of personnel authorized to travel and the duration of the travel is held to an absolute minimum consistent with the nature and urgency of the mission to be performed.

b. Administrative. The definition of administrative travel is travel that could be canceled without directly impacting essential or basic mission objectives of the activity, or which could be achieved by alternate means. Examples of administrative travel are coordination visits between activities or training courses not specifically required for job performance. Travel that meets this definition should be held to the minimum.

1404. Travel Purpose Categories. Depending on the purpose of the TAD, one of the following categories must be entered in block 16 (Remarks) of DD 1610:

a. Site Visit. Travel to a particular site in order to perform operational or managerial activities (e.g., to oversee program activities or manage activities for internal control purposes; carry out an audit or inspection; conduct negotiations; provide instructions; or provide technical assistance).

b. Information Meetings. Travel to attend a meeting to discuss general agency operations, review status reports, or discuss topics of general interest. If a site visit was conducted as part of the same trip, consider the entire trip to be for the purpose of a site visit.

c. Training Attendance. Travel to receive training.

d. Speech or Presentation. Travel to make a speech or a presentation, deliver a paper, or otherwise take part in a formal program other than a training course.

e. Conference Attendance. Travel to attend a conference, convention, seminar, or symposium for purposes of observation or education only with no formal role in the

proceedings. Attendance at conferences must be approved in accordance with DoD Conference Guidance 4.0; OPNAVINST 5050.34; and CNIC policy guidance. In particular, an OPNAV Form 5050/11 and a copy of the conference agenda must be processed through the NAF chain:

(1) Conference Attendance by Region NAF Employees: Final approval by Regional Director N9.

(2) Conference Attendance by HQ NAF Employees: Final approval by HQ Director N9.

f. Special Mission Travel. Travel to carry out a special agency mission (e.g., non-combat military units); provide security to a person or a shipment (e.g., diplomatic pouch); move witnesses from residence to other locations; or travel by Federal beneficiaries and other non-employees.

g. Emergency Travel. Travel to return an employee from a temporary assignment location to take care of an emergency situation.

h. Other Travel. All travel performed for reasons (purposes) which are not shown in one of the categories listed above. Even though stated as "other travel", the travel authorization and voucher must also detail a specific purpose.

1405. Administration TAD Travel

a. Applicability. This chapter is applicable to all individuals authorized to travel using NAF.

b. Approval. Travel will be ordered and performed using an approved and authorized DD Form 1610. The Authorizing/Order-Issuing Officials (block 20) are the Program Director/Deputy Director (e.g., MWR Director, NGIS Manager) of the activity. The approval authority for the head of the NAF activity must be one level above the director.

c. Passports, Visas, Immunizations, and Clearances. The instructions for obtaining passports, visas, immunizations, and area clearances are found in BUMEDINST 6230.15B, "Immunizations and Chemoprophylaxis for the Prevention of Infectious Diseases", and DoDD 4500.54E, "DoD Foreign Clearance Program (FCP)". It is the traveler's responsibility to obtain the required passport, visas, immunizations, terrorism briefs, and area clearances prior to travel outside CONUS.

d. Use of Government Quarters. Travel approving officials will ensure that the JTR is complied with on all travel.

e. Standards of Conduct. Employees in a travel status will adhere to the Standards of Conducts and JER.

f. Prudence in Travel. A traveler on official business will exercise the same care in incurring expenses and accomplishing a mission that a prudent person would exercise if traveling

on personal business. Unnecessary or unjustified excess costs, circuitous routes, delays, or luxury accommodations in the performance of a mission are not considered prudent and may not be reimbursed.

g. Beginning and Completing Travel. Whenever possible, travel will be scheduled so that employees may travel during normal working hours and not on their own time.

h. Transportation. Travelers are expected to select the least costly route. When a traveler takes leave while traveling, in no instance can the costs of the personal travel and business travels be combined and charged as a government business expense. Personal travel must be paid using personal funds. If the leave would provide ticketing at no additional costs to the government, then the justification for the purchase must accompany the travel orders request prior to signature. When, for convenience, a person travels by an indirect route or interrupts travel by a direct route, the extra expense will be borne by the traveler. Any excess travel time not justified will be charged to the traveler's annual leave balances, LWOP, or other approved leave category. The following modes of transportation may be utilized:

(1) Air Transportation.

(a) Class of Air Service. Coach class is prescribed for all travelers. Exceptions are:

1. An upgrade of service is received at no additional cost to the government.
2. A traveler pays the difference between coach and a higher class of service at the time the ticket is purchased.

(b) Employee Responsibility. It is the responsibility of the employee to justify the Reason(s) for upgrade from coach class services to a higher class of service. The upgrade must be approved by the head of the NAF activity prior to the upgrade. In instances where upgraded service is approved and used, regardless of circumstances, the traveler must attach a written statement to their travel claim detailing the circumstances for use of such service.

(c) Purchase of Tickets. The purchase of airline tickets in advance of having obtained a travel order number is prohibited. Travelers are encouraged to obtain orders and purchase tickets as early as possible prior to the schedule travel dates to take maximum advantage of fare discounts.

(d) Penalty Payments from Carriers. Payments received from a carrier for failure to provide confirmed reserved space are due to the NAF activity of the traveler. It is the responsibility of the traveler to report such payments.

(e) Voluntarily Vacating Seat. Payments received from a carrier for voluntarily vacating a seat because of over booking are distinguishable from penalty payments and can be retained by the traveler. Travelers are not permitted to voluntarily give up their reserved seat if doing so would impinge upon the performance of official duties. If the traveler voluntarily gives

up their seat and thereby incurs additional travel expenses beyond that which would have normally been incurred, these additional expenses must be offset against the payment received by the traveler. Additionally, if giving up the seat delays the traveler during official duty hours, the traveler may be charged leave for the additional hours or subject to disciplinary action if such delay negatively impacts the mission. If the traveler is involuntarily bumped by the airline, the traveler will not be charged leave for the additional travel hours.

(f) Cancellation of Tickets. Travelers who have a change in itinerary that necessitates the cancellation of airline tickets must turn in the canceled tickets/credit slips to the NAF activity with the travel claim. Notification to an airline that a flight will not be taken does not constitute an automatic refund of the fare. Tickets or ticket stubs must never be thrown away; they must be submitted with the travel claim.

(2) Surface or Ship Transportation. When surface or ship transportation is used, coach class or equivalent will be used if available. One standard lower berth on a train or the lowest priced stateroom on a vessel is authorized for overnight travel.

(3) Bus, Streetcar, Subway, and Taxicabs. Transportation costs by bus, streetcar, or subway to connect with common carrier terminals and between temporary duty station and place of lodging are allowable as transportation expenses. Taxicabs or alternative means of transportation (e.g., Uber) are authorized for use when suitable government-owned or leased transportation or common carrier facilities, including airport limousine service, are not available. Reimbursement of these expenses for employees in a temporary duty travel status is restricted to the circumstances outlined below:

(a) Between the common carrier terminal and the employee's place of business or place of lodging.

(b) Between common carrier terminals while en route when necessitated by change from one common carrier to another.

(c) Between temporary duty station and a place where meals are procured when suitable meals cannot be obtained at the temporary duty station (a statement of necessity for such travel must accompany the travel voucher).

(d) Between common carrier terminal and place of lodging in connection with unavoidable delays en route incident to transportation.

(e) Between a place of abode or permanent duty station on the days of departure and return to the permanent duty station incident to temporary duty requiring at least one night's lodging.

(4) Use of Helicopter. The use of an air taxi is not considered essential. When circumstances appear to dictate the use of a helicopter, the orders must contain such authorization.

(5) Use of Rental Vehicles, Government Vehicles, etc. (Special Conveyance).

Employees in a temporary duty travel status may use special conveyances such as rental or hire vehicles, if their use is authorized in the travel orders. The use of an MWR vehicle is an alternative for avoiding the cost of renting a vehicle from a commercial rental company. This alternative should be pursued unless such an action would clearly be prejudicial to the objectivity of the visit. Vehicle rentals may be allowed in lieu of a common carrier when the cost of the rental would be less than that cost of a common carrier (i.e., several people traveling together or where there are no direct common carrier routes). If a commercial rental is necessary, a statement to that effect must be included in the travel orders. The least expensive adequate rental vehicles will be used. Travelers will be reimbursed up to the compact rate even if intermediate or luxury cars are rented. An upgrade to a larger vehicle is authorized when three or more travelers are sharing the rental conveyance. Rental vehicle use is limited to official purposes only. This includes places incident to travel where the employee is required to be (i.e., to and from temporary lodging, drugstores, barber shops, places of worship, cleaning establishments, or to places necessary to obtain suitable meals; and similar places necessary for the overall sustenance, comfort, or health of the employee). Required parking and fuel costs are reimbursed to the traveler. These require receipts for reimbursement.

(6) Travel by Personal Owned Vehicle (POV). POV usage may be authorized for employees while on official business. This usage may not be directed but will be permitted when requested by the employee and it is considered to be advantageous to the Government. Travel by POV must be authorized in the travel orders.

(a) When traveling by POV, the points between which travel was performed must be shown on the travel claim. Any unusual conditions or circumstances that may affect mileage allowances must be explained since mileage will generally be limited to official mileage tables.

(b) When travel by POV has been authorized for the convenience of the traveler, total mileage and per diem expenses will not exceed that payable for constructive travel. A statement by the employee explaining the constructive cost comparison must accompany the travel claim. Constructive transportation cost to the Government will be computed on the basis of rates or charges for the most direct, least costly common carrier transportation between authorized points.

i. Completion of TAD Travel Orders. All NAF employees must use DD Form 1610 in connection with official TAD travel. Preparation of the form is, for the most part, self-explanatory. In general, it should be completed per the instructions that accompany the DD Form 1610. Some specific instructions which apply to NAF activities are as follows:

Item	Explanation
3	<u>Social Security Number:</u> leave field blank.
4	<u>Position Title and Grade/Rating.</u> Enter position title and payband/grade as appropriate.

12 Transportation Mode. If transportation is by privately owned vehicle (POV), a statement must accompany the order that shows the cost comparisons and rationale for requesting use of a POV.

14 Estimated Cost. Per diem rates are available at <http://www.gsa.gov/portal/content/104877> or by contacting the CNIC NAF Financial Management Branch (N948).

15 Advance Authorized. Advances are to be computed at 80 percent of the estimated per diem, travel, and other cost if the total exceeds \$50. Other expenses prepaid by the activity cannot be used in computing the advance.

16 Remarks. The purpose of the remarks section is to request and receive authorization for additional requirements and to provide instruction to vendors (i.e., hotels and car rental agencies). If lodging is not available, provide the nonavailability number in this block. The additional requirements and instructions most frequently used by travelers are listed below. Travelers are to use only those that pertain to a specific trip. Only the information provided in the remarks section is considered as reimbursable to the traveler (e.g., government quarters authorized; commercial quarters authorized - TAD not performed at government installation; commercial quarters authorized - adequate government quarters not available; taxi in and around TAD site(s) authorized; explanation of "other" expenses (e.g., rental car, conference registration fee which includes meals; excess baggage authorized (only for frequent travelers); authorized exchange privileges per DoDD 1330.9 when TAD to Alaska or Hawaii, OCONUS, or occupying government quarters on military installations; all expenses incurred in the execution of these orders are exempt from State and local taxes).

19 Accounting Citation. Insert "travel funded by (appropriated NAF activity/code)."

20 Authorizing/Order-Issuing Official: Program Director/Deputy Director. Approval for the Program Director/Deputy Director must be one level above the position.

22 Travel Authorization Number. Obtained from a local Travel Office, the Finance Office, or designated office responsible for assignment of the travel authorization number.

j. Travel Order Endorsements. It is sometimes necessary to change travel orders after the original DD Form 1610 has been prepared and authorized. Orders may be endorsed or amended to reflect these changes. This may be accomplished by preparing an endorsement to the original orders, signed by the applicable authorizing official, denoting the specific changes to the original DD Form 1610.

k. Rest Stops

(1) General. When travel is directed between duty points which are separated by several time zones and at least one duty point is OCONUS, a rest period not in excess of 24 hours may be authorized or approved when air travel between the duty points is by less-than-

first-class accommodations and the scheduled flight time (including stopovers of less than eight hours) exceeds 14 hours by a direct or usually traveled route.

(2) Location of Rest Stop. The rest stop may be authorized at any intermediate point, including points within CONUS, provided the point is midway in the journey or near to midway as requirements for use of U.S. flag air carriers and carrier scheduling permits.

(3) Travel Indirect Route. A rest stop will not be authorized when an employee, for personal convenience, elects to travel by an indirect route resulting in excess travel time.

(4) Per Diem. The per diem rate for the rest stop will be the rate applicable for the rest stop location.

(5) Rest Period Before Reporting for Duty. When carrier schedules or the requirements for use of U.S. flagged air carriers preclude an intermediate rest stop or a rest stop is not authorized, it is recommended that the employee be scheduled to arrive at the temporary duty point with sufficient time to allow a reasonable rest period before reporting to duty.

1406. Per Diem. Per diem allowances will be paid to employees as prescribed in the JTR. Per diem is normally payable for whole days unless cited as exception below.

a. Per Diem Computation.

(1) 10 Hours or Less. No per diem is allowed for travel of 10 hours or less within the same calendar day.

(2) More than 10 Hours. When travel is more than 10 hours but less than 24 hours, 75 percent of the appropriate Meals and Incidentals Expenses (M&IE) rate will be paid.

(3) Travel of 24 Hours or More. The travel status and location of the employee at 2400 will determine the per diem rate and whether lodging is required.

(4) Day of Departure/Day of Return. For day of departure:

(a) With lodging. When lodging is required on the day travel begins, the employee will be reimbursed for the actual cost of lodging up to the maximum prescribed for that locality plus the allowable portion of the M&IE rate.

(b) Without lodging. When lodging is not required on the day travel begins, the per diem will be computed as 75 percent of the appropriate M&IE rate.

(c) Day of return. For the day travel ends, the per diem allowance will be computed as 75 percent of the appropriate M&IE rate.

(5) Travel by POV. Maximum reimbursable mileage rates for POVs are subject to change and are based upon the General Services Administration schedule. Check with your

travel office to obtain the current correct rate.

