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Part VIII

Department of the Interior

Bureau of Indian Affairs

Higher Education Workforce Project; Notice

DEPARTMENT OF THE INTERIOR

Bureau of Indian Affairs

Higher Education Workforce Project

AGENCY: Bureau of Indian Affairs, Interior.

ACTION: Notice of approval of a demonstration project final plan.

SUMMARY: On March 10, 2000, the Bureau of Indian Affairs (BIA) published a notice in the **Federal Register** (65 FR 13170), to allow Haskell Indian Nations University to conduct a demonstration project to test the feasibility and desirability of a new personnel management policies and procedures. This notice announces the approval of a final plan of the demonstration project for Haskell Indian Nations University.

DATES: Implementation of this demonstration project will begin on October 1, 2000.

FOR FURTHER INFORMATION CONTACT: Dr. Karen Swisher, Haskell Indian Nations University, Lawrence, Kansas 66046, 785–749–8497; e-mail address: kswisher@ross1.cc.haskell.edu.

SUPPLEMENTARY INFORMATION:

1. Overview

Public Law 105–337, Haskell Indian Nations University (HINU) and Southwestern Indian Polytechnic Institute (SIPI) Administrative Systems Act of 1998, Oct. 31, 1998, allows HINU to conduct a demonstration project to test the feasibility and desirability of new personnel management policies and procedures. Public Law 105–337 finds that the provision of culturally sensitive curricula for higher education programs at Haskell Indian Nations University is consistent with the commitment of the Federal Government to the fulfillment of treaty obligations to Indian tribes through the principle of self-determination and the use of Federal resources. It further finds that giving a greater degree of autonomy to the institution while maintaining it as an integral part of the Bureau of Indian Affairs will facilitate the transition of Haskell Indian Nations University to a 4-year university. This notice is published in accordance with authority delegated by the Secretary of the Interior to the Assistant Secretary—Indian Affairs by 209 DM 8.

The 31 total comments received on the first notice in the **Federal Register**, March 10, were valuable guides to revision of the Higher Education Workforce Project (HEWP). Three speakers commented on the **Federal Register** notice at the April 24 public hearing, and 28 letters were received by the deadline of May 8. Fourteen identical letters opposed the demonstration in general terms. A number of commentors submitted a form letter which arrived on May 9, and its concerns although not official comments, were also considered. Written comments represented input from both Haskell employees and alumni. Most changes to the demonstration project derive from these public comments.

The majority of the changes are in the area of Contribution-based Compensation and Assessment System (CCAS). Major changes include the decision that the General Increase will be given to all employees annually regardless of CCAS assessment scores. Within-Grade Increases will also continue. And the General Schedule salary structure will be maintained as the framework for the project's broadbanding system, revisions were made to clarify Indian preference, veterans' preference, merit principles, and Equal Employment Opportunity (EEO).

The comments highlighted instances of misunderstanding with the present personnel system as well as the project innovations. They underscored the importance of providing training on the Demonstration Project to supervisors and employees. The substance of all comments received has been conveyed to the Office of Indian Education Programs (OIEP) and the HEWP Steering Committee, in the event that policies, processes, and training sessions may benefit from such perspectives. The following is a summary of these written and oral comments by topical areas and a response to each.

2. Summary of Comments

A. Participating Employees, II.E.

Comments. One comment suggested only faculty should go under the demonstration project. The commenter stated that hiring problems are a problem in the area of Instruction, so employees in other areas should be exempt from the demonstration.

Response. Public Law 105–337 Sec.4 Authority (h) (1) states that all applicants for employment with, all eligible and employees of, and all positions in or under an institution named in section 3(b) shall be subject to inclusion in a demonstration project under this Act. Prior to the design phase of the demonstration project other work units on campus besides instruction had expressed dissatisfaction with the current personnel system. For the preceding reasons all employees at the institution will be included in the demonstration project. Information was added to clarify the makeup of the participants in the project and the division of the participants into an experimental and a control group for the purpose of evaluating the contribution based portion of the assessment process.

B. Hiring and Appointment Authorities, III.A

Comments. Three comments gave support to the HEWP plan to classify, examine and appoint employees on site rather than at the area BIA personnel office in Albuquerque.

An area of great concern was Indian Preference. Of the items contained in the letters which arrived after the closure of the comment period was the statement that Indian preference is compromised by the demonstration, and one other letter voiced this concern. One letter in support of HEWP noted the Indian Preference wording of III.A.1, which states that applicants who meet Indian Preference qualifications will receive preference in hiring. Also, the impact of the Scholastic Achievement Appointment on Indian preference received two negative comments. One further question regarding Indian Preference concerned ranking procedures for Indian preference if more than one applicant meets Indian Preference.

Two comments opposed the optional extension of the probation period from one to three years, because of a concern that this would place undue stress on employees. One stated that one year of probation, not three, was sufficient time to evaluate an employee.

Two comments supported contingent appointments, and one other comment expressed the concern that contingent appointments would replace permanent employees.

One comment suggested language that would delineate the Haskell Board of Regents, role in the hiring and review of the Haskell President. It based its authority on Public Law 105–337 and a resolution passed by the National Haskell board of Regents Jan. 13, 2000 (2000–03). The recommended language included giving the Regents authority for (1) determining the process for applications for President; (2) rating and ranking Presidential applicants and (3) recommending the most qualified candidate(s) to the Director of OIEP. It suggested that the Regents conduct an annual review of the President to be used to help determine appropriate personnel actions based on performance or conduct. The comment further suggested that the Regents expand their

authority after long-range development planning, self-study, and training.

Commenters also showed concern for hiring procedures. One requested clarification of academic procedures in reference to hiring of Academic positions and questioned whether non-academic administrators should follow the same procedures. One comment stated that the term insufficient number is not clarified in reference to highest certifiable grouping of candidates (III.A.1.a).

Response. HEWP proceeds with the hiring and appointment authorities of the demonstration project, which improves personnel administration of employees. The demonstration project corrects personnel problems by providing on-site personnel classification, examination, rating, and appointment authorities.

The revised document clarifies and strengthens wording of Indian preference hiring procedures, which is supported by the Public Law 105–337 limitation:

> No demonstration project under this Act may provide for a waiver of Indian preference. (4.C.i).

The Indian Preference rating section now reads:

> If one or more qualified applicants demonstrate Indian preference eligibility, then only those applicants will be considered for the position. Those Indian Preference candidates who meet the minimum qualifications will be further evaluated based on Knowledge, Skills, and Abilities that are directly linked to the position(s) to be filled and receive numerical scores of 70, 80, or 90.
>
> If no Indian Preference applicants meet the minimum qualifications, then other candidates will be considered. Those non-Indian Preference candidates who meet the minimum qualifications will be further evaluated based on Knowledge, Skills, and Abilities that are directly linked to the position(s) to be filled and receive numerical scores of 70, 80, or 90.

The Scholastic Achievement Appointment in the **Federal Register** is revised to allow this appointment only for candidates who qualify for Indian Preference.

Policies for probation and contingent appointments remain as they are in the **Federal Register**. The flexible probation period allows for employees to finish advanced degrees or licensing required for upper-level position. This encourages an educated, well qualified workforce. In the case of faculty, the probation period is a compromise with the seven years required for tenure at most colleges. Contingent appointments are not meant to replace permanent employees. The **Federal Register** states:

> The contingent appointment may not be used to replace or substitute for work performed by employees occupying regular positions required to perform the mission of the institution, but may be used to supplement regular positions work activities (III.A.2).

The intent of HEWP is to provide contingent appointments for general staffing needs and academic appointments equivalent to the positions of teaching assistant and instructor. Contingent appointments are subject to time limits so that contingent employees can transition to permanent positions. The use of part-time instructors can become exploitive, with such employees given limited salaries, no benefits, and no permanent status. HEWP allows for the flexibility of temporary and emergency additions to the workforce, but with the provision that ongoing employment leads to institutional commitment.

HEWP does not address the relationship between the Board of Regents and OIEP. The demonstration is a personnel system within the federal government, and legal liability for the system rests with the federal government. The HEWP Operations Manual and the memorandum of understanding between OIEP and the Board of Regents will expand on the Regents, role outside of this document.

HEWP clarified the term academic procedures in III.A.1.a. The **Federal Register** is revised to clarify the number of highest certifiable groupings of job candidates:

> If according to the judgment of hiring personnel the 'superior' group does not create a large enough pool of eligible applicants for ranking, then applicants in the next lower group may be certified.