(6) Reimbursable Expenses. M&IE allowances are intended to cover most of the incidental expenses for a traveler on orders; however certain expenses are reimbursable as separate items. These include:

- (a) Taxis or alternate means of transportation when authorized in travel orders.
- (b) Rental cars when authorized in travel orders.
- (c) Gas for rental cars and government vehicles.
- (d) Parking, road, and bridge tolls.
- (e) Streetcar, subway, or bus transportation when authorized in travel orders.
- (f) Excess baggage when authorized in travel orders.
- (g) Conference fees.
- (h) Travelers checks fees and money orders purchased in connection with travel.
- (i) Passports, visas, and photographs as required for business travel.
- (j) Charges for inoculations that cannot be obtained through a Federal dispensary for travel OCONUS.
- (k) Currency conversion charges and exchange fees.
- (l) Airport fees such as embarkation, debarkation, and airport taxes as assessed to the traveler upon arrival or departure from terminals CONUS/OCONUS.
- (m) Telephone service for official local calls (personal calls up to \$5 per day for calls home) - must submit phone bill with travel claim. Official long distance calls - must submit phone bill with travel claim, authorized by approving official.
- (n) Nonrefundable rent/room deposits are reimbursable if, through no fault of the employee, a trip is canceled.

1407. Travel Within CONUS. Per diem for travel within CONUS, unless specified differently in the travel orders, is based on the lodging-plus system. With this system, the per diem allowance for each day of temporary travel is established on the basis of the actual amount the employee pays for lodging plus a prescribed amount for M&IE with the total amount NTE the applicable locality rate authorized. The M&IE rates are set by locality. Lodging receipts are required for reimbursement and will be paid up to the maximum authorized for each location. Excess lodging costs must be pre-approved.

a. Employees must fill the gas tank before returning a rental vehicle. The employee may be held responsible for excessive gasoline costs charged by the rental car company if the tank is not filled prior to returning the vehicle.

b. If a lodging receipt shows a charge for double occupancy, the travel voucher should explain why. Only one-half of the double occupancy charge will be allowed if the second person is a government employee on official travel. If the second person is a non-government employee on official travel, only the single room rate will be allowed.

c. When an employee obtains lodging with friends or relatives with or without charge, no amount will be allowed for lodging.

1408. Claims for Reimbursement of Travel and Transportation Expenses. All travelers must submit travel claims for reimbursement within 5 working days of completion of travel. If a traveler is on an extended temporary assignment, claims must be submitted at least every 30 days or in time for the employee to pay credit card charges timely. Earlier submission of claims is strongly recommended for it speeds processing time and reimbursement to the traveler. Payment will be made within 5 working days of receipt of travel claim. If after 90 days, a travel claim remains unsubmitted, no reimbursement for travel for the trip will be paid and the advance will be reclaimed by deduction from the employee's paycheck.

a. **Temporary Travel on Orders.** When traveling on orders, travelers must submit their travel claims on a DD Form 1351-2, Travel Voucher or Sub voucher available at <https://www.usace.army.mil/Portals/2/docs/RAC/dd1351-2.pdf>. Care should be used in filling out this form so as to not delay its processing. If explanations are necessary for unusual items, attach a memorandum explaining the claim and its justification for reimbursement. The claim form must be accompanied by:

- (1) Commercial or government lodging receipts.
- (2) Airline tickets, airline ticket stubs, and airline credits regardless of payment method.
- (3) Rental car receipts including parking and gas receipts.
- (4) An original copy of the travel orders and amendments, if applicable.

1409. Leave While on Orders. When on leave while traveling, the Leave Statement, line eight of the travel claim must be completed and the period of leave must be listed in the itinerary. If leave of more than one-half of the prescribed daily working hours is taken, no per diem will be allowed for that day. Federal holidays and weekends are not considered workdays. Employees are paid per diem on non-workdays until they return to their official duty station or place of abode, except in the following circumstances:

a. When employees are in a leave status at the end of the workday before the non-workday and at the beginning of the workday following the non-workday.

b. The period of leave on either of those days is more than 1/2 of the prescribed working hours for that day.

CHAPTER 15
NAF WORKERS' COMPENSATION (WC) PROGRAM

1501. Non-appropriated Fund Instrumentalities Act (NAFIA) 5 U.S.C. §8171-8173.

a. Self-insurance. The NAFIA extends the provisions of the Longshore and Harbor Workers' Compensation Act (LHWCA), 33 U.S.C. §901 et seq., to NAF employees of the Federal Government. The individual WC statutes administered by the various States do not have jurisdiction over NAF employees of the Federal Government. In order to comply with NAFIA/LHWCA, CNIC offers a self-insured WC insurance program that covers all CNIC NAF employees for accidental injuries or occupational diseases arising out of and in the course and scope of their employment.

b. Provisions. NAFIA does not require the employee to establish the employer was at fault for the employee's accident, nor does the employee have to prove they were entirely free from fault for their own accident/injury. The only requirement is that the injury arose out of, and occurred during the course and scope of employment.

c. Limitations/Requirements. NAFIA removes the employee's common law right against the employer and substitutes a sole remedy that requires the employer to pay specific benefits. This obligation on the employer to pay under this statute becomes an absolute or strict liability of the employer. In other words, the statute makes it mandatory that the employer pay the costs that accrue on all valid WC claims. However, it also prevents the employee from suing the employer for damages as a result of the employee's job-related injury or occupational disease.

1502. Applicability. Provisions of NAFIA apply to benefits for disability or death resulting from job-related injury or occupational disease to:

- a. Employees of NAF activities within the United States.
- b. U.S. citizens or permanent residents of the U.S. or its territories and possessions.
- c. Those while employed by the NAFI outside the U.S.

1503. Exclusions

a. Active Duty. Active duty military members, including those employed during their off-duty hours, are not eligible for NAF WC. Military members receive medical, dental, and disability benefit coverage from their military status, regardless of whether an injury or illness occurs while they are on or off-duty.

b. Foreign National Employees. Heads of NAF overseas activities must advise CNIC (N941) promptly upon determination that they have foreign nationals, including third country foreign national employees without WC or coverage. These employees are normally provided coverage through local law, under a provision of a SOFA, contract, or some other document that provides benefits to foreign national NAF employees. Third country foreign national employees

are those employees without U.S. citizenship, who are citizens of a country other than the host country where the overseas naval installation is located. If there is not a provision in place to provide coverage, the head of the NAF activity and the ICO will meet this need to provide WC and coverage through the purchase of a separate commercial insurance policy.

c. Contract Personnel. Contract personnel, including NAF employees while performing contract duties, are not covered by WC. Contract personnel are required to provide their own coverage under their contract.

1504. Coverage. Compensation will be paid under LHWCA for the disability or death of an employee. Compensation may be denied if the injury was due solely to intoxication or resulted from a willful intent to injure or kill themselves or another person(s). In broad terms, the LHWCA covers employees during the following times:

- a. From the time they report for duty until the time they leave at the end of working hours.
- b. During travel away from their permanent duty station under orders of temporary duty or during local travel at the direction of the employer, unless the employee deviates from the course and scope of employment or accepted route of travel.

1505. Coverage Exclusion. LHWCA does not normally cover an employee while they are going to or from their place of work.

1506. Program Administration. CNIC provides overall management for the self-insured WC program. Day-to-day processing is usually handled through a TPA. The TPA processes and pays employee claims as required by NAFIA, from funds provided by CNIC.

1507. Benefits Authorized. WC benefits are stated in LHWCA and NAFIA. Highlights of these benefits are listed below.

d. Medical Care. NAF employees eligible for benefits are entitled to medical services (including required dental care), medicines, and supplies required by the nature and severity of their injury.

(1) Electing Treating Physician. An employee has the right to choose an attending physician who will be authorized to provide care under LHWCA. An employee may not change physicians after they have made an initial selection of an attending physician unless prior TPA consent has been given for the change. If the employee is seen by an emergency room physician or visits a walk-in clinic, a permanent physician may be selected thereafter.

(2) Use of Military Medical Facilities. Use of military medical facilities by NAF employees is normally limited to initial or emergency treatment only. In overseas areas or in remote areas of the U.S. where there are no adequate civilian medical facilities for NAF employees, follow-up treatments or hospitalization in military facilities may be authorized. The employee may be required to directly pay for military medical treatment. The receipts will then be sent to the TPA through the servicing HRO for reimbursement.

e. Disability Compensation

(1) Total Disability. Employees permanently or temporarily totally disabled because of an on-the-job injury or occupational disease, may receive $66 \frac{2}{3}$ percent of their average weekly wage (AWW). The AWW will not exceed an amount equal to 200 percent of the national AWW, or be less than 50 percent of the national AWW. Employees whose AWW is less than the minimum will receive 100 percent of their AWW.

(2) Partial Disability. Compensation for temporary or permanent partial disability is two-thirds of the difference between the AWW before the injury and the wage-earning capacity after the injury. In addition, employees who lose parts of the body or function of the body parts (fingers, toes, hands, feet, arms, legs, and eyes, loss of hearing, or disfigurement) may be entitled to a scheduled award.

f. Death Benefits. Benefits are payable to persons as defined in LHWCA including other persons who satisfy the term “dependent”. The following benefits are payable if an injury results in a work-related death.

(1) Reasonable funeral expenses NTE \$3,000.

(2) Fifty percent of the employee's AWW is payable to the surviving spouse living with or dependent on the deceased at the time of death. Upon remarriage of the surviving spouse, two years compensation will be paid to the surviving spouse in one lump sum at 50 percent of AWW.

(3) For each child (as defined by LHWCA) $16 \frac{2}{3}$ percent of the employee's AWW will be split and paid to each child until the child reaches age 18, unless still attending high school, in which case the benefit will be paid through the end of the school year or up to age 23, if the child is a full-time student at an accredited university.

g. Total Payments. Total compensation payable in all cases will not exceed $66 \frac{2}{3}$ percent of the employee's AWW. Payments are made biweekly.

1508. Willful False Statements. Any claimant or claimant’s representative who knowingly and willfully makes a false statement to obtain benefits under NAFIA is guilty of a felony and may be fined or imprisoned or both. Any person who knowingly and willfully makes a false statement for the purpose of reducing, denying or terminating benefits to an injured employee may be fined or imprisoned or both. In addition, employees found to have violated either of these requirements are subject to severe disciplinary action, including possible termination. LHWCA provides guidance on penalties for misrepresentation.

1509. Fees to Representatives. All notices of representation must be approved by DOL. Secretary of Labor will not approve payment of a fee to a claimant's representative who has been disqualified from representing claimants under LHWCA.

1510. Posting Notice of Coverage. Individual NAF activity will post a notice to employees (DOL LS-242, provided annually by CNIC) in a place where it can be easily seen by employees. This notice states that CNIC has WC coverage for NAF employees under LHWCA.

1511. Obtaining Forms. The most frequently requested DOL forms and information regarding online completion, downloading, and/or printing, may be found at <http://www.dol.gov>.

1512. WC Claims Procedures. The head of the NAF activity will ensure compliance with all WC requirements. Employing CNIC NAF HROs will monitor personnel actions and events involving employees with WC claims.

a. When an employee is injured or develops an occupational disease, the following steps will be followed:

(1) The employee must immediately notify their supervisor or their local NAF activity HRO. Failure to make this notification promptly and before seeking medical treatment could adversely impact the employee's WC claim.

(2) Initial medical treatment will be arranged if the employee is unable to make the initial selection. In the case of an emergency, treatment may be at a military medical facility. In other cases, treatment will normally be at a civilian medical facility or by a civilian doctor. When an employee is injured and medical treatment is necessary, administrative leave will be granted for the initial first aid treatment on the date of the injury. If the injury occurs at the end of the employee's day, the employee should seek medical treatment through available resources (e.g., minor emergency clinic, hospital emergency room) as soon as possible. Administrative leave will not be granted for time the employee must be off work after the initial date of injury.

(3) DOL LS-202, Employer's First Report of Injury or Occupational Illness, must be completed. In cases of severe injury or death, the NAF activity HRO will notify CNIC NAF HR Branch (N941) within 24 hours of the occurrence. The LS-202 report is required by federal law and must be fully completed and filed by the employing NAF activity HRO within 10 calendar days from the date of injury or death or from the date the employer first has knowledge of an injury or death. The actual date of injury or death and the date CNIC first had knowledge of an employment related injury, illness, occupational disease, or infection must be included. DOL LS-202 is available at <https://www.dol.gov/owcp/dlhwc/ls-202.pdf>.

(4) If the LS-202 report is not filed by the NAF activity HRO within 10 days from the time specified in paragraph (3) above, the NAF activity may be liable for significant fines/monetary penalties, including those imposed under 33 U.S.C. § 930e and 20 C.F.R. § 702.204. The employer will inform the TPA of any doubtful aspects of the claim when filing. Any questions regarding claims processing or WC benefits should be addressed by the TPA or the CNIC HQ NAF HR Branch (N941) Benefits Section.

(5) DOL LS-210, Employer's Supplementary Report of Accident or Occupational Illness, available at <https://www.dol.gov/owcp/dlhwc/ls-210.pdf>, must be completed and sent to the TPA to report any lost time in excess of three consecutive business days and each pay period

thereafter if the employee continues to be disabled from performing their duties. Receipt of the LS-210 report by the TPA provides confirmation that benefits should or should not continue to be paid to the employee, depending on whether the form indicates that the employee has returned to work or not.

(6) If the employee is going to be off work, advise the employee that regular and recurring medical statements are required to be submitted within two business days after the medical follow-up visit to the NAF activity HRO. Failure to provide this information may result in the loss of WC payments as well as disciplinary action.

(7) LWOP is authorized for one year from the date of the injury or accident. During this period of time the employee may continue to participate in the medical, dental, FSA, LTD and life insurance plan by paying the employee portion of the premium.

(8) If the employee receives medical documentation that they are fully recovered within one year of the date of injury, the HRO will process the paperwork necessary to return the employee to work. NAF activities will also provide duty consistent with medical restrictions if the duty is within the scope of the employees current PD.

(9) If the employee is unable to return to work after one year of receiving WC, a disability separation will be processed.