C. Broadbanding, III.B.

Comments. One comment suggested employees' change in broadband levels should be noncompetitive. Other comments showed a need for clarification of the **Federal Register**: one comment misinterpreted broadbanding as a means to lower base salary; another comment said the terms Professional and Technical/Specialist as broadband categories were unclear; another comment requested clarification for GS and WG equivalent levels, as well as executive ranges. Finally, the Simplified Assignment Process (III.B.2) was considered a preliminary step toward downsizing:

> [Simplified Assignment Process] implies HINU is downsizing, shrinking instead of growing.

Response. Advances within broadband levels are noncompetitive, and advances from one broadband area to another can be noncompetitive. This provides for rewarding high-performing employees who contribute to the institution's mission. This also encourages continuity by moving employees through broadbands without necessitating a change to a supervisory positions. Broadbanding does not change base pay or the locality adjustment. Step increases for satisfactory or higher performance, and incentive increases as a result of assessment scores can be added to base pay. Base pay is not subject to reduction except under adverse actions. The three broadband categories are changed to Academic, Technical/Specialist and Support. HEWP revised graphics and terms to clarify broadband salary levels and increases. The Simplified Assignment Process section opens with a general statement that emphasizes the flexible assignment process of broadbanding rather than as a method of initiating downsizing at HINU.

D. Classifications, III.C.

Comment. Employees are entitled to an appeals process for classification of positions and a timeline.

Response. The section Classification Appeals (III.C.6) addresses appeals and limits, including the time period for case processing under Title V (5 CFR 511.605).

E. Contribution-based Compensation Assessment System, III.D.

Comment. Four comments supported CCAS as a tool to improve employee quality. Individual comments about CCAS questioned procedural details. These included clarity of the graphic illustration (with the suggestion that it should be inverted so up showed high-achieving employees); privacy of ranking procedures; and second-level supervision of the pay pool for the Administrative Council and the President. Two comments questioned the learning contract process, with one concerned that employees would be required to pursue degrees and/or training to keep a job. One commenter was unfamiliar with the term 360 degree feedback used in the assessment process. Another comment on 360 degree feedback expressed concern that surveys used to provide customer feedback would be too time consuming and further requested information on the specific means to obtain peer evaluation.

Response. The demonstration implements CCAS on the starting date but with amendments based on comments. Details of the procedures are clarified, including the graphic illustration of CCAS. Privacy in

personnel matters continues to be a priority of the managers, supervisors, and HINU personnel office for CCAS according to federal guidelines. As the supervising manager of HINU, the President has final authority over the Administrative Council and in turn is assessed by the OIEP director. The learning contracts, which are written agreements between supervisors and employees, encourage employees to receive training to remain current with their appropriate employment fields. The institution also expects employees to learn appropriate behaviors in the workplace. HINU has required, for example, all-campus training in harassment issues as well as computer literacy. Training is part of the ongoing personnel process. Such training enhances the skills of employees, resulting in qualified, high-performing employees. HEWP added wording to clarify the term learning contract, and the Operations Manual will specify procedures. HEWP added language to III.D.3 to clarify the term 360 degree feedback, as an assessment system that includes input from several sources. HEWP does not believe that surveys would be unmanageable. At present, customers provide information via surveys for teacher evaluation, computer services, library services evaluation, and procurement and warehouse evaluation. Other areas of the institution use surveys to collect data, but they are not coordinated into one assessment process, which would be the advantage of the demonstration project. Procedures for peer evaluation, as well as customer and manager evaluations, will be developed for each area of the institution and explained in the Operations Manual.

F. General Comments

A range of general comments questioned overall procedures of the demonstration project, including the following:

(1) Fairness

Comments. Two comments suggested supervisors can use the broadbanding system to unfairly move employees to undesirable work assignments and enable managers to insert the phrase ''other duties as assigned'' into job descriptions. Because such broadband changes may not be adverse actions, no appeal process is in place. Two comments expressed concern that the supervisors would conduct the employee assessment unfairly and politicize the process. One respondent was uncertain who would conduct the assessments, and if that person would be appropriate. One comment suggested the importance of equitable administration of sabbatical awards, and another comment noted the importance of managerial training for fairness of the demonstration.

Response. The demonstration establishes a structured, group review process to assess employees' contributions to the mission, including broadband work assignments, assessments, and sabbatical awards. This process is designed to reduce favoritism and promote fairness. The advantage of flexible movement among assignments and levels enhances the ability of the institution to meet needs that change quickly as new academic programs evolve and as budget appropriations change on an annual basis. Employees with exceptional skills can be recruited and moved through pay levels more quickly. Sabbaticals are evaluated on criteria that evaluate overall contribution to the mission. Balances are in place to ensure supervisors give employees fair work assignments, assessments, and rewards. The demonstration project provides a balance to supervisory assessment scores and ranking through use of pay pool panels. These provide for review of supervisors' ratings by their peers (*i.e.,* by other raters in the same pay pool) and by the supervisor of all raters in that pool. In addition, rated employees are rank-ordered by the entire pay pool panel. The intent here is not so much to require ranking per se as to ensure that inflation or deflation by any rater will be identified and corrected via the normal operation of the panel process. Finally, the pay pool manager (who is at a higher organizational level than all the above-mentioned supervisors) oversees and approves the results of the group review process.

A focused training session will teach supervisors and managers how to administer CCAS correctly. HEWP concurs that formal and informal training is essential for every employee in the project. Additionally, a third-party evaluator continually collects data on project operation and monitors compensation trends, among other areas.

Broadbanding does not imply employees will be assigned outside their fields of expertise. The **Federal Register** states:

> a technical expert can be assigned to any project, task, or function requiring similar technical expertise. A manager might be asked to manage any similar function or institution consistent with that individual's qualifications (III.B.2).

An employee may appeal an undesirable assignment under the current negotiated agreement with the union. The negotiated union agreement also provides appeals procedures for assessment scores. The current evaluating supervisor, familiar with the work environment, will conduct the assessment.

In summary, the pay pool panel process, managerial training, continuing evaluation, and union appeals all guard against favoritism and promote fairness for employees under the demonstration.

(2) Composition of the Steering Committee and Team

Comments. Two commenters raised concerns regarding the individuals who developed the demonstration project. They noted the need for expertise in the fields of labor law, federal personnel systems, and academic personnel systems. Adequate Indian representation on the development team and committee was questioned by one comment.

Response. HEWP team members represented labor law concerns throughout the development of the project documents. Also, steering committee members are familiar with labor law in their roles as respondents to union negotiations. The negotiated agreement in effect during the initial design portion of the project was with NFFE. After the initial publication of the proposed project IEF was certified as the bargaining unit for HINU. Currently, IEF does not have a negotiated agreement with the university. However, the administration of the university is committed to working with IEF to ensure the success of the university. The federal personnel specialist at Haskell has worked with the team from the time of her appointment in July, 1999. An Office of Personnel Management personnel officer familiar with demonstrations projects spent details totaling more than seven months at Haskell. She worked with the team and steering committee to develop a lawful, effective personnel system. Those who worked on HEWP also had academic experience in personnel practices, including University of Utah, Arizona State University, Cornell University, and Montana State University. Team members researched personnel practices at numerous colleges and universities, including St. Mary's College, Baker University, University of Kansas, Ohio State University, Simon Fraser University, George Mason University, Georgia Institute of Technology, Portland State University, University of Delaware, University of Minnesota, University of Wisconsin, and others. Most of the team and committee

members who developed the program are Indian. The steering committee and director of Office of Indian Education Programs have final authority over the project. All of these individuals are Indian. The team used volunteer members with expertise who contributed to the overall effort. Two-thirds of the SIPI-Haskell team were Indian. When Haskell separated from SIPI, two non-Indians remained with the team out of four active members, and three resource people. Four out of six members of the sub-committee developing descriptors for the operations manual are Indian.

(3) Academic Freedom

Comment. One comment suggested HEWP suppresses academic freedom because it derives from a military model. Another comment also expressed concern over academic freedom.

Response. As a federal institution, Haskell remains under federal law regarding conflict of interest and the Hatch Act. HEWP makes no change from Title V in classroom or other areas of academic freedom. In *Academic Ethics* (III.E.2) it clarifies employee responsibilities and rights regarding an academic environment outside the restrictions of usual government employment. Ideas and concepts were drawn from other demonstration projects, Air Force and Army, however, the employees in these projects were civil service employees as is the case with HINU.

(4) Availability of **Federal Register** Document for Employee Input.

Comments. One comment in support of HEWP described the numerous training sessions made available to employees. Two adverse comments noted the working draft of the **Federal Register** was unavailable to employees, while one comment said the **Federal Register** language was overly bureaucratic.