(10) If there are temporary restrictions from the physician, the employee must be returned to work in a light duty capacity. Light duty:

- (a) Should not last more than 8-12 weeks.
- (b) Must follow physician restrictions.
- (c) May be in a different department, branch, section, etc., from the employee's permanent duty assignment.
- (d) Does not have to be a valid position but the work must be meaningful and productive.

h. Assist the TPA. The NAF activity HRO will assist the TPA with claims questions and coordination as needed. All items such as bills, reports, and doctor or employee correspondence that are received by the NAF activity HRO must be sent to the TPA within two business days of receipt.

1513. Forms Submission. All DOL LS forms, whether or not there is loss of time or medical expense involved with the claim, must be sent to the NAF activity HRO. The NAF activity HRO will maintain a copy of the form(s) and distribute the form(s) as follows per the required time lines specified in this chapter:

i. Submit the original LS-202 to the DOL when the employee loses one or more work shifts. If the HRO enters claims into the TPA website, the LS-202 is submitted by the TPA. In cases where the injury has not caused the loss of one work shift, the form must be maintained at the local activity in the event that the employee loses additional time in the future due to the same injury.

j. All other DOL LS forms will be submitted to the TPA in the time limit stipulated by the DOL.

1514. Long-Term Inability to Perform the Duties of the Position .

k. When an employee is injured on the job and a WC claim is accepted as valid, the NAF activity will keep the employee on the roll in a WC status for one year from the date of the injury. The exceptions to this are:

(1) Employees serving on a time-limited appointment may be terminated due to separation of appointment

(2) Employees with a medical prognosis that recovery will not occur within the one year from the date of injury may be separated due to disability.

(3) Employees who are injured after a termination action has been initiated may still be terminated.

1515. Post-Accident Testing. Employees are subject to post-accident/unsafe practice drug testing when, based on the circumstances of an on-the-job accident or unsafe job related activity, their actions are reasonably suspected of having caused or contributed to an accident or unsafe practice that meets either of the following criteria:

(a) The accident or unsafe practice results in a death or bodily injury to any person who, as a result of the injury, immediately receives medical treatment away from the scene of the accident.

(b) The accident or unsafe practice results in damage to government or private property estimated to be in excess of \$10,000.

CHAPTER 16
NAF/GS PORTABILITY PROGRAM

1601. Policy. This enclosure is applicable to NAF and civil service personnel who move between DoD NAF and civil service positions without a break in service. Consistent with 5 U.S.C. §2105(c)(1)(D), OPM and DoD entered into an agreement entitled "Agreement for the Movement of Personnel Between the Civil Service System and the NAFI System in the Department of Defense". The agreement permits federal agencies to noncompetitively appoint NAF employees to career or career conditional civil service appointments and employees in the competitive civil service to be appointed to NAFI positions, subject to the conditions stated in the Agreement.

1602. Purpose. These policies are designed to provide a civil service appointment eligibility to DoD NAF employees. The Agreement allows for an easy interchange of employees between NAF and APF positions in most federal agencies.

1603. Background.

a. A "Portability of Benefits for Moves Between Civil Service and NAF Employment Systems" reference guide is available at <http://www.cpms.osd.mil>. Each NAF activity should download a copy of the guide for reference.

b. To date, there are several laws that impact the portability of benefits.

(1) The NAFI Retirement Credit Act of 1986, P.L. 99-638:

(a) Provides CSRS credit for former NAF service.

(b) Requires that NAF service be in certain MWR positions after June 18, 1952 and before January 1, 1966. This primarily affected Army NAF employees in recreation, youth activities, and arts and crafts positions who were covered by a NAF retirement system.

(4) The Portability of Benefits for NAF Employees Act of 1990, P.L. 101-508:

(a) Permits employees to remain in the civil service or NAF retirement plan when they move between APF and NAF employment systems.

(b) Covers moves between DoD NAF and DoD APF positions on or after January 1, 1987 without a break in service of more than three days.

(c) Requires employees to be vested (five years in a retirement plan).

(d) Does not permit CSRS and FERS credit for former NAF service.

(e) Was enacted primarily to assist DoD employees affected by the January 1, 1987 congressionally directed restructuring of the MWR program.

(5) FY 96 Defense Authorization Act, P.L. 104-106, §1043:

(a) Expands the 1990 Portability Act retirement election coverage to cover moves to APF positions outside of DoD and to cover moves with a break of not more than one year for retirement elections only.

(b) Provides FERS credit for former vested NAF service retroactively. (For retroactive coverage, move must have occurred on or after January 1, 1966 but before August 10, 1996.)

(c) Requires employees be vested in the NAF retirement plan.

1. Does not give a retirement election for employees in CSRS.

2. Does not give a retirement election to individuals already receiving retirement pay.

3. For FERS credit, NAF employer and employee contributions transfer. Within CNIC the funds were less than the actuarial present value of the additional annuity so the annuity was reduced accordingly.

(6) FY 2002 Defense Authorization Act, P.L.107-107, sections 1131 and 1132:

(a) Permits retirement elections without being vested in the retirement system.

(b) Permits employees in CSRS and FERS to use prior NAF service not being used for a NAF annuity to qualify for an immediate annuity.

1. The credit for NAF service will not result in a higher CSRS or FERS annuity.

2. The request for NAF service credit is processed when the employee initiates a CSRS or FERS retirement application.

1604. Appointments

a. Involuntary Move. A NAF employee may be eligible for conversion to career or career-conditional employment if the employee is serving in a NAF position on the date the position is brought into the competitive service and the agency determines this is a "continuing" position. Personnel actions will be processed per appropriate civil service rules. A civil service employee whose position is abolished and reestablished as a NAF position will be afforded RIF rights per civil service rules.

b. Voluntary Move. Regardless of the direction of the move, the normal appointment procedures of the gaining employment system apply.

1605. Pay Provisions for Moves to Civil Service Positions

b. Setting Basic Pay Upon Movement from any NAF Position to an APF Position.

(1) Involuntary Move

(a) Pay will be set at a rate within the grade to which moved that is not less than the employee's rate of basic pay under the NAF system immediately prior to the move. In determining the last rate of basic pay, a saved pay rate to which the employee was entitled under the NAF system will apply, as well as pay received in a NAF special rate position. Additions to pay such as night shift, environmental differential, and other premium payments are excluded from consideration as basic pay. Basic pay may not be set above the maximum of the grade to which moved, except as provided in (b) below.

(b) Grade and pay retention benefits apply where the involuntary move resulted in a reduction in grade or pay. Grade and pay retention benefits will be administered per appropriate APF regulations.

(c) Prior to moving an employee from NAF Payband, Level 5, to an APF position, the NAF activity will determine if an adjustment in NAF pay is necessary. Adjustments in NAF pay will be effected, where necessary, to ensure the maximum rate of pay retained in the move will not exceed the rate of pay for a GS-15, step 10 for the position and geographical area to which moved.

(2) Voluntary Move. Basic pay may be set at either:

(a) The minimum rate of the appropriate grade.

(b) At any step of that grade which does not exceed the employee's HPR of NAF basic pay. Determination of HPR will be per appropriate APF regulations.

c. Setting Basic Pay upon Movement from a NA, NL, or NS NAF CT Position to a Civil Service Wage Schedule Position.

(1) Involuntary Move

(a) Subject to applicable promotion regulations, pay may be set at either the employee's existing scheduled rate of pay, or any rate which does not exceed their HPR of pay. If the HPR falls between two rates of the new grade, the higher rate may be paid. The HPR of pay will be computed per appropriate APF regulations.

(b) Grade and pay retention benefits apply where the involuntary move resulted in a reduction in grade or pay. Grade and pay retention benefits will be administered per appropriate APF regulations.

(2) Voluntary Moves. Subject to applicable promotion regulations, basic pay may be set at either:

(a) The minimum step rate of the grade.

(b) At any rate of the new grade that does not exceed the employee's HPR of pay. If the employee's HPR falls between two rates of their grade, the higher rate may be paid. The HPR of pay will be computed per applicable APF regulations.

1606. Crediting of Service in Waiting Periods for Within-grade Step Increases (Involuntary and Voluntary Moves)

d. NAF to Civil Service APF Moves.

(1) NAF service will be credited toward the period of service required for step increases in the APF position.

(2) OPM regulations will apply in determining whether an employee previously in a NAF pay band position has received an equivalent increase for WIGI determinations.

e. NAF to Civil Service Wage Schedule Moves.

(1) NAF NA, NL, and NS service will be credited toward the period of service required for within-grade step increases.

(2) NAF service in UA, AS, PS, or paybanded positions are not creditable.

1607. Crediting of Service Toward Time-in-Grade Requirements for Promotion (Involuntary and Voluntary Moves). NAF service will be credited in a move to an APF position per appropriate APF regulations.

1608. Crediting of Time-in-Service in Computing Severance Pay (Involuntary and Voluntary Moves).

a. NAF to APF Move. The authority to credit NAF service when computing civil service (i.e., APF) severance pay is authorized.

b. APF to NAF Move. Civil service (i.e., APF) employment may be credited in the computation of NAF severance pay.

1609. Retirement.

f. As soon as the servicing NAF HRO is aware an APF employee is changing from an APF to a NAF position, the following actions will be taken:

(1) A letter will be sent to the servicing APF HRO (sample provided at the end of this

appendix). This letter has the Thrift Saving Plan (TSP)-19, Transfer of Information Between Agencies, and the RI 38-144, Election to Retain CSRS, CSRS Offset or FERS Retirement form, as enclosures. The NAF HR Specialist will ensure the enclosures are properly completed and returned by the APF HRO before the employee's first day of employment. An HRO POC will be identified in case further information is needed.

(2) The employee will be informed they need to bring a copy of their last SF-50; last leave and earnings statement; latest TSP-1, Election Form; and any TSP loan notifications to the local NAF HRO on their first day of NAF employment. If the employee does not have these, they must obtain them from their APF HRO.

(3) The employee will complete a new TSP-1 form on the first day of NAF employment showing the same deductions they had when employed in the APF system. Changes may be made during TSP open seasons.

(4) A copy of the documents in (2) and (3) above will be filed in the employee's OPF and faxed to CNIC HQ NAF HR Branch (N941) before the pay period ends. CNIC (N941) will transmit the information to TSP as soon as verification is received the deductions have been made.

(5) HRO will ensure the employee's CSRS or FERS and TSP deductions are input into the payroll system in time to be deducted from the employee's first NAF pay check.

b. Failure to perform the above steps within the time frames indicated may result in a lapse in the employee's retirement deductions as well as default on any TSP loans.

c. Employee Contribution to Plan when the Employee Elects to Retain Membership in the Plan of the Losing Employment System. The employee contribution to the defined benefits plan will be determined in the same manner as it is determined for the other employees in the plan. The gaining employer will remit the employee's contribution to the plan, including FERS TSP contributions, where applicable.

d. Employer Contribution to Plan When its Employee has Retained Membership in the Plan of the Losing Employment System.

(1) NAF Employer Contribution to Defined Benefit Part of FERS. The contribution will be the "normal cost percentage" of basic pay determined by OPM under 5 U.S.C., §8423. Also, social security payments are made for employees in FERS.

(2) NAF Employer Contribution to TSP. The contribution will be a minimum of one percent of basic pay regardless of whether the employee contributes; and additionally, if the employee does contribute, the employer will match the employee's contribution dollar for dollar for the first three percent of pay contributed and \$.50 on the dollar for the next two percent of pay contributed. (Note: CSRS and CSRS Offset participants may contribute to the TSP but no employer matching contribution is permitted.)

(3) **NAF Employer Contribution to CSRS.** The employer contribution for the NAF employee in CSRS will be calculated in exactly the same way as the agency contribution for an APF employee in CSRS. Also, social security payments are not made for employees in CSRS, but are made for employees in CSRS Offset.

(4) **APF Employer Contribution to the Respective NAF Retirement Plan.** The actual contribution for the APF employee in the NAF plan will be calculated in exactly the same way as the actual contribution for a NAF employee in the NAF plan.

1610. Annual, Sick, and Home Leave

a. **General Applicability.** All provisions are applied exactly the same regardless of whether the move is voluntary or involuntary, and regardless of the direction of the move, NAF to APF or APF to NAF.

b. **Transfer of Leave Balance.** All leave will transfer without a limit. The employee will be credited with the full amount of leave, even in those cases where the employee may receive a higher rate of pay from the gaining employment system. The employee may not "cash-in" any portion of the leave balance and be paid for accumulated hours. Leave will be administered per rules of the gaining system. If the Defense Finance and Accounting Service (DFAS) pays out the employee's annual leave, the employee must work through DFAS and repay the money before receiving credit for the annual leave.

c. **Transfer of Funds.** There will be no transfer of funds.

d. **Annual Leave Accrual Rate.** Service in the losing employment system will be credited in determining the appropriate leave accrual rate in the gaining employment system.

1611. Health and Life Insurance

g. **NAF to APF (Voluntary and Involuntary Moves).**

(1) **Employee Coverage.** Employees may not elect to remain in NAF health or life insurance plans. Employees may enroll in the Federal Employees Health Benefits (FEHB) program/Federal Employees Group Life Insurance (FEGLI) Program per appropriate APF regulations. The employee's NAF health benefits coverage will be extended without charge to the employee for 31 days after the move to an APF position or until the employee becomes covered by FEHB, whichever comes first.

(2) **Retiree Coverage.** Participation in the FEHB after retirement does not depend on retirement from FERS or CSRS if the employee retires from a NAF plan, because the portability law includes the NAF retirement plans as "qualifying plans".

h. **APF to NAF Move**

(1) **Employee Coverage in a Voluntary Move.** Employees may not elect to retain

membership in the FEHB Program and FEGLI Program. Normal NAF coverage rules apply. Employees must be advised before actual employment whether or not they will be eligible for health and life insurance benefits. This is important since it is likely that many employees will have the misconception that if they have APF benefits, then, under the idea of portability, they can voluntarily move to NAF and automatically qualify for NAF benefits coverage.

(2) Retiree Coverage

(a) Involuntary Move. If the employee qualifies for health/life insurance coverage, then the employee, regardless of whether retirement is from an APF or NAF plan, would qualify for NAF health/life insurance coverage in retirement if they meet the following two conditions:

1. The employee must retire under an immediate annuity.

2. The employee must have been continuously enrolled under the NAF group insurance plan since the employee's first opportunity to enroll, or any other normal qualifying dates under the NAF plan, whichever is the shortest period.

(b) Voluntary Move. If the employee qualifies for health/life insurance coverage, then the employee would qualify for NAF health/life insurance coverage after retirement per normal rules of the NAF employer with the following exception: continuous time spent in the FEHB Program/FEGLI Program immediately before the move would be credited toward satisfying the respective NAF qualifying periods.

1612. Probation Status (Voluntary and Involuntary Moves). In the following provisions, reference is made to the term “same agency” and “same line of work”. The same agency is considered to be the same military agency (e.g., Navy, Air Force). Positions are considered to be in the same line of work when the duties performed are similar in nature and character and require substantially the same or similar qualifications.

i. NAF to APF Moves. All NAF service immediately preceding the move in the same agency, and same line of work as the position to which the move is made, will be credited in determining probationary status.

j. APF to NAF Move. Where the head of the component (i.e., CNIC) has established a probationary system, all APF service in the same agency, and same line of work immediately preceding the move, will be credited in determining probationary status.

1613. Tenure for NAF to APF Service

a. Voluntary Move. No credit for NAF service will be granted.

b. Involuntary Move. All continuous non-temporary NAF service immediately preceding the move will be credited in determining career tenure.

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**SAMPLE LETTER - NOTIFICATION TO APF HRO OF GS EMPLOYEE MOVING
TO NAF
CONTROLLED UNCLASSIFIED INFORMATION (WHEN FILLED IN)**

12000

From: _____

To: Human Resources Office

Subj: APPOINTMENT/SELECTION OF _____; SSN _____

Encl: (1) TSP-19, Transfer of Information Between Agencies
(2) RI38-144, Election to Retain APF Retirement Coverage

1. This is to inform you that _____ has been offered and accepted a Nonappropriated Fund (NAF) position with _____, effective _____.

2. Department of Defense employees, who move between NAF and Appropriated Fund (APF) employment systems without a break in service of more than three days are covered by the Portability Act. Therefore, to assist in a smooth transition and ensure this employee is afforded all benefit entitlements under the Portability Act, the following is provided:

a. The transition must occur without a break in service of more than three days.

b. All annual and sick leave balances must be transferred from APF to NAF (lump sum payment of annual leave to the employee and transfer of funds to the gaining activity is prohibited under the Portability Act).

c. Thrift Savings Plan (TSP) enrollment must not be terminated if the selectee elects to remain in Federal Employees' Retirement System (FERS).

3. It is essential that these actions be properly coded and processed to ensure Defense Finance Accounting Service (DFAS) payroll offices do not make lump sum payments of annual leave and do make appropriate payroll deductions. Please ensure all personnel involved in coding and processing personnel moves between APF and NAF employment systems are aware of, and comply with, the following information:

k. Defense Civilian Personnel Data System has a data element called **AFC-TYPE-OF-PAY-CHG-PROJ** that **MUST** be used if the employee moves from APF to NAF. The **DIN** is **ARY** and must be coded with a value of **"R"** (for Rehire). This flag signals payroll that lump sum leave is not to be paid out and it must be transferred to NAF. Additionally, please make sure it is annotated in the Remarks Section of the SF-52 that **"Employee is resigning to accept a NAF job. All leave balances should transfer under the provisions of the Portability Act"**.

4. Enclosures (1) and (2) must be completed as follows and returned to (enter name of HRO and routing information):

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a. If employee elects to retain FERS, complete sections A, B, and C of enclosure (1) indicating the employee's enrollment in TSP.

b. Enclosure (2) must be filled out by both your office and the employee per the instructions attached to the election form. Please make sure to inform the selectee of their options relative to retirement election.

5. The point of contact is _____ at DSN xxx-xxxx or (xxx) xxx-xxxx, Fax No. DSN xxx-xxxx or (xxx) xxx-xxxx, e-mail _____.

6. Thank you in advance for your assistance.

J. DOE

Head, NAF Human Resources

CONTROLLED UNCLASSIFIED INFORMATION (CUI) (WHEN FILLED IN)

Figure 16.1

1614. The Interchange Agreement. The full text of the Interchange Agreement is in DoDI 1400.25, Volume 1403. Below are some specific points that are helpful to understanding the Portability Program and how it is to be administered :

a. To be eligible for movement under this agreement, employees must be currently serving under a NAF appointment or have been involuntarily separated (i.e., by a BBA) without personal cause within the preceding year (the one year time frame commences on the actual date of separation). NAF employees must be, or have been, serving in continuing NAF positions (regular or flexible) under appointments without time limits.

b. NAF employees considered under this agreement are to be treated in the same manner as if they were already APF employees in the competitive service transferring from one agency to another.

c. The key point of the agreement is that NAF employees need only meet the same qualification requirements as if they were already APF employees. This is important in that this means that in-service placement qualification standards may be used in qualifying NAF employees coming into the Federal Civil Service (i.e., APF) under this agreement. This type of qualification standard, when available, is usually less rigid than those qualification standards applied to applicants applying for initial entrance into an APF position.

d. APF HROs should normally include NAF employees eligible under the Interchange Agreement in the minimum AOC for vacancy announcements.

e. A NAF employee can move from their position to an APF position in the competitive service on a noncompetitive basis. The word "noncompetitive" has different meanings in different situations. When referring to current on board APF employees moving within the competitive civil service system, "noncompetitive" means that they do not have to compete with each other for a position. When referring to non-APF individuals entering the civil service system, the word "noncompetitive" means they do not have to compete with other candidates in a civil service examination. A noncompetitive appointing authority (i.e., the Interchange Agreement) is a way for agencies to bring employees into the competitive service (i.e., an APF position) without using an examination. Individuals applying for appointment into the competitive system under a special or noncompetitive authority like this agreement do not have to compete with on board employees applying to move within the system unless an agency's own staffing policy requires it. In other words, a person can be selected under this agreement for any job if qualifications and other basic conditions are met (e.g., citizenship, minimum age) no matter how the pay and grade of the APF job compare to the NAF job. Once hired into an APF position, however, those employees will have to compete with other APF employees for jobs at higher grades, even if the employee had NAF service equivalent to those higher graded APF positions.

f. Upon initial appointment into an APF position, a NAF employee is given a status quo appointment. This is then changed to a career-conditional appointment or a career appointment depending upon the employee's continuous years of NAF service.

g. In crediting NAF time for career-conditional or career appointment, only that continuous NAF time immediately prior to appointment to the APF position may be counted. To be eligible for a career appointment, a NAF employee must have three years of continuous NAF service immediately prior to the APF appointment. The following time limits also pertain:

(1) For appointment to an APF position, an employee must not have more than a 30-calendar day break between periods of employment for all such service to be considered continuous. This is called substantially continuous service.

(2) The DoD Portability Program applies to DoD civilian employees who move between NAF and APF positions within DoD without a break in service of more than three calendar days.

(3) Under the terms of the Interchange Agreement, a NAF employee must move to the Federal Civil Service (i.e., APF position) without a break of one workday.

(4) To be eligible under the Interchange Agreement, the basic one year of continuous service requirement cannot include any break in service. The one year following a Reduction in Force (RIF) or BBA is not a break in service, but such time cannot count toward the one year of service requirement.

(5) A NAF employee may be appointed under this agreement and receive credit toward career tenure for their NAF service. NAF service may be credited for other purposes only if the employee moves within the DoD without a break in service of three calendar days. Otherwise, an employee's NAF salary may not be used as their HPR; leave accrued during NAF service may not be transferred; and NAF service may not be credited toward leave accrual, retirement, or service computation date for RIF purposes.

h. RFT and RPT NAF employees are required to serve a one year probationary period prior to meeting basic eligibility under this agreement (i.e., such employees must complete their probationary period before they are considered eligible to be appointed under the Interchange Agreement). Flexible employees must complete or work a number of days equivalent to a year of work to be eligible under the Interchange Agreement.

i. The Interchange Agreement, originally approved on September 21, 1991 for a three year period has been extended indefinitely per DoD 1400.25, Volume 1403. The agreement may be terminated 30 days following notice from DoD or OPM, and may be modified at any time with the mutual consent of DoD and OPM.

j. A NAF employee who moves under the terms of the Interchange Agreement to a non-DoD agency, is not eligible for benefits transfer. This means that sick and annual leave will not be transferred. This also means that none of the NAF time will count for within grade increase, time for RIF purposes, and all other benefits available. Portability of benefits only applies to movement within DoD and is covered in appendix F of this manual. NOTE: There may be

exceptions to what is stated in this paragraph. To ensure benefits transfers are handled properly and correct information is given to impacted employees, contact CNIC HQ NAF HR Branch (N941) if there are any questions.

CHAPTER 17
DRUG-FREE WORKPLACE PROGRAM (DFWP)

1701. Responsibilities .

a. DoD Civilian Employee Drug-Free Workplace Program (DFWP). Establishes policy, assigns responsibilities, and prescribes procedures for establishing and maintaining a drug-free workplace program, including requirement of illegal drug use testing for federal civilian personnel.

b. Heads of the DoD Components. CNIC N9 will:

(1) Develop a DFWP; establish a Drug Program Coordinator (DPC) position; and implement guidance for achieving program objectives with due consideration to the rights of the U.S. Government, the federal civilian employee, and the general public per DoDI 1010.09.

(2) Issue a statement of policy on the DoD component's expectations on drug use and the action to be anticipated in response to identified drug use.

1702. Notice and Confidentiality of Test Results .

a. CNIC's DPC will ensure specific written notice is given to each federal civilian employee in a testing designated position (TDP) at least 30 days before being subject to random selection and testing.

b. Per DoD Directive 5400.11, all DFWPs must include procedures to protect the privacy of an employee's identifiable information contained in test results, pursuant to 5 U.S.C. §552a, §2105, §3371-3375, §7301 note (1987), §7541-7542, §8331(20), and 8401; and DoD 5400.11-R, and related medical and rehabilitation records consistent with applicable laws and regulations.

1703. Plans and Lists of TDPs .

a. DON will annually review the DFWP and list of positions designated for random testing.

b. DON will submit requests for changes in certified/compliant plans and requests to designate new (or delete existing) positions defined as Preferred and Discretionary as required by DHHS Memorandum "2013 Guidance for Selection of Testing Designated Positions (TDPs)", with the Component's General Counsel's supporting opinion, for the review and concurrence of the Interagency Coordinating Group Executive Committee (ICGEC) to:

ICGEC c/o DHHS

Substance Abuse and Mental Health Services Administration

Division of Workplace Programs

1 Choke Cherry Road

Room 2-1035

Rockville, MD 20857

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c. DON will provide initial and updated estimates of the number of applicant, random, and other drug tests anticipated during the FY to Executive Director, Force Resilience (EDFR) to assure adequate funding support.

1704. Drug Testing. CNIC's DPC will ensure the number of random tests of civilians in TDPs equal 50 percent of the full-time equivalents in the random testing pool annually.

a. Pre-employment Testing for New Employees within a CNIC NAF Activity. Applicants who are selected for TDPs are subject to mandatory pre-employment drug testing. Refusal to be tested will result in the individual not receiving an offer of employment.

(1) Applicant testing of non-TDP selectees is prohibited.

(2) Mandatory drug testing of employees moving by transfer or reassignment from one TDP to another TDP with no break in service within the DoD is not required, unless deemed appropriate on a case-by-case basis by the gaining component.

b. Random Testing. CNIC's DPC will ensure the number of random tests of civilians in TDPs equals 50 percent of the full-time equivalents in the random testing pool annually.

c. CNIC will test for drugs specified in the Federal Register, Volume 82, pages 7920-7970.

d. CNIC may test for additional drugs listed by the Drug Enforcement Administration on its Schedule I or II list only in conjunction with reasonable suspicion or post-accident testing. CNIC's DPC is required to submit the written request and justification for reasonable suspicion testing to the HHS-certified laboratory that will test the sample(s). CNIC's DPC is also responsible for consulting with the HHS/SAMHSA/DFWP to ensure the HHS-certified laboratory that will test the sample(s) has the capability and a validated methodology for testing the specific drug and for contracting with the HHS-certified laboratory.

e. In addition to testing authorized in paragraphs (c) and (d) of this enclosure, CNIC's DPC is authorized to test for illegal drug use under the following circumstances:

(1) When there is reasonable suspicion that an employee uses illegal drugs. Such testing may be directed for employees encumbering non-TDPs only if there is reasonable suspicion of:

(a) Impairment due to illegal drug usage while performing work during duty hours.

(b) Illegal drug usage while performing work during duty hours.

(2) When an employee is reasonably suspected of having caused or contributed to a work-related accident or unsafe practice.

(3) As part of, or as a follow-up to, counseling or rehabilitation for illegal drug use through an EAP.

f. CNIC's DPC may routinely test for another drug or drug class when a waiver has been granted from the Secretary, HHS. CNIC's DPC is required to submit a copy of the HHS waiver to the HHS-certified laboratory that will test the sample(s).

g. Urine is the only approved specimen matrix to be collected in the drug testing program. Each specimen will be collected as a split specimen in compliance with the Federal Register, Volume 82, pages 7920-7970. All urine collections must be performed using the approved Office of Management and Budget (OMB) Form No. 0930-0158, "Federal Drug Testing Custody and Control Form," available at https://www.reginfo.gov/public/do/PRAICList?ref_nbr=201406-0930-001.

h. To ensure all collection sites comply with the Federal Register, Volume 82, pages 7920-7970, DON will randomly inspect 5 percent (up to a maximum of 50 percent) of collection sites annually; investigate reported collection site deficiencies; and take appropriate action. The HHS/SAMHSA/DWP has developed examples of a "Collection Site Manual and Collection Site Checklist". In addition, reasonable accommodation must be made to qualified employees and applicants with a disability pursuant to 29 U.S.C. §791. Persons requiring an accommodation must inform the employing agency that an accommodation is needed.

i. DON will ensure all medical review officers (MROs) who receive and review federal civilian employee test results have satisfactorily passed an examination administered by an MRO-certifying organization approved by HHS.

j. DON will submit anonymous statistical information about the DFWP to the HHS/Substance Abuse and Mental Health Services Administration (SAMHSA)/DFWP Annual Survey Report as stated in the terms of their certified and compliant plans.

k. CNIC must comply with the Federal Register, Volume 82, pages 7920-7970. These guidelines are amended from time to time to reflect in the forensic science of drug testing and federal agency experience with the DFWP.