Response. In December, 1999, the HEWP team announced availability of the draft at the library and on the campus electronic bulletin board. The team provided training sessions during regular meeting times, including meetings with Faculty Senate, Facilities, Athletics, Managers, Food Services, and Student Services. They created an e-mail address for response to comments and suggestions. Because the **Federal Register** is a legalistic document, and provides evidence that is acceptable to a court of law (prima facie evidence), language must be accurate and specific. Team members followed models, recommendations, and requirements in the National Archives and Records Administration publication ''The **Federal Register:** What It Is and How To Use It'' (rev. 1992).

(5) Budget

Comments. Concerns arose over adequate budget to support the changes of HEWP, including monies to support professional training and technological upgrades.

Response. The steering committee and team members made OIEP aware of the need for budget increases. Salary adjustments are based on the possibility of level funding. Clarification of the professional training provisions (III.G) includes encouragement for outside grants monies. To address upgrades of information systems on campus, outside consultants evaluated the available technology and estimated costs to implement and support the demonstration project. The revisions to HEWP made as a result of comments simplify the information technology needs.

(6) Definitions

Comment. One commenter asked for the addition of explanatory definitions to the document. The commenter noted Retained Rate Employee in III.D.5 is a confusing term. The commenter also questioned the meaning of positive education requirements in the Scholastic Achievement Appointment section (III.A.1.b). Another comment noted Merit Principles are not defined in III.D.a, the section, Delegation of Examining Authority.

Response. The definition and rights of an employee who retains a salary after a Reduction-In-Force under 5 U.S.C. 5363 and 5 CFR part 536 are delineated in these federal documents, which are cited in III.D.5. The term positive education requirements refers to positions with a directly related or professional level college curriculum. Federal Merit Principles are the widespread ethical and legal standards that guide all federal institutions' personnel systems (5 U.S.C. 2301–2305). Technical demonstration project terms were defined within the text of the document. The operations manual will include a glossary of technical personnel vocabulary.

(7) Waivers

Comment. The waiver to Chapter 71 of Title V, USC was considered unnecessary since all employees are under the demonstration project.

Response. The waiver enforces the unilateral application of the project to all union and non-union employees, as determined in the authorizing law, Public Law 105–337.

Dated: June 23, 2000.

Kevin Gover,

Assistant Secretary—Indian Affairs.

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I. Executive Summary

The project was designed by an Alternative Personnel System (APS) Team, under the authority of the Interim President of HINU and the Office of Indian Education Programs, Bureau of Indian Affairs. There are three major areas of change: (a) Institution-controlled rapid hiring; (b) a contribution-based compensation system; (c) and a simplified assignment process. The project will cover all employees at HINU as described under section II. E. The Department of Interior will perform extensive evaluation of the project.

II. Introduction

A. Purpose

The purpose of the project is to demonstrate that greater managerial control over personnel processes and functions at the worksite can enhance the effectiveness of a higher education workforce and, at the same time, expand

the opportunities available to employees through a more responsive personnel system. This demonstration project will provide managers at the lowest practical level the authority, control, and the flexibility they need to provide quality educational opportunities for American Indian students. This project not only provides a system that recognizes, rewards, and retains employees for their contribution, but it also supports their personal and professional growth.

B. Problems With the Present System

Haskell Indian Nations University, a Federal higher education institution, provides post-secondary education to Native American students from across the United States. To do this effectively and efficiently, the institution must employ top-quality faculty, administrators, support staff, and technical/specialist workforce. The current personnel system must be re-engineered to provide incentives and rewards to employees who exhibit characteristics of educational mastery, enthusiasm, and innovation, and who increase their contribution to the higher education mission accordingly. Hiring restrictions and overly complex job classifications unduly exhaust valuable resources (staff, time, and budget), and unnecessarily detract attention from the institution's educational mission. Managers must be able to compete with the private and public education sector for the best talent and be able to make timely and competitive job offers to potential employees. Those same managers need the tools to reward employees for continuing excellence so that the higher education system reflects a quality workforce. The current personnel system does not provide an environment that motivates employees to continue to increase their contribution to the institution and its mission. A contribution-based compensation system will help managers acquire motivational tools and provide a forum in which to apply them. The higher education process is continually changing and depends on shared expertise of a highly educated faculty and staff; therefore, managers can implement most effective strategies through local control of positions and their classification. Managers need the ability to move employees freely within their institution to meet the educational mission and to provide developmental opportunities for employees. Managers at present have only limited tools to shape the workforce to ensure continued growth of new ideas, strategies, and state-of-the-art skills for the 21st century.

The inflexibility of many of today's personnel processes and the diffused authority, accountability, and approval chains throughout the system result in a workforce that cannot posture itself for a rapidly changing technological and academic environment. This demonstration is designed: (1) To provide an encouraging environment that promotes the growth of all employees; and (2) to improve the local higher education manager's ability and authority to manage the workforce effectively.

C. Changes Required/Expected Benefits

This project will demonstrate that a human resources' system tailored to the mission and needs of a higher education institution will result in: (a) Increased quality in the higher education workforce and the educational outcomes produced; (b) increased timeliness of key personnel processes, especially hiring; (c) increased retention rates of ''excellent contributor'' and separation rates of ''poor contributors''; (d) increased satisfaction of institutional customers with the higher education process and its outcome; and (e) increased satisfaction with the personnel management system by customers/ students, employees and tribal communities.

The Higher Education Workforce Project (HEWP) builds on the features of demonstration projects at the Department of Defense Acquisition, Air Force Research Laboratory, Department of the Navy (China Lake), and National Institute of Standards and Technology (NIST). The long-standing Department of the Navy (China Lake) and NIST demonstration projects have produced impressive statistics on job satisfaction for their employees versus that for the Federal workforce in general. Therefore, in addition to the expected benefits mentioned above, it is anticipated that the HEWP will result in more satisfied employees as a consequence of the proposed demonstration project's hiring procedures, classification accuracy, pay equity, and fairness of performance management. A full range of measures will be collected during project evaluation.

D. Participating Institutions

The Higher Education Workforce Project (HEWP) will cover Haskell Indian Nations University, an institution of higher education of the Department of the Interior, Bureau of Indian Affairs. HINU is located in Lawrence, Kansas.

E. Participating Employees

In determining the scope of the demonstration project, primary consideration was given to the number and diversity of occupations within the Higher Education Workforce Project, which includes professional employees and supporting personnel. The project provides for adequate development and testing of the Contribution-based Compensation and Assessment System (CCAS). The intent of this project is to provide the institution with increased control and accountability for the covered workforce. Therefore, the decision was made to include all General Schedule (GS) and Wage Grade System (WG) positions in the demonstration project. All positions and series in effect on October 1, 2000 will be included in the demonstation project. Employees will be divided into two groups, an Experimental and a Control group. Employees covered under the Performance Management and Recognition System Termination Act (pay plan code GM) are General Schedule employees and are covered under the demonstration project.

F. Bargaining Units

Of the approximately 200 HINU employees, all except managerial employees formerly were under union representation by the National Federation of Federal Employees union and were covered by a negotiated national agreement. At the time of final publication the Indian Educators Federation (IEF) union had been certified as the bargaining unit representative for OIEP. The NFFE agreement will continue to be recognized as the applicable agreement until such time as a new agreement is reached in accordance with the specific requirements under Public Law 105–337. Any collective bargaining agreement in effect on the day before this demonstration project commences shall continue to be recognized by HINU until such date of a new negotiated agreement, as may be determined by mutual agreement of the parties.

G. Project Design

In 1996, after several years of planning and research, HINU submitted legislation to Congress for developing a different higher education personnel system. In 1997 SIPI submitted legislation to Congress proposing an alternative personnel system. In 1998, the two pieces of legislation were joined due to the similarity of the two higher education schools' missions and identification of similar problems with acquiring personnel. Public Law 105–

337, Oct. 31, 1998, authorized each institution to carry out a demonstration project for developing a higher education alternative personnel system. A joint Steering Committee was established in September 1999 as the governing body for the project. Members on the Steering Committee represented both institutions and the Office of Indian Education Programs, BIA. An Alternative Personnel System Team was established in October 1999, made up of employees from SIPI and HINU to design and develop the demonstration project that would test a new personnel system for use at SIPI and HINU. The APS team presented recommendations for a new system to the Steering Committee in December 1999 for approval. BIA, OIEP subsequently determined that the two institutions could separate individual alternative personnel systems and the Steering Committee was disbanded. HINU continued to use its APS team to design this project. The APS team developed an alternative personnel system that represents sweeping changes in the entire spectrum of human resources management for HINU. Several of the initiatives are designed to assist the institution in hiring the best people to fulfill mission requirements. Others focus on developing, motivating, and equitably compensating employees based on their contribution to the mission. Initiatives to effectively manage workforce turnover and maintain institutional excellence were also developed.