1705. Forensic Toxicology Drug Testing Laboratory (FTDTL) Analysis

a. CNIC must use the HHS certified U.S. Army Fort Meade FTDTL for all laboratory analyses, unless otherwise directed by the EDFR.

b. The Fort Meade FTDTL will maintain all HHS certification requirements pursuant to the Federal Register, Volume 82, pages 7920-7970.

1706. Finding of Drug Use and Disciplinary Consequences

b. The determination that a federal civilian employee has used illegal drugs may be made on the basis of any appropriate evidence including, but not limited to:

(1) Direct observation. Supervisors and managers must contact the appropriate offices within their respective NAF activity for proper guidance when a determination has been made through direct observation that a federal civilian employee has used illegal drugs.

Direct observation may include observed drug use, possession of drugs or drug paraphernalia, and/or physical symptoms including abnormal conduct or abnormal behavior associated with being under the influence of a drug.

- (2) Evidence obtained from an arrest or criminal conviction.
- (3) Verified positive test result.
- (4) The employee's voluntary admission.

c. CNIC's DPC will refer a federal civilian employee found to use illegal drugs to the EAP and, if the employee occupies a sensitive position, immediately remove the employee from that position and assign the employee other duties pending a decision on their status without regard to whether or not the position is a TDP. At the discretion of the head of the NAF activity, however, and as part of an EAP, an employee may return to duty in a sensitive position if the employee's return would not endanger public health or safety or national security.

1707. Range of Consequences

d. Disciplinary action taken against a federal civilian employee found to use illegal drugs may include the full range of disciplinary actions consistent with the HHS "Model Plan for a Comprehensive Drug-Free Workplace Program", including removal from federal service. The severity of the action chosen will depend on the circumstances of each case and the supporting evidence. Once a NAF activity is notified an employee was found to use illegal drugs, the Head of the NAF activity or a designated management official will initiate action to discipline the employee. However, such action is not mandatory for an employee who declares "Safe Harbor". In order to be granted Safe Harbor, an employee must:

- (2) Voluntarily admit to illegal drug use,
- (3) Obtain counseling or rehabilitation through the EAP.
- (4) Thereafter refrain from using illegal drugs. This Safe Harbor option will not be available to an employee after having been asked to provide a urine sample per CNIC's DFWP or after having been found to have used illegal drugs pursuant to direct observation or evidence obtained from an arrest or criminal conviction.

e. Such disciplinary action will be consistent with the requirements of any governing collective bargaining agreement pursuant to P.L. 95-454 and other statutes; and DoD and DON orders, regulations, and the Table of Offenses and Recommended Actions contained in this manual.

f. All applicants with verified positive test results will be refused employment. Applications from such individuals will not be considered for DoD employment for a period of not more than three years from the date of the unfavorable suitability determination based on illegal use of narcotics, drugs, or other controlled substances without evidence of substantial rehabilitation, per 5 U.S.C. §731.

CHAPTER 18

EQUAL EMPLOYMENT OPPORTUNITY (EEO)

1801. EEO. CNIC is committed to fostering a diverse, inclusive workplace while providing fair, equitable treatment in all employment actions. CNIC policy prohibits discrimination against any employee (includes former employees) or applicant for employment based on race, color, religion, sex (to include pregnancy, sexual orientation, and gender identity), national origin, disability (physical and mental), age (40+), and genetic information. Retaliation for participating in the EEO process or opposing discriminatory practices is also prohibited. Federal EEO statutes, regulations, and policies are enforced by the United States EEOC and apply to all employees and applicants.

1802. NAF EEO Program. The NAF EEO Service Center is responsible for all EEO program functions to include the Affirmative Employment (Management Directive 715), Disability (to include Reasonable Accommodation), EEO Complaints, Alternative Dispute Resolution (ADR) (includes workplace mediation), and the Diversity and Inclusion (D&I) Programs. The NAF EEO Service Center provides these services in support of all NAF employees throughout CNIC. The NAF EEO Service Center can be contacted via e-mail at MILL_CNIC_NAF_EEO@navy.mil or telephone at 1-866-295-0320.

1803. Responsibilities

a. N9s, in coordination with Commanding Officers will, to the maximum extent possible:

(2) Cultivate and enforce actions/behaviors to eliminate discrimination from their workspaces, to include taking disciplinary action against employees who engage in discriminatory practices or any type of harassment.

(3) Provide support for the prompt, fair, and impartial processing and disposition of discrimination complaints.

(4) Support affirmative employment efforts as directed by EEOC Management Directive (MD) 715 and other Federal requirements;

(5) promote the recruitment, retention, and inclusion of individuals with disabilities;

(6) disseminate and communicate EEO policy throughout the organization; and

(7) ensure that all supervisors and employees adhere to EEO policies and procedures.

b. Supervisors will:

(1) Promote and enforce the principles of EEO by demonstrating positive, respectful behavior at all times and fostering an environment where employees work in a productive and safe environment.

(2) Adhere to merit principles in all employment actions to support equal opportunity for all employees.

(3) Address and resolve issues quickly by taking prompt, corrective action(s).

(4) Participate, and ensure that all subordinates participate, in the EEO process, when required.

(5) Collaborate with the NAF EEO Service Center to resolve employee and/or workplace climate issues.

(6) Contact the NAF EEO Service Center for all reasonable accommodation requests to ensure prompt and proper disposition in accordance with regulatory guidelines.

(7) Ensure all required EEO training is completed.

c. Human Resource (HR) Officials will:

(1) Ensure all hiring practices and policies are merit-based.

(2) Partner with the NAF EEO Service Center to comply with affirmative employment efforts as directed by MD 715.

(3) Distribute EEO orientation materials to all new employees.

(4) Provide supervisors with the information to take mandatory EEO trainings.

(5) Provide support to the NAF EEO Service Center, as required, in processing EEO complaint and reasonable accommodation actions.

(6) Collaborate with the NAF EEO Service Center to resolve employee and/or workplace climate issues.

d. OGC will:

(1) Provide advice and guidance to the NAF EEO Service Center, managers, and supervisors in complaint and reasonable accommodation matters.

(2) Support the EEO complaint process as an agency representative or other capacity.

1804. EEOC Management Directive (MD) 715

a. EEOC MD 715 provides policy guidance on creating and maintaining effective EEO programs as required by law. The EEOC also requires agencies to regularly conduct self-assessments and report, on an annual basis, efforts taken to identify and remove any barriers to equal opportunity for all employees. To support this effort, the CNIC NAF EEO Service Center must conduct periodic evaluations and analyze trends to identify any potential barriers. Policies or practices found to have an unlawful discriminatory impact on a protected group must be modified to eliminate the discriminatory aspect in order to eradicate the barrier to equal

opportunity. Supervisors and HR officials must aid EEO officials, as needed, in the overall effort to make the agency MD 715 compliant and actively assist in the development of a model EEO program.

b. Supervisors play an important role in complying with MD 715 requirements. By nature of their positions, supervisors can affect tangible employment actions, such as selections, promotions, and discipline. As such, they are responsible for ensuring that decisions are based on merit.

c. HR officials play a major role in recruiting efforts. HR participation in job fairs and knowledge of hiring authorities have the ability to support a diverse area of consideration. Conversely, HR officials should notify the EEO Office before a BBA occurs to ensure a particular group of employees is not adversely affected.

1805. Reasonable Accommodation

a. Reasonable accommodation is an adjustment or modification in the job or worksite that facilitates the way an employee with a disability performs the essential functions of the job, or that enables an employee with a disability to enjoy equal benefits and privileges of employment. Examples of reasonable accommodations include modified schedules, obtaining modifying equipment, or modifying written materials.

b. Individuals with disabilities are important contributors to the CNIC NAF mission. As such, the provision of reasonable accommodation is not only a legal requirement but it is also an important component of CNIC NAF's commitment to the hiring, retention, and inclusion of qualified individuals with disabilities.

c. Individuals with Disabilities. The Rehabilitation Act of 1973, as amended by the Americans with Disabilities Act (ADA) of 1990 and the Americans with Disabilities Act Amendments Act (ADAAA) of 2008, require the provision of reasonable accommodation to qualified applicants and employees with disabilities, unless doing so would cause an undue hardship. Undue hardship is determined on a case-by-case basis.

d. Not all disabilities fall under the purview of the Rehabilitation Act, the ADA, and the ADAAA. For purposes of these acts and the provision of reasonable accommodation, an individual with a disability:

(1) Has a mental or physical impairment that substantially limits one or more major life activities, such as, but not limited to, seeing, hearing, performing manual tasks, bending, standing, walking, sleeping, learning and operations of major bodily systems, to include immune, respiratory, and reproductive;

(2) Has a record of such an impairment.

(3) Is regarded as having such an impairment.

(a) ‘Substantially limits’ means the employee is unable to perform a major life activity compared to an average person.

(b) Factors considered when assessing whether someone is substantially limited are the nature, severity, and duration of the impairment, and the long-term or permanent impact of the impairment.

e. **Qualified Individual with a Disability.** CNIC NAF activities are required to provide reasonable accommodation to a ‘qualified individual with a disability’ unless the reasonable accommodation would pose an undue hardship. A qualified individual with a disability is one who satisfies the required skill, experience, education, and other job related requirements of the job, and can perform the essential functions of the job with or without reasonable accommodation.

f. Initiating a Request.

(1) An individual with a disability may request a reasonable accommodation at any time during the application process or during the period of employment.

(2) An individual with a disability should request a reasonable accommodation when he or she knows that there is a workplace barrier that is preventing him or her, due to a disability, from effectively competing for a position, performing a job, or gaining equal access to a benefit of employment.

(3) Each request for reasonable accommodation requires an individual analysis.

(4) Processing requests for reasonable accommodation will require a collaborative effort that may include the employee or applicant, the supervisor and the NAF Disability Program Manager (DPM) who also has responsibilities as the Reasonable Accommodation Coordinator (RAC), the HRO, and Office of General Counsel (OGC). As needed, other technical experts may be consulted.

g. Medical Documentation. Employees and applicants must provide medical documentation to support their request for reasonable accommodation when the medical condition is not obvious.

h. Participant Responsibilities. A number of participants have critical roles in the reasonable accommodation process.

(1) Employees or applicants start the process. If an employee has a medical condition(s) that requires a change in the way the work is accomplished, the employee must notify the supervisor. Applicants who have a medical condition(s) believed to be a disability must alert the HR point of contact or interviewing chairperson that a modification to the application or interview process is required. The employee is not required to use the words “reasonable accommodation” or ADA in the request.

(2) Supervisors make the final determination on whether the reasonable accommodation will be granted. Therefore, they must know when a request for reasonable accommodation is being made and the proper procedures to be followed. Because of the regulatory timeframes for processing a request, the supervisor must act promptly, start the interactive process and cooperate when a request is made. Upon being notified of a request for accommodations, supervisors must immediately coordinate with the RAC.

(3) The RAC is the central POC for reasonable accommodation efforts for NAF employees within CNIC. The RAC will explore reasonable accommodation solutions, conduct individualized assessments, make the determination based on available documentation as to whether or not an employee and/or applicant is a qualified individual with a disability, and generate all required reasonable accommodation correspondence with the assistance from the supervisor, HRO and/or OGC when needed. The RAC will also ensure that all EEOC/DON system/data requirements are met.

(4) HR Officials will provide the RAC with HR-related advice and guidance to execute a reasonable accommodation request. HR Officials will participate as a member of the Reasonable Accommodation Advisory Team when requested by the RAC and will provide support in the event of a reasonable accommodation job search.

(5) OGC will provide legal advice, guidance and will participate as a member of the Reasonable Accommodation Advisory Team, as needed.

(6) IT will coordinate with the RAC to ensure that technology related requests for accommodation are expeditiously processed and Section 508 requirements are supported.

i. The Reasonable Accommodation Process for Employees.

(1) The reasonable accommodation process begins with the employee's request for an adjustment or modification in the job or worksite. The initial request does not have to be in writing.

(2) Timeframes. Reasonable accommodations will be processed as soon as possible so that a determination can be provided promptly. Once the employee provides sufficient information and/or documentation, a written determination on a request for reasonable accommodation must be made within thirty calendar days. Due to the regulatory timeframe, it is imperative that all requests are sent to the RAC as soon as possible, but not later than two business days from the employee's request.

(a) The employee or the employee's family member, health care professional, or a representative acting on the employee's behalf can request reasonable accommodation either orally or in writing to the employee's supervisor, a supervisor in the chain-of-command, or to the RAC.

(b) The supervisor will provide the employee with the SECNAV Confirmation of Reasonable Accommodation Request form, and when necessary, assist the employee with completing the form.

(c) The supervisor will maintain an open line of communication with the employee seeking an accommodation(s) and will engage in an on-going informational discussion(s) with the employee during the reasonable accommodation process. This is also considered the interactive process.

(d) The supervisor, or HR official if notified, will forward the completed Confirmation of Reasonable Accommodation Request form and supporting medical documentation to the RAC as soon as possible, but not later than two business days of receipt. In the event that the employee does not provide medical documentation during the initial request, the supervisor must forward the Confirmation of Reasonable Accommodation Request form within the designated time and will advise the employee that supporting medical documentation is required if the employee's condition is not obvious.

(e) The RAC will contact the supervisor upon receipt of the confirmation of reasonable accommodation request form to discuss the employee's request and possible solutions.

(f) If the RAC requires additional medical documentation to determine an employee's eligibility for reasonable accommodation, the supervisor will notify the employee in writing.

(g) Once sufficient information is provided from the employee, the agency has 45 calendar days to respond to the employee in writing. With the assistance from the RAC, the supervisor gives the employee the determination of the reasonable accommodation request in writing.

j. Confidentially. Medical documentation and information regarding an individual's reasonable accommodation case must be kept confidential. Medical documentation and supporting information will only be shared with individuals who have an absolute need to know.

k. Initiating the Reasonable Accommodation Process for an Applicant. The reasonable accommodation process begins with an applicant's request for assistance in applying or interviewing for a job because of a medical condition. The applicant is not required to use the words "reasonable accommodation" or ADA in the request.