Public Law 105–337 authorizes HINU to test alternative benefits systems. Though no changes have been made to the existing benefits systems in this publication, HINU reserves the right to test alternative benefits systems in the future in accordance with the provisions of Public Law 105–337.

III. Personnel System Changes

A. Hiring and Appointment Authorities

1. Simplified, Accelerated Hiring

The complexity of the current system and various hiring restrictions create delays; hamper management's ability to hire, develop, realign, and retain a quality workforce that is reflective of the institution's mission statement; and inhibit a quick response to the technological, economic and educational needs of tribal communities. Line managers, departmental and divisional managers find the complexity limiting as they attempt to accomplish timely recruitment of needed personnel with appropriate knowledge and skills. To compete with the private sector and institutions of higher learning for the best talent available and be able to make expeditious job offers, managers need a process that is streamlined and easy to administer. In order to create a human resources management system that facilitates meeting HINU's mission and institutional excellence, this demonstration project will respond to today's dynamic environment by obtaining, developing, motivating, and retaining high-performing employees. The project will provide a flexible system that can restructure or renew the workforce quickly to meet diverse mission needs, respond to workload needs, and contribute to quality educational infrastructure.

Specifically, this part of the demonstration project will provide simplified, accelerated hiring of quality personnel by providing HINU full authority to appoint individuals to positions. Appropriate recruitment methods and resources will include those that are likely to yield quality candidates with the knowledge, skills, and abilities necessary to perform the duties of the position.

(a) Delegated Examining Authority. This demonstration project establishes a streamlined applicant examining process. This process will be used to fill all positions at HINU. Basic eligibility factors will be determined, using any and all available resources, linking applicants' knowledge, skills, and abilities to those required in each position. Minimum eligibility requirements will be those at the lowest equivalent grade of the appropriate broadband level. Selective placement factors may be established when judged to be critical to successful job performance. These factors will be determined by the HINU selecting officials and communicated to applicants for minimum eligibility. All candidates will be evaluated to determine if they meet minimum qualifications. If one or more qualified applicants demonstrate Indian preference eligibility, then only those applicants will be considered for the position. Those Indian Preference candidates who meet the minimum qualifications will be further evaluated based on Knowledge, Skills, and Abilities that are directly linked to the position(s) to be filled and receive numerical scores of 70, 80, or 90.

If no Indian Preference applicants meet the minimum qualifications, then other candidates will be considered. Those non-Indian Preference candidates who meet the minimum qualifications will be further evaluated based on Knowledge, Skills, and Abilities that are directly linked to the position(s) to be filled and receive numerical scores of 70, 80, or 90.

Veterans' preference eligibles meeting basic (minimum) qualifications will receive an additional five or ten points (depending on their preference eligibility) added to the minimum scores identified above. Applicants will be placed in one of the following quality groups based on their numerical score including any preference points: Basically Qualified (score of 70 to 79); Highly Qualified (score of 80 to 89); or Superior (score of 90 and above). The names of veterans' preference eligibles will be entered ahead of others having the same numerical score.

For scientific and professional positions at the basic rate of pay equivalent to GS–9 and above, names of all qualified applicants will be referred by quality groups in the order of the numerical ratings, including any veterans' preference points. For all other positions, (*i.e.,* other than professional positions at the equivalent of GS–9 and above), veterans' preference eligibles with a compensable service-connected disability of ten percent or more who meet basic (minimum) eligibility will be listed at the top of the highest group certified.

For GS–9 and above academic and academic administrative positions, the institution may convene committees to review the applications on the certification list. In accordance with academic procedures—which could include review of credentials and interviews—these committees will recommend a ranked preference list to the hiring officials. Non-academic supervisors may choose to use committees in the hiring process for GS–9 level positions and above.

All applicants in the highest group will be certified. If according to the judgement of the selecting official the Superior group does not create a large enough pool of eligible applicants for ranking, then applicants in the next lower group may then be certified; should this process not yield a sufficient number, groups will be certified sequentially until a selection is made or the qualified pool is exhausted. When two or more groups are certified, applicants will be identified by quality group (i.e., Superior, Highly Qualified, Basically Qualified) in the order of their numerical scores. Indian preference eligibles will be placed at the top of the Superior group. Passing over any veterans' preference eligible(s) to select a non-preference non-Indian eligible requires approval under current pass-over or objection procedures.

The on-site Personnel Director will serve as a consultant during the hiring

process, overseeing Indian and veterans' preference, timely processing of paperwork, and other procedures that ensure lawful and equitable procedures for all applicants. The hiring process will reflect the federal Merit Principles.

(b) Scholastic Achievement Appointment. This demonstration project establishes a Scholastic Achievement Appointment that provides the authority to appoint candidates with degrees to positions with positive education requirements. This appointment applies only to Indian Preference candidates. Candidates may be appointed under this procedure if (1) They meet the minimum standards for the positions as published in OPM's Operating Manual ''Qualification Standards for General Schedule Positions,'' or university classification standards, (2) they meet the selective factors stated in the vacancy announcement, (3) the occupation has a positive education requirement, (4) the candidate has a cumulative grade point average (GPA) of 3.5 or better (on a 4.0 scale) in those courses in those fields of study that are specified in the Qualification Standards for the occupational series and an overall undergraduate GPA of at least 3.0 on a 4.0 scale, and (5) the appointment is into a position at a pay level lower than the top step of GS–7. Appointments may also be made at the equivalent of GS–9 through GS–11 on the basis of graduate education and experience, but with the requirement of a GPA of at least 3.7 on a scale of 4.0 for graduate courses in the field of study required for the occupation.

(c) Eminent Scholars Appointment. This demonstration project establishes an Eminent Scholar Appointment that provides the authority to appoint Indian Preference candidates with expertise relevant to the mission of the institution. Candidates appointed under this authority may have specialized skills and/or knowledge in fields not conventionally acquired through academic degree programs. Qualifications include a demonstrated record of achievement and recognition as a foremost expert in the appointee's area of expertise. Academic degrees may be considered. The President has hiring authority over this appointment.

2. Permanent, Contingent and Temporary Appointment Authorities

The educational work environment is seriously affected by variable workload and mission changes that require flexibility not only in workforce numbers but required skills and knowledge. The current personnel system is unable to adapt the workforce rapidly to these changes. This demonstration project provides a method to adjust the workforce as needed. Under this demonstration project there are three appointment options: permanent, contingent and temporary appointments. The permanent appointment replaces the existing career and career-conditional appointments. The contingent appointment is a new appointment authority that is based roughly on the existing term appointment to provide flexible hiring practices for HINU. The contingent appointment is for limited positions not to exceed four years, with an option for one additional year when the need for an employee's service is not permanent. All employees under the permanent and contingent appointments will be eligible for benefits under the guidelines of the demonstration project, provided the appointment is the duration of at least one year. Benefits are the same as those currently afforded permanent employees. An academic year is considered equivalent to a calendar year for academic appointments.

The institution may make a temporary appointment for a period that is expected to last less than one year. Reasons for making a contingent or temporary appointment include, but are not limited to, carrying out special project work; staffing new or existing programs of limited duration; filling a position in activities undergoing review for reduction or closure; and replacing permanent employees who have been temporarily assigned to another position, are on extended leave, or have entered military service. Selections for temporary appointments for less than one year will be non-competitive. Selections for contingent appointments may be made under non-competitive or competitive examining processes. Employees hired under a one-year or more, contingent appointment authority are not permanent, but may be eligible for conversion to permanent appointment. To be converted, the employee must (1) have been selected for a contingent position under competitive procedures, with the announcement specifically stating that the individual(s) selected for the contingent position(s) may be eligible for conversion to permanent appointment at a later date; (2) must have participated in each cycle of the contribution-based assessment process during their appointment; and (3) be selected under merit promotion procedures for the permanent position. Service under a contingent appointment immediately prior to a permanent appointment may be applied toward the probationary period at the discretion of the manager, provided contribution is adequate and the permanent position is in the same career path as the contingent appointment. The institution may place a contingent employee in any other contingent position, provided the employee meets the qualifying requirements of that position. However, such reassignment will not serve to extend the appointment beyond the original contingent appointment time period. Academic and Technical/Specialist conversions will require review by appropriate peers. Permanent, contingent and temporary appointments may be used for part-time and full-time purposes. The contingent and temporary appointments may not be used to replace or substitute for work performed by employees occupying regular positions required to perform the mission of the institution, but may be used to supplement regular positions work activities. Any position filled using a temporary appointment for two consecutive years must be reviewed by the Personnel Director for more appropriate designation as a permanent or contingent appointment position.

3. Modified Probationary Period

For employees in the Academic and Technical/Specialist career paths, the current one-year probationary period does not always provide managers the time needed to properly assess the contribution and conduct of new hires in the higher education environment. New hires may be involved in extended training, degree completion and/or educational assignments away from their normal institution. A means of extending the opportunity for management to review and evaluate the contribution and potential of new hires is needed. Expansion of the current one-year probationary period affords management better control over the quality of employees required to meet mission needs and provide sufficient opportunity to evaluate contribution during the beginning of a career. Permanent employees will fulfill a maximum of three years probation that may be decreased to not less than one year. All newly hired employees may be subject to an extension of their probationary period equal to the length of any educational/training assignment that places the employee outside normal supervisory review. The modified probationary period applies to new hires or those who do not have reemployment or reinstatement eligibility. Aside from extending the probationary period, all other features of the current probationary period are

retained. Probationary employees will be terminated when they fail to demonstrate proper conduct, technical competency, and/or adequate contribution for continued employment. When a supervisor decides to terminate an employee serving a probationary period because his/her work contribution or conduct during that period fails to demonstrate fitness or qualifications for continued employment, the supervisor shall terminate the employee=s services by written notification thirty days prior to the effective date of the action. Probationary employees will receive all the benefits of the non-probationary permanent employees, with the exception that they may be separated without due cause. After fulfilling the probationary requirements, an employee will not be separated without full substantive and procedural rights.

4. Voluntary Emeritus Program

Under the demonstration project, the President of HINU has the authority to offer retired or separated individuals voluntary assignments in the institution and to accept the gratuitous services of those individuals. Voluntary Emeritus Program assignments are not considered employment by the Federal Government (except as indicated below). Thus, such assignments do not affect an employee=s entitlement to buy-outs or severance payments based on earlier separation from Federal Service. This program may not be used to replace or substitute for work performed by employees occupying regular positions required to perform the mission of the institution.

The Voluntary Emeritus Program will ensure continued quality higher education by allowing retired employees to retain a presence in the HINU education community. Experienced workers will be available to enrich the institution=s educational mission through mentorships and other service.

To be accepted into the Voluntary Emeritus Program, a volunteer must be recommended to the President by one or more HINU education managers. Not everyone who applies is entitled to an emeritus position. The President must document the decision process for each applicant (whether accepted or rejected) and retain the documentation throughout the assignment. Documentation of rejections will be maintained for two years.

To ensure success and encourage participation, the volunteer's Federal retirement pay (whether military or civilian) will not be affected while the volunteer is serving in emeritus status. Retired or separated Federal employees may accept an emeritus position without a ''break in service'' or mandatory waiting period.

Voluntary Emeritus Program volunteers will not be permitted to monitor contracts on behalf of the Government but may participate on any contract if no conflict of interest exists. The volunteer may be required to submit a financial disclosure form annually and will not be permitted to participate on any contracts where a conflict of interest exists.

An agreement will be established by the volunteer, the President, and the Personnel/Human Resources Office. The agreement must be finalized before the assumption of duties and shall include:

(a) a statement that the service provided is gratuitous, does not constitute an appointment in the Civil Service, is without compensation or other benefits except as provided for in the agreement itself, and that, except as provided in the agreement regarding work-related injury compensation, any and all claims against the Government because of the service are waived by the volunteer;

(b) a statement that the volunteer will be considered a Federal employee for the purposes of:

(i) Subchapter I of Chapter 81 of Title 5, U.S.C. (using the formula established in 10 U.S.C. 1588 for determination of compensation) (work-related injury compensation);

(ii) Chapter 171 of title 28, U.S.C. (tort claims procedure);

(iii) Section 552a of Title 5, U.S.C. (records maintained on individuals); and

(iv) Chapter 11 of title 18, U.S.C. (conflicts of interest).

(c) the volunteer's work schedule;

(d) length of agreement (defined by length of project or time defined by weeks, months, or years);

(e) support provided by the activity (travel, administrative, office space, supplies, etc.);

(f) a one-page statement of duties and experience; a statement specifying that no additional time will be added to a volunteer=s service credit for such purposes as retirement, severance pay, and leave as a result of being a member of the Voluntary Emeritus Program; a provision allowing either party to void the agreement with ten days= written notice and;

(g) the level of security access required.

B. Broadbanding

1. Broadband Levels

A broadband system will replace the current General Schedule (GS) and Wage Grade structure. Currently, the 15 grades of the General Schedule are used to classify positions and, therefore, to set pay. The General Schedule covers all white-collar work—administrative, technical, clerical, and professional. The Wage Grade System covers all blue-collar work—trade, craft, and labor.

Occupations with similar characteristics will be grouped together into three career paths with broadband levels designed to facilitate pay progression and to allow for more competitive recruitment of quality candidates at differing rates. Academic, Technical/Specialist, and Support designate career paths as depicted in TABLE I. Competitive promotions will be less frequent, and movement through the broadband levels will be a more seamless process than under current procedures. Like the broadband systems used at the Department of the Navy (China Lake) and the National Institute of Standards and Technology (NIST) permanent demonstration projects, advancement within the system is contingent on merit.

TABLE I.—BROADBAND CAREER PATHS

Academic:			
I	II	III	IV
(GS 4–6)	(GS 7–9)	GS (10–12)	GS (13–15)
Technical or Specialist:			
I	II	III	IV
(GS 4–6)	(GS 7–9)	GS (10–12)	GS (13–15)
Support:			
I	II	III	
(GS 4–6)	(GS 7–9)	GS (10–12)	

There will be four broadband levels in the demonstration project, labeled I, II, III, and IV. Levels I through IV will include the current grades of GS–01 through GS–15. These are the grades in which the workforce employees are currently found. Wage grade compensation levels were converted to GS grade, then the GS grade was used in setting the broadband levels. The position of President of HINU will be paid minimally at the GS 15, step 1 pay rate and will be limited by a maximum pay rate equivalent to Executive Schedule Level III.

Generally, employees will be converted into the broadband level that includes their permanent GS and WG grades of record. Each employee is assured an initial place in the system without loss of pay. As the rates of the General Schedule and/or Executive Schedule are increased, the minimum and maximum rates of the broadband levels and the salary range of the President willalso increase. Individual employees receive pay increases based on their assessments under the Contribution-based Compensation and Assessment System (CCAS). General pay increases will be given to all employees regardless of assessment scores. Within-Grade Increases will occur as scheduled under the General Schedule, subject to attainment of a full performance assessment score. Currently no special salary rates are in effect at HINU. However, if a position is created that falls under a special salary rate, that rate will be converted to a broadband level comparable to the special salary rate and that special salary rate will no longer be applicable to the demonstration project employee. Employees will receive the locality pay of their geographical area.

All applicants for employment with, all eligibles for employment with and all newly hired employees will be hired under the HEWP demonstration program procedures, and will be subject to the HEWP demonstration program. All newly hired personnel entering the system will be employed at a level consistent with the expected basic qualifications for the broadband and level, as determined by rating against qualification standards. Salaries of individual candidates will be based on academic qualifications and/or work experience. The hiring official will determine the starting salary based upon available labor market considerations relative to special qualifications requirements, scarcity of qualified applicants, programmatic urgency, and education/experience of the new candidates. In addition to the flexibility available under the Broadbanding system, the authorities for retention, recruitment, and relocation payments granted under the Federal Employees Pay Comparability Act of 1990 (FEPCA) can also be used.

The use of broadbanding provides a stronger link between pay and contribution to the mission of the institutions. It is simpler, less time consuming, and less costly to maintain. In addition, such a system is more easily understood by managers and employees, is easily delegated to managers, coincides with recognized career paths, and complements the other personnel management aspects of the demonstration project.

Academic work requires knowledge in a field of science or learning characteristically acquired through education or training equivalent to a bachelor's or higher degree with major study in or pertinent to the specialized field, as distinguished from general education. The Academic provides or performs the primary mission of the institution. Technical/Specialist work involves extensive practical knowledge, gained through experience and/or specific training or requires knowledge pertinent to the occupation typically acquired by a college degree, certification or licensing. Work in these occupations may involve substantial elements of the work of the Academic field, but requires less than full knowledge of the field. Technical/Specialist work is associated with and supportive of the mission. Support Services occupations involve structured work in support of office or facility. The work facilitates the program/mission.