(1) An HR official or the interviewing chairperson will contact the RAC as soon as possible, but not later than two business days after receipt of the request.

(2) The RAC will provide guidance and assistance to the HR Official and/or the Interviewing Chairperson.

l. Interactive Process. Once an employee or applicant requests reasonable accommodation either orally or in writing, the interactive process begins. The interactive process is a dialogue between the supervisor and the employee or the HR professional, interviewing chairperson and the applicant to discuss reasonable accommodation options. In some situations, the RAC may also be a part of this discussion. A continuing dialogue is encouraged throughout the reasonable accommodation process. These discussions provide critical information necessary for making a

final determination and should be used to keep the employee advised of the status of their request for accommodation.

m. Reasonable Accommodation Advisory Team Meeting. When needed, an advisory team meeting will be conducted for reasonable accommodation cases that require guidance and

expertise from participants. This includes, at a minimum, the RAC, an HR official, the employee's first-level supervisor and OGC. As needed, the advisory team will consult with other technical experts.

n. Reassignment. Reassignment is the accommodation of last resort. If it is determined that an employee cannot be accommodated in the position of record, the supervisor will issue the employee the Offer of Reassignment due to Inability to Accommodate in Position of Record letter and Reassignment Election Form. These letters provide an overview of the provisions of reassignment as reasonable accommodation; the option of applying for retirement or LTD, if applicable, and the parameters of the search for vacant positions if reassignment is elected. HR officials will coordinate with the RAC during all phases of the reassignment process.

(1) Once the employee is in receipt of the offer of reassignment due to inability to accommodate in position of records letter and reassignment election form, the employee will have seven calendar days to elect a job search, LTD or retirement.

(2) During the seven calendar day period, the employee will have the option for an Employee Reassignment Counseling with the HR Official and the RAC. The employee must notify the RAC of his or her decision to engage in reassignment counseling within three calendar days of receipt of the offer of reassignment due to inability to accommodate in position of records letter and reassignment election form. Upon receipt of an employee's decision to engage in reassignment counseling, the RAC will schedule appropriate counseling to discuss benefits, review the employee's resume, and discuss the expanded job search option.

(3) An LTD or retirement election will prompt the RAC to close out the employee's reasonable accommodation case; the reassignment election will prompt the HR official to work with the RAC to determine possible vacant positions.

o. Job Search

(1) The HR official will search for current vacant positions, to include anticipated vacancies within 30 calendar days from the start of the search, within the Unit Identification Codes that the HRO services, for a period of 30 calendar days.

(2) The employee will only be considered for those vacancies for which they are minimally qualified and within the geographic preferences identified on the Reassignment Election Form. The employee must be able to perform the essential functions of the vacancy and meet the requisite skills, experience, education, and other job-related requirements of the vacancy, with or without an accommodation.

(3) If a vacant position is identified, the HR official will issue the Reassignment Offer letter to the employee.

(4) If a vacant position is not identified after the conduct of the internal 30 day search, the procedures outlined in the DON Reasonable Accommodation CHRM for a DON-wide job search will be followed.

p. No Placement by End of the Job Search

(1) If no vacancies are identified for which the employee is minimally qualified or can perform the essential functions with or without an accommodation, the servicing HR official will provide the job search documentation to the RAC, and consult the Regional Human Resources Director and NAF Deputy Director of EEO (DDEEO) regarding any discrepancies.

(2) If there is no vacant position available, the supervisor will give the employee the determination of reasonable accommodation request in writing. The NAF DDEEO will submit any denials for reasonable accommodation to the CNIC Command Director of EEO for review.

q. Declination of a Job Placement Offer. If the employee declines the job placement offer, with the assistance from the RAC, the employee's supervisor will issue a letter denying the request for RA based on the decision to decline the offer of reassignment.

1806. EEO Complaints Program

a. EEO Complaints Process. Employees (includes former employees) or applicants who believe they have been discriminated against on the basis of race, color, religion, age (40+), sex (pregnancy, sexual orientation, and gender identity), physical or mental disability, national origin, genetic information or reprisal for prior EEO activity or opposing discrimination in the workplace, must first seek counseling from the NAF EEO Service Center. Employees or applicants who elect to file a complaint must contact an EEO official within 45 calendar days from the date the alleged discriminatory act occurred, the effective date of an alleged discriminatory personnel action, or the date that he or she knew or reasonably should have known that it occurred.

(1) EEO Pre-Complaint Process. An employee or applicant who files an EEO complaint will elect either traditional counseling or ADR to resolve the complaint. DON's preferred method of ADR is mediation. A good faith effort should be made to resolve the complaint at the lowest possible level. If resolution does not occur, the employee or applicant will be advised of the right to file a formal complaint.

(a) If traditional counseling is elected, the EEO official will conduct a limited fact finding inquiry into allegations of discrimination and attempt to facilitate resolution between the employee or applicant and the agency official that has resolution authority.

(b) If ADR is elected, the EEO official will conduct an interview to discern the allegations of discrimination and notify the appropriate agency officials of the election to participate in mediation.

(2) Formal EEO Process. If the employee or applicant files a formal complaint and it is accepted for investigation, a formal investigation will be conducted and an official Report of Investigation will be created. Upon completion of the investigation, the complainant can request a hearing with the EEOC or a Final Agency Decision with the DON. Both options can be appealed to the EEOC and then further appealed to Federal District Court.

b. Stakeholder Responsibilities. Participants in the complaints process must keep the details of their involvement and any information obtained confidential, and must not discuss details of an EEO complaint with individuals who do not have a need to know.

(1) NAF EEO Service Center. EEO Officials, upon receipt of a complaint, will conduct an inquiry into the allegation by interviewing the management official and any other individuals at the center of the allegation, or who may have first-hand knowledge about the allegations, and will gather documents relevant to the allegations. EEO Officials will also attempt to resolve the complaint and will encourage mediation or other forms of ADR. There may be circumstances where complaint matters involve both NAF and APF employees. There may also be circumstances where NAF employees file complaints involving contract employees or management officials in another command. Upon receipt of the initial contact by the employee, the NAF EEO Service Center will coordinate, as needed, to determine the appropriate processing office.

(2) Supervisors. Supervisors must cooperate with the EEO office, investigators, and the designated agency representative (OGC), at every stage of the complaints process. This includes responding to informal inquiries, participating in formal investigations, and providing relevant documentation within the requested timeframes. Supervisors must also participate and cooperate in resolution attempts, including mediation or other forms of ADR, and must take timely action to fully implement the terms of binding settlement agreements if a resolution is reached.

(3) HR Officials. HR officials will cooperate with EEO officials by providing information and access to records necessary to process complaints, conduct investigations, resolve claims of discrimination and comply with EEOC MD 715 requirements.

(4) Employees. Employees will cooperate with EEO officials, agency representatives, and investigators as required.

(5) Assigned Agency Representatives. Agency representatives protect the interest of the DON, and therefore, contribute to the integrity of the investigative process. Agency representatives may coordinate with management witnesses for their interviews with the investigator, to educate them and ensure their cooperation. Agency representatives may also assist with mediation and the drafting and execution of settlement agreements.

c. Employees covered by CBA. Individuals who are covered by a CBA must review the CBA for initial guidance. Most, not all, CBAs that govern NAF employees exclude issues of discrimination and require employees to contact the NAF EEO Service Center to proceed with an EEO complaint. However, if the CBA does allow for the processing of allegations of

discrimination, the employee must choose the desired forum, either the filing of a negotiated grievance with the union or the filing of an EEO complaint with the NAF EEO Service Center. See the related chapter of this manual on Collective Bargaining Agreements.

d. Administrative Grievance Procedures (AGP). Under certain conditions, individuals may use the EEO complaints process and the AGP simultaneously. The AGP does not have purview over allegations of discrimination based on race, color, religion, age (40+), physical or mental disability, national origin, genetic information, or EEO retaliation. When an administrative grievance is filed and reviewed, all issues alleging discrimination will be referred to the NAF EEO Service Center and not processed through the AGP. The merits of the grievance, excluding issues alleging discrimination, will be adjudicated in the AGP. Once an administrative grievance is filed and reviewed, all issues alleging discrimination will be referred to the NAF EEO Service Center. All others will be adjudicated in the administrative grievance process.

e. Allegations of Harassment

(1) All allegations of sexual or nonsexual harassment must be investigated immediately and thoroughly by the chain of command where the allegation arose. Documentation of the investigation will be maintained and prompt corrective action taken as appropriate. The scope and complexity of the investigation will depend on the allegations, how long the alleged behavior has persisted, and the number of witnesses involved. Seek guidance from NAF EEO or NAF HRO Labor/Employee Relations for additional information. All employees alleging sexual harassment must be advised of the right to file an EEO complaint.

(2) 10 U.S.C. §1561 Investigations. 10 U.S.C. §1561 outlines requirements for processing sexual harassment complaints filed by covered civilian employees. Covered civilian employees may pursue the EEO complaint process concurrently with §1561 procedures. Any supervisor or lead employee who receives the initial sexual harassment complaint must notify the employee of the right to file an EEO complaint within 45 calendar days of the alleged incident.

1807. ADR Program

a. ADR is any procedure used in lieu of a formal process or litigation to resolve conflicts and issues in controversy. Mediation, using DON certified mediators, has been very successful in resolving many workplace issues in dispute at the lowest possible level. Supervisors and employees are highly encouraged to use mediation to resolve both EEO and non-EEO disputes.

(1) An “Aggrieved” employee may request ADR during any stage of the EEO process.

(2) An employee or supervisor may request workplace mediation to resolve a workplace issue outside of the EEO process.

(3) Mediation should be requested through the NAF EEO Service Center.

(4) If the Aggrieved employee and management agree to a resolution of the matter in dispute, the agency representative will draft the terms in writing to be reviewed, and if agreed upon, signed by both parties. The written agreement must clearly state the terms of the

resolution and contain the procedures available under 29 C.F.R. 1614.504 defining the Aggrieved Person's recourse in the event of Agency noncompliance.

b. Decisions on behalf of the Navy to reject ADR may only be made at a supervisory level above those managers directly involved in the issue(s) being mediated. Authorized officials shall consult with OGC prior to making a decision on participation in ADR. Authorized officials who decide to reject the use of ADR must send the NAF EEO Service Center a signed memorandum stating why ADR is impractical for the case, based either on the statutory reasons found in 5 U.S.C. §572(b) or other appropriate grounds that justify deviation from the DON ADR policy. The memorandum will be retained in the EEO case file with a copy forwarded to the DON ADR Program Office, OGC, for review.

1808. Use of Official Time. Complainants and their representatives, if they are DON employees, are entitled to a reasonable amount of official time during the complaints process to allow a complete presentation of the relevant information and to respond to agency requests for information. "Reasonable" is defined as whatever is appropriate, under the particular circumstances of the complaint. The actual number of hours vary and will depend on the nature and complexity of the complaint. Official time is viewed in increments of hours as opposed to days and the complainant must request official time prior to their use of such time. Time spent commuting to and from home will not be included in official time computations because all employees are required to commute to and from their federal employment on their own time. All determinations on use of official time are made on a case-by-case basis and supervisors should consult with the assigned EEO specialist before responding to a request for official time.

1809. Employee and New Supervisor EEO Orientation/EEO Information During Orientation

a. HR will provide new employees with a copy of the most recent FFR EEO Policy statement, Reasonable Accommodation brochure, and EEO Discrimination Complaints Process brochure at orientation with documented confirmation of receipt.

b. HR will provide new supervisors with a copy of the most recent FFR EEO Policy statement within one week of becoming a supervisor with documented confirmation of receipt.

c. HR will inform new supervisors of the requirement to attend new supervisor training within the first ninety (90) calendar days from date of hire or date of promotion. Trainings (Introduction to EEO for New Supervisors) are web-based, held quarterly, and provided by the NAF EEO Service Center.

1810. Bulletin Board Postings. The following items must be prominently displayed on bulletin boards in areas frequented by employees. Supervisors should check area bulletin boards bi-annually to ensure the materials are not covered up, removed, or are otherwise illegible. This information is available from the NAF EEO Service Center. Inquiries regarding bulletin board postings, posting content, or other questions regarding EEO and/or discrimination concerns in general should be addressed to the NAF EEO Service Center via the Region EEO specialist, the EEO hotline at 1-866-295-0320 or e-mail: MILL_CNIC_NAF_EEO@navy.mil.

- a. CNIC Commander, REGCOM and/or ICO EEO Policy.
- b. CNIC FFR EEO Policy Statement.
- c. EEO poster containing the NAF EEO Service Center's e-mail address, telephone number of the EEO hotline, and a notice of the 45 calendar day requirement to contact the NAF EEO Service Center to file a complaint.
- d. Reasonable Accommodation Process brochure containing the telephone number of the NAF DPM/RAC.

1811. Costs.

- a. Each NAF activity is responsible for paying all costs associated with:
 - (1) EEO Complaints.
 - (a) EEO complaint related travel (hearing/mediation/investigation travel/settlement compliance).
 - (b) Settlements.
 - (c) Investigations.
 - (d) Hearings (deposition and transcript costs).
 - (e) Findings of discrimination and other related damages/costs.
 - (2) Reasonable accommodation(s).
 - (3) Any other costs to support program or statutory requirements, as required
- b. If an appeal, grievance, EEO complaint, or similar action filed by a NAF employee is settled, the source of funds (NAF or APF) for payments required by the settlement, whether the payments are for back pay, other damages, or attorney fees and costs, will be determined by the status (NAF or APF) of the employee whose acts or omissions gave rise to the payment of that claim.
- c. If liability is established and payment is made based on the acts or omission of both a NAF employee and an APF employee, any payment on such claim must be apportioned between NAF and APF in amounts approximating the degree of each government employee's level of culpability.

APPENDIX A
PERSONNEL RECORDS DISPOSITION SCHEDULE

1. Scope. This appendix covers the disposition of OPFs and other records relating to NAF employees wherever employed by DON, except for those non-U.S. citizens employed outside the U.S. and its territories; general NAF records disposition; and NAF financial records disposition. DON NAF employee personnel records relate to the supervision over and management of such employees.
2. Transferring Records (NAF and APF) to Other Custody. Naval records may be moved and assigned to other custody within the naval establishment; or to Federal Records Centers (FRCs), the National Archives and Records Administration (NARA), or other government agencies. When moving the records involves a change in custody, the move is referred to as a record transfer. Changes in location within the activity, usually by removal to local storage areas, are referred to as records retirement. For detailed instructions governing the disposal of both NAF and APF records, refer to the table below.