2. Simplified Assignment Process

Today's environment of downsizing and workforce transition mandates that the institution have maximum flexibility to assign individuals. Broadbanding enables the institution to have the maximum flexibility to assign an employee within broad descriptions, consistent with the needs of the institution and the individual's qualifications. Assignments may be accomplished as realignments and do not constitute a position change. For instance, a technical expert can be assigned to any project, task, or function requiring similar technical expertise. Likewise, a manager could be assigned to manage any similar function or institutional component consistent with that individual's qualifications. This flexibility allows broader latitude in assignments and further streamlines the administrative process and system.

C. Classification

1. Occupational Series

The present General Schedule classification system has 434 occupational series that are divided into 22 occupational groups. The present Federal Wage classification system has similar groupings. The HEWP currently covers numerous series in the 22 occupational groups and Federal Wage System. These occupational series and groups will be maintained throughout the demonstration project.

2. Classification Standards

The present system of OPM classification standards will be used for identification of proper series and occupational titles of positions within the demonstration project. The CCAS broadband factors and their level descriptors, as aligned in the three career paths, will be used for the purpose of broadband and level determination. Under the demonstration project, each broadband level will be represented by a set of descriptors.

3. Classification Authority

Under the HEWP, the President will have delegated classification authority and may re-delegate this authority to subordinate management levels. Re-delegated classification approval must be exercised at least one management level above the first-line supervisor of the position under review, except in the case of those employees reporting directly to the President. First-line supervisors will provide classification recommendations. The Personnel Director will provide on-going consultation and guidance to managers and supervisors throughout the classification process.

4. Statement of Duties and Requirements

Under the demonstration project's classification system, a new Statement of Duties and Requirements (SDR) will replace the current position description. The SDR will combine the position information, staffing requirements, and contribution expectations into a single document. The new SDR will include a description of job-specific information, reference the CCAS broadband level descriptors for the assigned broadband level, and provide other information pertinent to the job. An automated computer assisted process to produce the SDR may be used. The objectives in developing the new SDR are to: (a) Simplify the descriptions and the preparation process through automation; (b) provide more flexibility in work assignments; and provide a more useful tool for other functions of personnel management, *e.g.,* recruitment, assessment of contribution, employee development, and reduction in force.

5. Fair Labor Standards Act

Fair Labor Standards Act (FLSA) exemption or non-exemption determinations will be made consistent with criteria found in 5 CFR (Code of Federal Regulations) part 551.

All employees are covered by the FLSA unless they meet criteria for exemption. Positions will be evaluated as needed by comparing the duties and responsibilities assigned the broadband level descriptors for each broadband level, and the 5 CFR part 551 FLSA criteria.

6. Classification Appeals

An employee may appeal the occupational series, title, or broadband level of his/her own position at any time. An employee must formally raise the areas of concern to supervisors in the immediate chain of command in writing. If an employee is not satisfied with the supervisory response, he or she may then appeal to the Haskell Classification Appeals Panel. Time periods for case processing under 5 CFR 511.605 apply.

An employee may not appeal the accuracy of the SDR document, the demonstration project classification criteria, or the pay-setting criteria; the propriety of a salary schedule; or matters grievable under an administrative or negotiated grievance procedure or an alternative dispute resolution procedure.

The evaluation of classification appeals under this demonstration project is based upon the demonstration project classification criteria. Case files will be forwarded for adjudication through the personnel/human resources office and will include copies of appropriate demonstration project criteria.

D. Contribution-based Compensation and Assessment System

1. Overview

The purpose of the Contribution-based Compensation and Assessment System (CCAS) is to provide an equitable and flexible method for assessing and compensating the higher education workforce. CCAS allows for more employee involvement in the performance assessment process, increases communication between supervisors and employees, promotes a clear accountability of contribution by each employee, facilitates employee progression tied to institutional contribution, and provides an understandable basis for salary changes.

CCAS goes beyond a performance-based rating system. It measures the employee's contribution to the mission and goals of the institution, rather than how well the employee performed a job as defined by a performance plan. Past experience with the existing performance appraisal system indicates that performance plans are often tailored to the individual's level of previous performance. Hence, an employee may have been rewarded by salary step increases for accomplishing a satisfactory level of performance against a diminishing set of responsibilities. CCAS promotes salary adjustment decisions made on the basis of an employee's overall annual contribution when compared to all other employees and level of compensation. Therefore, larger-than-average salary increases are possible for employees who are determined to be under-compensated, and smaller-than-average increases are permitted for employees who are deemed to be over-compensated in relationship to their institutional contributions.

An employee's performance is a synthesis of contributions that determines the Employee Assessment Score (EAS). Contribution is measured by using a set of six factors, each of which is relevant to the success of the educational institution. The descriptors for each factor will have four levels. Criteria for achieving these levels will be determined by each organizational unit, such as an academic department, within the school. Taken together, these factors capture the critical content of jobs in each career path. The factors may not be modified or supplemented. These factors are the same as those used to classify a position at the appropriate broadband level.

The compensation system is an important indicator of what an organization believes is important to its success. A well designed compensation system provides a battery of tools to support organizational goals and outcomes. The design should be strategic, flexible, and customer-focused. The current compensation system, because it was implemented in a piecemeal fashion for a hierarchical organization, does not relate to educational needs and is cumbersome. The demonstration project will test a compensation system that is able to change based on the needs of the entire organization, of the taxpayer, and of the student being served.

Employees in all four broadband levels will have the same factors, with applications relevant to the SDR. The six factors are: (1) Primary Duty and Requirements; (2) Customer/Student Service; (3) Department and Institutional Service; (4) Teamwork/Supervision; (5) Professional Development Activity; (6) Communications/Research and Publications. These factors were chosen for assessing the yearly contribution of HINU employees in the three career paths (1) Academic, (2) Technical/Specialist, and (3) Support. Each factor has multiple levels of increasing contribution corresponding to the

broadband levels within the relevant career paths. These levels will be delineated in the operations manual.

Factor 1

Primary Duty and Requirements refers to the activities that relate to the position description title, such as Carpenter, relating to levels of achievement of carpenter duties; or Instructor, relating to achievement of levels related to classroom instruction. The individual factor will relate to the activity described by the title.

Factor 2

Customer/Student Service pertains to activities that relate to direct and indirect contact with customers/students. Work is timely, efficient and of acceptable quality. Personal and organizational interactions enhance customer relations and actively promote rapport with customers. Flexibility, adaptability, and decisiveness are exercised appropriately.

Factor 3

Departmental and Institutional Service refers to institutional programs and department plans that contribute to the employee's organizational unit and the institution as a whole to reflect the vision, mission and goals.

Factor 4

Teamwork/Supervision refers to non-managerial employees (Teamwork) or managers (Supervision and Teamwork). Teamwork is a factor that describes any worker's contribution to the mission and goals of the organizational unit, through interactions with other employees and departments, including supervision of employees. Management of resources is also part of this factor.

Factor 5

Professional Development Activity refers to any training, academic course work, instructional conferences, or activity that contributes to the employee's ability to perform duties for the benefit of the institution of higher learning.

Factor 6

Communications/Research and Publications refers to ability to communicate—both written and oral—in a clear, concise, and appropriate manner. Research and Publication refers to researching relevant sources for curriculum and instructional topic area purposes, and in some cases publishing the results of research.

2. CCAS Pay Ranges

The Contribution-based Compensation and Assessment System (CCAS) pay schedule is the same as the General Schedule and provides a direct link between increasing levels of contribution and increasing salary. This is shown by the graph in Figure 1. The horizontal axis of Figure 1 represents the salary range of the General Schedule from GS–4, Step 1, which is $19,000 (Calendar Year 2000) through GS–15, Step 10, which is $100, 897 (CY00). Each employee's CCAS Pay Range is the pay range for their GS grade. Locality salary adjustments are not included in the CCAS pay ranges, but are incorporated into the demonstration participant's pay.

The vertical axis in Figure 1 represents the scale for assessment scores in 0.1 increments within each broadband level. This scale is directly related to the CCAS pay range for GS grades, the broadband levels, and the factor descriptor levels.

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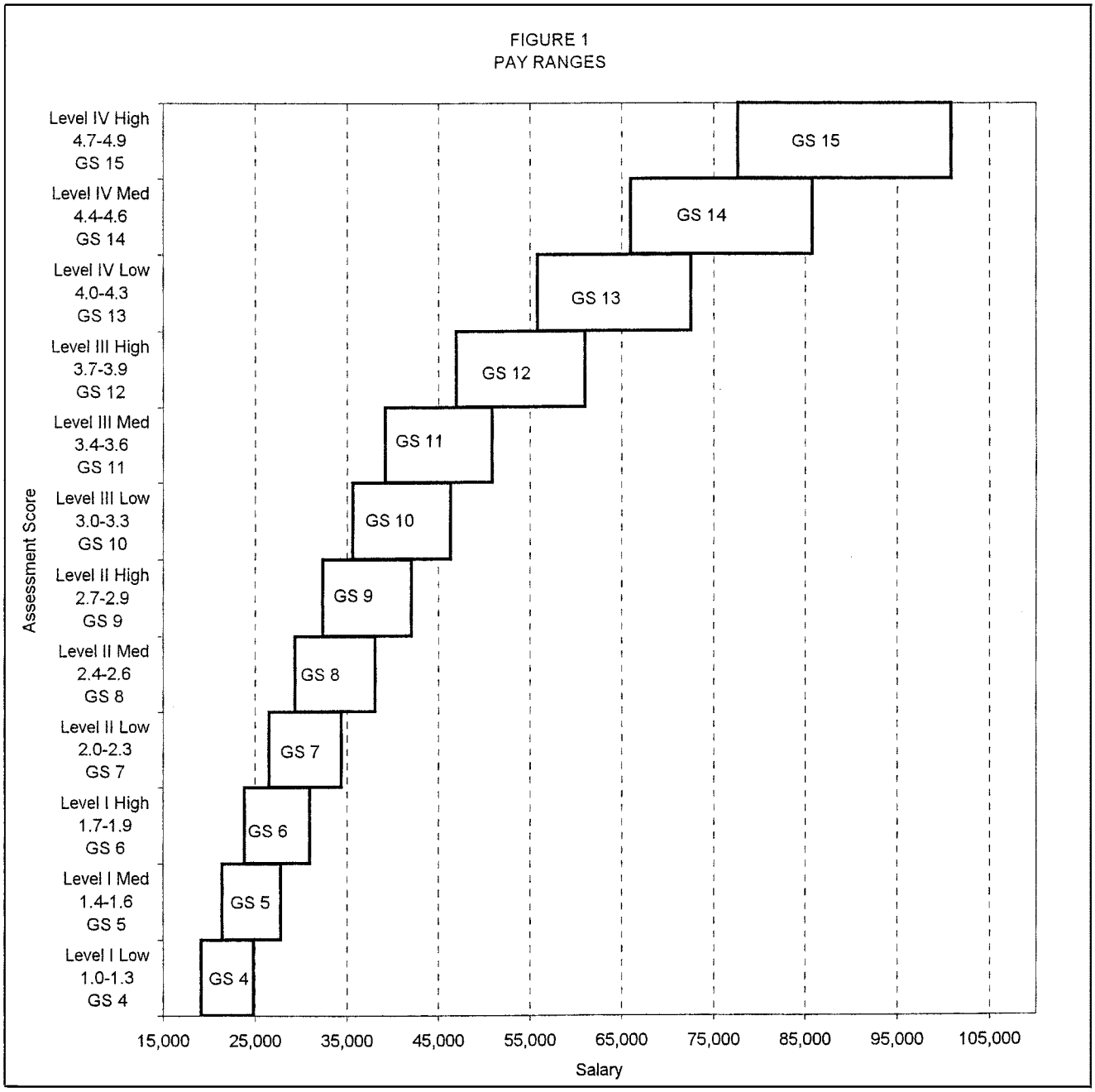

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With the exception of the President's pay rate, these CCAS pay ranges encompass all salaries (excluding locality pay) paid under this demonstration, from GS–4, step 1, through GS–15, Step 10, for CY2000. The salary range for the President's position is from GS–15 to Executive Schedule Level III. The President's salary is the only salary that may increase beyond GS–15, Step 10.

Each year the CCAS pay ranges are adjusted upward based on the general pay increase under 5 U.S.C. 5303. All employees will receive the general pay increase under 5 U.S.C. 5303 each year. Within-Grade Increases (WGI's) will occur as scheduled under the General Schedule system, provided the employee earns an assessment score equivalent to or higher than the Expected Contribution Score (ECS) for their grade and level. The pay schedule and the CCAS pay ranges are the same for all three career paths, with the exception that the Support Broadband has three levels rather than four levels. The minimum and maximum numerical assessment scores and associated base salaries for each broadband level, by career path, are provided in TABLE II (see 3. CCAS Assessment Process). These minimum and maximum break points represent the lowest and highest General Schedule salary rates for the grades banded together and, therefore, the minimum and maximum salaries possible for each broadband level.

Employees whose annual assessment scores plotted against their base salary fall within their current pay range are considered appropriately compensated. Employees whose scores plotted against their salaries fall to the left or above their respective pay ranges are considered under-compensated. Employees whose scores plotted against their salaries fall to the right or below

of their respective pay ranges are considered over-compensated. The goal of CCAS is to make pay consistent with employees' contributions to the HINU mission.

Employees will enter the demonstration project without a loss of pay (see Section V, Conversion) and without an Employee Assessment Score (EAS). The first assessment score will result from the first annual CCAS assessment process. Until the first CCAS assessment process is completed, no employee is considered to be appropriately, over-or under-compensated. Employees may determine their Expected Contribution Score (ECS) by locating the intersection of their salary and GS Grade with the highest assessment score in each interval for that grade and pay range. The highest numerical value in each interval is the ECS. Future CCAS assessments may alter an employee's position relative to this graph.

3. CCAS Assessment Process

The annual CCAS assessment cycle begins on July 1 and ends on June 30 of the following year, with the exception of the first year of the demonstration project, which will begin at the project's inception on October 1, 2000, and end June 30, 2001. At the beginning of the annual assessment cycle, the broadband level descriptors will be provided to employees so that they know the basis on which their contribution will be assessed for their pay pool. (A pay pool is a group of employees among whom the CCAS dollars are calculated and distributed. The President of the institution determines the pay pool structure (see Section III D 4)). At that time, employees will be advised that all factors are critical. Key terms will be defined or clarified. Supervisor and employee discussion of specific work assignments, standards, objectives, and the employee's contributions within the CCAS framework should be conducted on an ongoing basis.

Near the end of the annual (July 1 to June 30) assessment cycle, the immediate supervisor (assessing official) meets with employees, requesting them to summarize their contributions for each factor in a self-assessment. From an employee's inputs and his/her own knowledge from all available sources, the assessment official identifies for each employee the earned level and interval (low, medium or high) for each factor.

The assessment officials within each pay pool (including second-level supervisors) meet together to ensure consistency and equity of the contribution assessments.

To determine the EAS, numerical values are assigned to each factor, using the intervals shown in TABLE II. TABLE II shows each of the three broadbands divided into levels, along with the corresponding GS grades, and the scale for contribution scores. The highest numerical score in each interval is the ECS for the Low, Medium, and High intervals of the level. If the contribution for a factor is at the lowest possible score of Level I, an assessment score of 1.0 is assigned. Higher levels of contribution correspond to numerical scores in 0.1 increments up to 4.9. A factor score of 0.0 can be assigned if the employee's contribution does not demonstrate a minimum Level I contribution. Likewise, a factor score of 5.9 can be assigned if the employee's contribution exceeds the maximum Level IV contribution. The EAS is calculated by averaging the numerical values assigned for each of the six factors.