ITEM #	DESCRIPTION OF RECORD	AUTHORIZED DISPOSITION
1.	NAF OPFs.	
	a. NAFI employees transferred to another NAFI (e.g., CNIC to NEXCOM)	When an employee is transferred, their folder will be sent directly to the gaining activity.
	b. Separated NAF employees: Folders of all U.S. citizens and non U.S. citizens except local nationals wherever employed.	Transfer folder to National Personnel Records Center (NPRC), 9700 Page Blvd, St. Louis, MO 63131-5100, 120 days after separation. NPRC will destroy 75 years after birth date of employee or 60 years after the date of the earliest document in the folder, if the date of birth cannot be ascertained, provided the employee has been separated for at least 5 years. If re-employed during authorized retention period, forward folder to gaining HRO upon request.
2.	Service Record Cards.	Destroy 3 years after termination of employment.
3.	Personnel Correspondence and Subject Files.	
	a. Files relating to the general administration and operation of personnel functions and including college programs, selective placement programs, examinations, paid recruitment advertising, executive development programs, merit promotion programs, employee safety program, and others not specifically described elsewhere in this schedule, excluding those at agency staff planning levels.	Destroy when 3 years old.

ITEM #	DESCRIPTION OF RECORD	AUTHORIZED DISPOSITION
	b. Correspondence, reports, memoranda, and other records relating to employment programs and functions, and manpower management and evaluation, including experts and consultants, overseas employment, reemployment rights, and employee transfer and detail.	Destroy when 5 years old.
4.	Offers of Employment Files. Correspondence, letters, and faxes offering appointments to potential employees.	
	a. Accepted offers.	File in OPF.
	b. Declined offers.	File with Employment Application. See # 12.
5.	Employee Record Cards. Employee record cards used for informational purposes outside HROs.	Unless separated by BBA or removal action, destroy on separation or transfer of employee. If separated by BBA or a removal action with pending appeal, transfer card to Grievance, Disciplinary, and Adverse Action Files (item 23.)
6.	Position Classification Files.	
	a. Position Classification Standards Files. Standards determining title, series, and payband or grade based on duties and responsibilities of the position.	Destroy 5 years after cancellation, revision, or supersession.
	b. Standards Development. Memoranda, correspondence, and other records relating to the development of standards for classification of positions peculiar to the agency.	
	(1) Case file.	CNIC HQ NAF HR Branch: Destroy 5 years after cancellation, revision, or supersession.
	(2) Review file.	CNIC HQ NAF HR Branch: Destroy 5 years after cancellation, revision, or supersession.
	c. PDs. Files describing established positions including information on title, series, grade, duties, and responsibilities.	
	(1) Record copy.	Destroy 6 years after position is abolished or PD superseded.
	(2) All other copies.	Destroy when position is abolished or PD superseded.
	d. Survey Files. Classification Survey Reports. Survey reports on various positions prepared by classification specialists, including any periodic reports.	

ITEM #	DESCRIPTION OF RECORD	AUTHORIZED DISPOSITION
(1)	Office of origin.	If not used as a request for personnel action, destroy when 3 years old, superseded, or upon inactivation.
(2)	Inspection, Audit, and/or Survey Files. Correspondence, memoranda, reports, and records relating to inspections, surveys, desk audits, and/or evaluations.	If not used as a request for personnel action, destroy when 3 years old, superseded, or upon other revision.
e.	Appeals Files. Case files relating to classification appeals.	Destroy 5 years after final decision or 5 years after any action following decision, whichever is later.
7.	Interview Records. Correspondence, Reports, and other records relating to interviews with employees.	Destroy 6 months after transfer or separation of employees.
8.	Employee awards records.	
a.	General awards records.	
(1)	Case files including Recommendations; approved nominations; memoranda; correspondence; reports; and related handbooks pertaining to cash and non-cash awards such as pay increases, suggestions, and outstanding performance.	Destroy 2 years after close of year in which final action is taken.
(2)	Correspondence or memoranda pertaining to awards from other government agencies or private organizations.	Destroy when 2 years old.
b.	Length of Service Awards Files. Records including correspondence, memoranda, reports, computations of service, and list of awardees.	Destroy when 1 year old.
c.	Letters of Commendation and Appreciation. Copies of letters recognizing length of service and retirement and letters of appreciation and commendation for performance, EXCLUDING copies filed in the OPF.	Destroy when 2 years old.
d.	List or Index to Agency Award Nominations. List of nominees and winners and index of nominations.	Destroy when superseded or obsolete.
9.	Incentive Awards Program-Reports. Reports pertaining to the operations of the incentive awards program.	Destroy when 3 years old.
10.	Notification of Personnel Action. Forms documenting employment, promotions, transfer (in or out), separation, and all other individual personnel actions, exclusive of those in NAFI OPFs.	

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ITEM #	DESCRIPTION OF RECORD	AUTHORIZED DISPOSITION
	a. Chronological file copies, including fact sheets, maintained in HROs.	Destroy when 2 years old.
	b. All other copies maintained in HROs.	Destroy when 1 year old.
11.	Employment Applications. Applications and related records, EXCLUDING applications resulting in appointment which are filed in the NAFI OPF (See Item 1).	Destroy when 2 years old.
12.	Personnel Operations Statistical Reports. Statistical reports in the operating HRO and subordinate units relating to personnel.	Destroy when 2 years old.
13.	Correspondence and Forms Files. Operating HRO records relating to individual employees not maintained in NAFI OPFs and not provided for elsewhere in this schedule.	
	a. Correspondence and forms relating to pending personnel actions.	Destroy when action is completed.
	b. Retention Registers.	
	(1) Registers from which BBA actions have been taken.	Destroy when 2 years old.
	(2) Registers from which no BBA actions have been taken.	Destroy when superseded or obsolete.
	c. All other correspondence and forms.	Destroy when 6 months old.
	d. Wage Administration records that constitute the basis for personnel actions that may require reconstruction at a later date.	Destroy upon termination of wage system life.
14.	Duplicate Documentation and Personnel Files Maintained Outside HROs.	
	a. Supervisor's Personnel Files. Correspondence, memoranda, forms, and other records relating to positions, authorizations, or obsolete documents or pending actions; copies of PDs; requests for personnel action; and records on individual employees duplicated in or not appropriate for the NAFI OPF.	Review annually and destroy when superseded or destroy all documents relating to an individual employee 1 year after the employee's separation or transfer.
	b. Duplicate Documentation. Other copies of documents duplicated in NAFI OPFs not provided for elsewhere in this schedule.	Destroy when 6 months old.
15.	Performance Appraisal Records.	
	a. Annual performance ratings.	Destroy when 2 years old.
	b. General or case files of forms, memoranda, and correspondence.	Destroy when 3 years old.

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ITEM #	DESCRIPTION OF RECORD	AUTHORIZED DISPOSITION
	c. Appeals Files. Memoranda, Correspondence, and other records relating to employee appeals of performance rating.	Destroy 3 years after final settlement of case.
16.	Conflict of Interest Case File. Statements of employment and financial interests and related records	Destroy 3 years after separation of employee or 5 years after employee leaves the position.
17.	Equal Employment Opportunity Records.	
	a. Official Discrimination Complaint Case Files. Complaints with related correspondence, reports, exhibits, withdrawal notices, copies of decisions, records of hearings and meetings, and other records as described by 5 CFR 713.222.	Destroy 4 years after resolution of case.
	b. Copies of Complaints Case Files. Duplicate case files or documents pertaining to case files retained in Official File Discrimination Complaint Case File.	Destroy 1 year after final resolution of case.
	c. Background Files. Background records not filed in the Official Discrimination Complaint Case Files.	Destroy 2 years after final resolution of case
	d. Compliance Records.	
	(1) Compliance Review Files. Reviews, background papers, and correspondence relating to contractor employment practices.	Destroy when 7 years old.
	(2) EEO Compliance Reports.	Destroy when 3 years old.
	e. Employee Housing Requests. Forms requesting agency assistance in housing matters, such as rental or purchase.	Destroy when 1 year old.
	f. Employment Statistics Files. Employment statistics relating to race and sex.	Destroy when 5 years old.
	g. EEO General Files. General correspondence and copies of regulations with related records pertaining to the Civil Rights Act of 1964, the EEO Act of 1972, and any pertinent future legislation; and agency EEO Committee meeting records including minutes and reports.	Destroy when 3 years old or when superseded or obsolete, whichever is applicable.
	h. EEO Affirmative Action Plan (AAP)	
	(1) Agency copy of consolidated AAP(s).	Destroy 5 years from date of plan.
	(2) Agency feeder plan to consolidate AAP(s).	Destroy 5 years from date of feeder plan or when administrative purposes have been served.

ITEM #	DESCRIPTION OF RECORD	AUTHORIZED DISPOSITION
18.	Personnel Counseling Records.	
a.	Counseling Files. Reports of interviews, analyses, and related records.	Destroy when 3 years old.
b.	Alcohol and Drug Abuse Program. Records created in planning, coordinating, and directing an alcohol and drug abuse program.	Destroy when obsolete or superseded.
19.	Standards of Conduct Files. Correspondence, memoranda, and other records relating to code of ethics and standards of conduct.	Destroy when obsolete or superseded.
20.	Labor Management Relations Records.	
a.	Labor Management Relations-General and Case Files. Correspondence, memoranda, reports, and other records relating to the relationship between management and employee unions or other groups.	
(1)	Office negotiating agreement.	Destroy when superseded, obsolete, or no longer needed for reference.
(2)	Other offices.	Destroy when superseded or obsolete.
b.	Labor Arbitration-General and Case Files. Correspondence, forms, and background papers relating to labor arbitration cases.	Destroy 5 years after final resolution of case.
21.	Training Records.	
a.	Training Aids.	
(1)	Manuals, syllabi, textbooks, and other training aids developed by the agency for NAF employees.	Destroy when obsolete or superseded.
(2)	Training aids from other agencies or private institutions.	Destroy when obsolete or superseded.
b.	General File of Agency Sponsored Training.	
(1)	Correspondence, memoranda, agreements, authorizations, reports, requirement reviews, plans, and objectives relating to the establishment and operation of training courses and conferences.	Destroy when 5 years old or upon 5 year's completion of a specific training program.
(2)	Background and work papers.	Destroy when 3 years old.
c.	Employee Training. Correspondence, memoranda, reports, and other records relating to the availability of training and employee participation in training programs sponsored by other government agencies or non-government institutions.	Destroy when 5 years old or when superseded or obsolete whichever is sooner.

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ITEM # DESCRIPTION OF RECORD	AUTHORIZED DISPOSITION
<p>d. Course Announcement Files. Reference file of pamphlets, notices, catalogs, and other records which provide information on courses or programs offered by government or non-government organizations.</p>	<p>Destroy when superseded or obsolete.</p>
<p>22. Grievance, Disciplinary, and Adverse Action Files.</p>	
<p>a. Grievance, Appeals Files. Records originating in the review of grievance and appeals raised by agency employees, except EEO complaints. These case files include statements of witnesses, reports of interviews, and hearings, examiner's findings and recommendations, a copy of the original decision, related correspondence and exhibits, and records relating to a reconsideration request.</p>	<p>Destroy 3 years after case is closed.</p>
<p>b. Adverse Action Files (5 CFR 752). Case files and related records created in reviewing an adverse action (disciplinary or non-disciplinary removal, suspension, LWOP, BBA) against an employee. The file includes a copy of the proposed adverse action with supporting papers; statements of witnesses; employee's reply; hearing notices, reports, and decision; reversal of action; and appeal records, EXCLUDING letters of reprimand.</p>	<p>Destroy 4 years after case is closed.</p>
<p>23. Personal Injury Files. Forms, reports, correspondence, and related medical and investigative records relating to on-the-job injuries, whether or not a claim for compensation was made, EXCLUDING copies filed in the OPF and copies submitted to the DOL.</p>	<p>Destroy when 5 years old.</p>
<p>24. Temporary Records Relating to Promotions. Records relating to the promotion of an individual that document qualification standards, evaluation methods, selection procedures, and evaluations of candidates, EXCLUDING any records that duplicate information in the promotion plan, in the OPF, or in other personnel records.</p>	<p>Destroy 2 years after the personnel action or after the action has been audited, whichever is sooner.</p>

GENERAL MORALE AND PERSONAL AFFAIRS RECORDS	
ITEM #	DESCRIPTION OF RECORD
	AUTHORIZED DISPOSITION
1.	General Correspondence Files. Files relating to the operation and administration of morale and personal affairs matters including recreation and social affairs; informational services; commercial on-base solicitation; ID card determination; and entitlement for dependent's aid, civil readjustment and veterans affairs, athletic competitions, publishing of station papers, hobby crafts, etc. Excludes correspondence required to be filed in the OPF.
2.	Alphabetical (Name) Files. Files consisting of correspondence with individuals, dependents, and other interested parties relating to individual personal affairs matters. Excludes correspondence required to be filed in the OPF.
a.	Routine Inquiries and Requests.
b.	All other Files.
3.	Correspondence and Records of Personal Commercial Affairs Solicitations. Files concerning violation incident data, denial data, letters of application for solicitation privileges, letters of accreditation, appeal data, and other support documents.
4.	Dependents' Service and Support. Files include items such as Dependent Scholarship Program Applications, Transcript Request Forms, Applications for Uniformed Services Identification and Privilege Cards, and Newsletters.
	RECREATION AND SOCIAL AFFAIRS RECORDS
5.	General Correspondence. Files pertaining to the operation and administration of recreational facilities and activities (other than financial).
6.	Policy Papers/Precedent Files. Files relating to recreation activities such as instructions, directives, and other documents; establishing policies, procedures, and precedents for operation, review, etc., of MWR facilities, activities, and programs.

ITEM #	DESCRIPTION OF RECORD	AUTHORIZED DISPOSITION
a.	Records Concerning On-going Actions of the NAFI and/or NAF activity. Letters of authorization to commence operations, change in mission, permanent waiver to regulations, etc.	Retain on board. Transfer to nearest FRC when no longer needed. Destroy when 10 years old.
b.	Other Records.	Retain on board. Destroy when rescinded or superseded.
7.	Studies, Analyses, and Summaries.	Destroy when 3 years old.
8.	Other Reports. Files not covered elsewhere (minutes of meetings, inspections, reviews, etc.)	Destroy when 2 years old.
NAF FINANCIAL RECORDS		
9.	Records Accumulated by MWR Facilities and Activities Financed from NAF, such as, but not limited to, Clubs, Exchanges, Snack Bars, etc.	
a.	Financial Administration Records of NAF Activities. All records relating to financial administration, including financial statements and reports, checkbooks, journals, vouchers, balance sheets, and other books and records of accounts.	Destroy when 3 years old.
b.	Charters, Constitutions, By-Laws, and Similar Records. Files which document the authorization and establishment of the activity.	Retain on board. Destroy 3 years after supersession or cancellation.
c.	Administrative Records. General correspondence files, including reports, minutes of meetings, and other papers relating to the operation of the activity.	Destroy when 2 years old.
d.	Employees' Individual Earning Records. Earning records or other similar summary records of individual employees' earnings.	Retain on board. Place in inactive file when individual leaves activity's employment. Transfer inactive files in annual blocks to NRPC, CPR, 111 Winnebago St., St. Louis, MO. Destroy 10 years after employment is terminated.
e.	Exchanges, Civilian NAF and BQ/VQ NAF Records.	Apply 9.a-d, whichever is appropriate.
f.	Recreation Fund and Messes and Clubs Records.	Apply 9.a-d, whichever is appropriate.
g.	Periodic Listing or Other Reports of NAF Activities.	Destroy when 2 years old.

APPENDIX B
ACRONYMS

AFN

- American Forces Networks
 - American radio and TV channels available on overseas installations

APF

- Appropriated Funds
 - operational money provided by Congress from tax revenues

A/R

Accounts Receivable

AWOL

Absent Without Leave. This does NOT refer to Leave Without Pay (LWOP)

Barracks

- military dormitory

BBA

Business Based Action

BEQ

- Bachelor Enlisted Quarters
 - barracks occupied by single or unaccompanied enlisted personnel

BOD

- Board of Directors

BOQ

- Bachelor Officer Quarters
 - barracks occupied by single or unaccompanied officers

BQ

- Bachelor Quarters
 - reference to BEQ, BOQ or CBQ

BRAC

- Base Realignment and Closure

BUPERS

Bureau of Naval Personnel

BUPERSINST

- Bureau of Naval Personnel Instruction

CAC

Common Access Card

CAPT

Captain

Category A (Cat A)

- mission essential program or activity; authorized up to 100% APF support

Category B (Cat B)

- community support programs or activities; authorized up to 65% APF support

Category C (Cat C)

- business programs or activities; self-sufficient operations; authorized up to 5% APF support for indirect expenses only

CBQ

- Consolidated Bachelor Quarters
 - barracks occupied by single or unaccompanied personnel of any rank

CDC

- Child Development Center
 - provides care for ages 6 weeks to 5 years

CDH

- Child Development Homes
 - in-home care for ages 6 weeks to 12 years

CDP

Child Development Program

CFC

- Combined Federal Campaign
 - the only fundraising drive authorized in Federal workspaces and on Federal installations; consolidation of various charities, organizations and causes

CMDMC

- Command Master Chief

CMD

Command

CNIC

- Commander, Navy Installations Command
 - division of DoN responsible for all installation management and operating functions

CNICINST

Commander, Navy Installations Command Instruction

CNO

- Chief of Naval Operations
 - senior officer in the US Navy; four-star admiral responsible to SECNAV for the command, utilization of resources, and operating efficiency of the Navy

CO

- Commanding Officer
 - military officer in charge of an installation, base or command

COB

Close of Business

COE

- Customer Oriented Enterprise

Commissary

- Grocery store on military installations

CONUS

- Continental United States
 - excludes Alaska and Hawaii

COSIT

- Customer Oriented Service Improvement Team

Cost Center

- reference code for posting debits and credits in SAP

CT

Craft and Trade

Customer Report Card

- informal method of rating service; “C” rating for provision of expected core product/service, “A” or “B” if expectations are exceeded, “D” or “F” if expectations are not met

CYP

- Child and Youth Program
 - division of FFR responsible for program, policy and oversight for all child and youth programs and initiatives

DAR

- Daily Activity Report
 - daily financial report to reconcile sales activity

DFWP

Drug-Free Workplace Program

DoD

- Department of Defense
 - branch of government responsible for national defense

DODI

Department of Defense Instruction

DoN

- Department of the Navy
 - branch of Defense Department responsible for winning wars, deterring aggression and maintaining freedom of the seas

DSN

- Defense Switching Network
 - government telephone system

Duty station

- command to which assigned

EEO

Equal Employment Opportunity

EFT

Electronic Funds Transfer

EIN

Employee's Identification Number

ENCL

Enclosure

EVAL

Employee Performance Evaluation

FAQ

Frequently Asked Questions

FFR

- Fleet and Family Readiness
 - division of CNIC that provides fleet readiness, family readiness and housing programs and services for Sailors and their families

FFSS

- Fleet and Family Support Services
 - facility offering Fleet and Family Support Programs

FFSP

- Fleet and Family Support Program
 - division of FFR responsible for Family Readiness Programs

FH

Family Housing

Flex

- Flexible category employee
 - may be scheduled 0-40 hours per week

FN

Foreign National

- employee who is a citizen of a country other than the host nation

Four Things Customers Want

- friendly service, flexibility, problem solving,
and recovery

FTE

- Full Time Equivalent
 - employee who must be scheduled 40 hours per week

FY--

- Fiscal Year
 - 12-month period of budget execution from Oct. 1-Sept. 30

FYI

For Your Information

FYSA

For Your Situation Awareness

Galley

- military cafeteria

GS

- General Schedule
 - Federal personnel system operated by Office of Personnel Management

GSA

- General Services Administration
 - organization responsible for issuing pricing contracts to vendors who want to sell products to government agencies

HHQ

Higher Headquarters

HQ

Headquarters

HRO

• Human Resource Office

Human-Business Model

- how an interaction progresses between fulfilling human needs and accomplishing purpose and objective

ICE

Interactive Customer Evaluation

ID

• Identification

- generally refers to military or civilian ID card which authorizes installation and service access

IDP

Individual Development Plan

IG

Inspector General

INST

Instruction (or simply “I” following releasing authority)

IPM

Installation Program Manager

ITT

• Information, Tickets and Travel

- MWR activity providing information and services related to local and destination attractions and travel

KRONOS

Navy MWR Automated Payroll Time-Keeping System

KSA

Knowledge, Skills, and Abilities

LES

Leave and Earnings Statement

Liberty

- 1) free time
- 2) MWR program targeted at single enlisted personnel which provides positive off-duty

recreation options

LMS

Learning Management System

LN

Local National

- employee who is a citizen of the host nation

LWOP

Leave Without Pay

MCPON

- Master Chief Petty Officer of the Navy
 - highest ranking enlisted member; serves as an advisor to the CNO and Chief of Naval Personnel on matters dealing with enlisted personnel and their families

MESS REQ

- Mess Requisition
 - Navy Comptroller Form 2214; used to transfer products from one department to another within the same organization

MOA

Memorandum of Agreement

MOU

Memorandum of Understanding

MSEP

Military Spouse Employment Program

MWR

- Morale, Welfare and Recreation
 - provides on-base leisure and recreation programs

NB

Naval Base

NAF

- Non-appropriated Funds
 - 1.) self-generated operating revenue
 - 2.) personnel system operated by NAFIs which pays employees out of NAF funds
 - 3.) Naval Air Facility

NAFCON

Non-appropriated Funds Construction

NAFI

- Non-Appropriated Fund Instrumentality
 - organization authorized to generate revenue by charging fees for products and services

NAS

Naval Air Station

NAVBASE

Naval Base

NAVINST

Navy Instruction

NAVPERS

Naval Personnel

NAVSTA

Naval Station

NCIS

Naval Criminal Investigative Service (formally NIS)

NEX

- Navy Exchange
 - retail store on Navy installations

NF--

- Non-appropriated Fund
 - refers to NAF employment pay bands (e.g., NF-2)

NGIS

Navy Gateway Inns & Suites

NKO

Navy Knowledge Online

NL

A NAF Craft and Trade (CT) position “Leader” (Pay Plan)

NLT

No Later Than

NMCI

- Navy-Marine Corps Internet
 - official internet, intranet and e-mail provider for Navy and Marine Corps commands

NMPS

- Navy Motion Picture Service

- sole source provider of motion picture entertainment products exhibited on Navy, Marine Corps and Coast Guard bases

NOTAL

Notice to All

NS (1) Naval Station

(2) A NAF Craft and Trade (CT) position

(3) "Supervisor" (Pay Plan)

NSA

Naval Support Activity

NSD

Night Shift Differential

NTE

Not To Exceed

NTIMS

Navy Training Information Management System

NWS

Naval Weapons Station

OBE

Overcome by Event

OCONUS

• Outside the Continental United States

- includes Alaska and Hawaii

OF Optional Form

Optional Form

OIC

• Officer in Charge

OJT

On-the-job Training

OMB

Office of Management and Budget

OOD

• Officer of the Day

OPF

Official Personnel File

OPM

Office of Personnel Management

OPNAV

- Office of the Chief of Naval Operations

OPNAVINST

Office of the Chief of Naval Operations Instruction

OPS

Operations

ORM

Operational Risk Management

Overseas

- in a foreign country

QD

Quarterdeck

P&L

Profit and Loss

PAO

- Public Affairs Officer
 - responsible for coordinating media relations, community relations and public information regarding Navy activities on their installation/at their region

PCS

Permanent Change of Station

PD

Position Description, (Job Description)

PMCE

- Positive Memorable Customer Experience

PO

- Purchase Order

POA&M

- Plan of Action and Milestones

POD

- Plan of the Day
 - daily information and announcements for installation personnel

POM

Program Objective Memorandum

POR

Program of Record

POS

Point of Sale

PPV

- Public/Private Venture

PRT

- Physical Readiness Test

PS

Patron Services, a NAF Position Pay Plan

PT

- Physical Training

PWC

- Public Works Center
 - installation maintenance department

Rank

- level of seniority achieved

Rate

- field of work a military member is trained to do

RECTRAC

Point-of-sale System

RFT

Regular Full-time

ROI

- Return on Investment

RPD

Regional Program Director

RPM

Regional Program Manager

RPT

Regular Part-time

SAC

- School Age Care
 - before and after school care and activities for ages 6 to 12 years

SA

Situational Awareness

SAP

- management information system used for accounting, finance, human resources and reporting of various F&FR departments

SCD

Service Computation Date

Sea duty

- assignment to sea-going duty station

SECNAV

- Secretary of the Navy

SF

- Standard Form

Shore duty

- assignment to land-based duty station

Six Parts of Behavior

- controlling, nurturing, defiant, spontaneous, adaptive, and reasoning

SL

Sick Leave

SME

Subject Matter Expert

SOFA

- Status of Forces Agreement
 - an agreement between the United States and a host country outlining the conditions and terms for operating a military installation in that country

SOP

- Standard Operating Procedure

SOW

Statement of Work

TAD

- Temporary Additional Duty

- official travel for business, training or deployment

TDY

- Temporary Duty
 - official travel of a temporary duration away from primary duty station

TSP

Thrift Savings Plan

TWMS

Total Workforce Management System

UA

Unauthorized Absence

UFM

- Uniform Funding and Management
 - allocation of Appropriated Funds to NAFI's which may be spent like NAF for authorized APF expenses

UFR

Unfunded Requirements

UH

Unaccompanied Housing

UIC

- Unit Identification Code
 - unique identifying number assigned to each command or unit for purposes of APF distribution

Unaccompanied

- assignment to a duty station where one's family may not relocate at Government expense

WIIFM

What's In It For Me?

VQ

- Visitor's Quarters
 - installation "hotel" run by military

XO

- Executive Officer
- second in command of installation, base or command

YTD

Year- to-date

APPENDIX C
REFERENCES

- (a) DoD 1401.1-M, Personnel Policy Manual for Nonappropriated Fund Instrumentalities
- (b) DoD 1400.25-M, DoD Civilian Personnel Management System
- (c) OPNAVINST 5380.1D, Acceptance And Use of Voluntary Services In The Navy
- (d) DoDI 1015.10, Military Morale, Welfare and Recreation Programs
- (e) DoDI 1015.15, Establishment Management and Control of Nonappropriated Fund Instrumentalities and Financial Management of Supporting Resources
- (f) NAVSO P-1000, DON Financial Management Policy Manual
- (g) CNICINST 1710.3, Operation of Morale, Welfare and Recreation Programs
- (h) 5 U.S.C. § 2105(c), Code of Federal Regulations
- (i) 5 U.S.C. § 7511, Code of Federal Regulations
- (j) 5 Code of Federal Regulations (CFR) § 752.401
- (k) 5 U.S.C. § 7121(d) and (e), Code of Federal Regulations
- (l) 5 U.S.C. § 5911, Code of Federal Regulations
- (m) 18 U.S.C. § 930(h), Code of Federal Regulations
- (n) DoDI 1100.21, Voluntary Services In the Department of Defense
- (o) DoDI 1402.5, Background Checks on Individuals in DoD Child Care Services Programs
- (p) 10 U.S.C. § 1588, Code of Federal Regulations
- (q) 10 U.S.C. § 2733, Code of Federal Regulations
- (r) 10 U.S.C. § 2491, Code of Federal Regulations
- (s) CNICINST 7043.1
- (t) Public Law 99-603, Immigration Reform and Control Action of 1986
- (u) OPNAVINST 1700.9E CH-1, Child and Youth Program
- (v) 10 U.S.C. § 1143(d), Code of Federal Regulations

- (w) DOD M-5200.2, Procedures for the DoD Personnel Security Program
- (x) 38 U.S.C. §§ 4301–4335
- (y) 29 U.S.C. §201-219, Code of Fair Labor Standards
- (z) 5 CFR 551.601, Code of Federal Regulations
- (aa) 5 U.S.C. §3110, Employment of Relatives and Restrictions