TABLE II.—ASSESSMENT SCORE INTERVALS WITHIN BROADBAND LEVELS

[Academic]

I			II			III			IV		
Low	Med.	High	Low	Med.	High	Low	Med.	High	Low	Med.	High
1.0–1.3	1.4–1.6	1.7–1.9	2.0–2.3	2.4–2.6	2.7–2.9	3.0–3.3	3.4–3.6	3.7–3.9	4.0–4.3	4.4–4.6	4.7–4.9
(GS 4–6)			(GS 7–9)			(GS 10–12)			(GS 13–15)		

[Technical or Specialist]

I			II			III			IV		
Low	Med.	High	Low	Med.	High	Low	Med.	High	Low	Med.	High
1.0–1.3	1.4–1.6	1.7–1.9	2.0–2.3	2.4–2.6	2.7–2.9	3.0–3.3	3.4–3.6	3.7–3.9	4.0–4.3	4.4–4.6	4.7–4.9
(GS 4–6)			(GS 7–9)			(GS 10–12)			(GS 13–15)		

[Support]

I			II			III		
Low	Med.	High	Low	Med.	High	Low	Med.	High
1.0–1.3	1.4–1.6	1.7–1.9	2.0–2.3	2.4–2.6	2.7–2.9	3.0–3.3	3.4–3.6	3.7–3.9
(GS 4–6)			(GS 7–9)			(GS 10–12)		

The assessing officials (including second-level supervisors) meet again, correcting any inconsistencies and making the appropriate adjustments in the factor assessments. Then an Overall Contribution Score (OCS) is calculated for each employee and employees are placed in rank order:

O.C.S.=(Expected Contribution Score (ECS)/Employee Assessment Score (EAS))x100_____%

The pay pool panel (pay pool manager and the assessing officials in the pay pool who report directly to him/her) meets to conduct a final review of the OCS and recommends compensation adjustments for pay pool members. The

pay pool panel has the authority to make OCS adjustments, after discussion with the initial assessing officials, to ensure equity and consistency in the ranking of all employees. Final approval of OCS rests with the pay pool manager. The OCS approved by the pay pool manager becomes the final OCS. Assessment officials will communicate the factor scores and OCS to each employee and discuss the results by July 15.

If on June 30, the employee has served under CCAS for less than six months, the assessment official will wait for the subsequent annual cycle to assess the employee. The first CCAS assessment must be rendered within 18 months after entering the demonstration project.

When an employee cannot be evaluated readily by the normal CCAS assessment process due to special circumstances that take the individual away from normal duties or duty station (e.g., long-term full-time training, active military duty, extended sick leave, leave without pay, union activities, etc.), the assessment official will document the special circumstances on the assessment form. The assessment official will then determine which of the following options to use:

(a) Re-certify the employee's last OCS; or

(b) Presume the employee is contributing consistently with his/her pay level and will be given minimally the full general increase and any within-grade increase that may be due.

Pay adjustments will be made on the basis of the OCS or substitute determination and the employee's rate of basic pay. Pay adjustments are subject to payout rules discussed in section III. D. 4. Final pay determinations will be made by the pay pool manager. OCS scores can only be adjusted after discussion with the assessment official.

Pay adjustments will be documented by SF–50, Notification of Personnel Action. For historical evaluation and analytical purposes, dates on the effective date of OCS assessments, actual assessment scores, the actual salary increases, amounts contributed to the pay pool, and applicable bonus amounts and/or awards will be maintained for each demonstration project employee.

4. 360-degree Feedback and Learning Contracts

HINU will establish a performance feedback system using a 360-degree feedback process. The system will use 360-degree feedback, or input from several sources, including: (a) an employee's manager, (b) peers, and (c) customers. Performance feedback will provide all employees with information on their contribution to the organization's performance. It will also help them identify their training and developmental needs for the yearly cycle by pinpointing areas of strength and items needing improvement.

The results of the 360-degree performance feedback will go only to the employee, with group or area results being summarized for the manager. In areas with a single employee, the results will be provided to the manager. If an employee appeals his/her rating, the employee may use 360-degree supporting information in the appeal of the original assessment. Training in the use of the performance feedback system will be provided to all employees.

This information contributes to Learning Contracts, which are written agreements between supervisors and employees identifying manangement or employee skill blocks. Skill blocks are skills or abilities that allow a manager or employee to succeed and excel at their job. Every employee will have a Learning Contract that will consider needs identified by employee development measures, the performance feedback system, and a degree/certification/recertification system.

This is especially important in the development of managers. One item identified in ''A Study of Management and Adminitstration: The Bureau of Indian Affairs'' by the National Academy of Public Administration, is the need for a management development program. One of the primary management objectives recommended by NAPA was management development. To accomplish this objective requires a committment to provide the planning and resources necessary to support this training and development. The creation of a management learning contracts with the associated knowledge and skill blocks for manageers will support this objective.

5. Pay Pools

The pay pool structure and allocated funds are under the authority of the President. The following minimal guidelines will apply to pay pool determinations: (a) a pay pool(s) is based on the institution's organizational structure and should include a range of salaries and contribution levels; (b) a pay pool must be large enough to include a second level of supervision, since the CCAS process uses a group of supervisors in the pay pool to determine OCS and recommended salary adjustments; and (c) neither the pay pool manager nor the supervisors within a pay pool will recommend or set their own individual pay levels.

The amount of money available in the pay pool fund is determined by the President. An Incentive amount (I), made up of money that would have been available for quality step increases, within-grade increase amounts not awarded because of inadequate contribution, promotions between grades encompassed in the same broadband level, and other appropriate incentive factors. The amount of ''I'' will be determined each year by the President and will be at a minimum of 1 percent based on a percentage of the base pay salaries of all employees as of September 30. The amount of ''I'' may be adjusted as necessary each year to maintain cost discipline. Though not all funds within a pay pool must be distributed each year as pay or bonuses, a pool of funds are to be set aside for pay purposes and may not be used for other purposes before annual pay calculations are made. Justification for altering the amount of money in the pay pool fund must be made to the President, who has final authority. The President, if provided sufficient justification, has the authority to alter the amount of money in the pay pool fund.

6. Salary Adjustment Guidelines

After the initial conversion into the CCAS, employees' yearly contributions will be determined by the CCAS process described above, and their OCS versus their current rate of base pay will be plotted on a graph. Refer back to Figure 1. The position of those points relative to the CCAS pay ranges (GS grade) gives a measure of the employee's compensation (salary) versus contribution (Employee Assessment Score). Employees fall into one of three categories: over-compensated—to the right or below the pay range; appropriately compensated—within the pay range; or under-compensated—to the left or above the pay range. Depending on the category into which an employee falls on the graph, he/she may be eligible for three forms of additional compensation (all employees will receive the annual general pay increase regardless of contribution score): (1) Within-Grade Increases (WGI's) will occur as scheduled under the General Schedule system provided the employee earns an assessment score equivalent to or higher than the ECS for their grade and broadband level. Failure to obtain an adequate assessment score will result in the denial of the WGI. If the employee is in a two-year or a three-year waiting cycle for the receipt of a WGI, and does not obtain an adequate

assessment in one of the annual assessment cycles, an average assessment score for the WGI waiting period must be calculated to determine eligibility for receipt of the WGI when it occurs. The average assessment score would be calculated by adding all annual assessment scores that have occurred and dividing by the number of years (two or three) of the waiting period. Subsequent decisions on receipt of WGI's when in a one, two, or three year waiting period will be based on an average of the last two or three assessment scores as applicable; (2) The pay pool panel has the options of giving an employee a base salary increase and/or a contribution bonus (a lump-sum payment that does not affect base salary). An employee on retained pay in the demonstration project will receive pay adjustments in accordance with 5 U.S.C. 5363 and 5 CFR part 536; (3) The pay pool panel has the option of giving an employee an incentive award (a lump sum payment that does not affect base pay).

An employee receiving a retained rate may be eligible for a base pay increase, since such increases are limited by the maximum salary rate for the employee's broadband level.

An employee identified as appropriately compensated may receive a contribution base pay increase provided the increase does not exceed the maximum salary for the employee's current broadband level pay range. An employee identified as over-compensated will receive no additional contribution base pay increase, no contribution bonus and no incentive award. An employee identified as under-compensated would be eligible for a base pay increase. The contribution base pay increase may not exceed the maximum salary for the current level.

Employees who are appropriately compensated and under-compensated are eligible for contribution bonuses up to $10,000 with the approval of the pay pool manager. Contribution bonus amounts exceeding $10,000 require the President's approval.

Employees whose OCS would result in a base pay increase such that the salary exceeds the maximum salary for their current broadband level will receive a contribution bonus equaling the difference. This bonus will be paid as a lump sum payment and will not add to base pay.

In general, those employees who fall in the under-compensated category should expect to receive greater salary increases than those in the over-compensated category. Over time, all employees in the over- and under-compensated categories will migrate closer to the appropriate CCAS pay ranges and receive a salary appropriate for their level of contribution.

Each pay pool manager will set the necessary guidelines for pay adjustments in the pay pool. Decisions will be consistent within the pay pool, reflect cost discipline over the life of the demonstration project, and be subject to administrative review. The maximum available base pay rate under this demonstration project will be the rate for a Executive Schedule Level III.

7. Incentive Awards Budget

The President will establish an Incentive Awards Budget (IAB) for the institution each year. The IAB will be set at not less than 1 percent of the institution's total salary budget calculated on September 30 of each year. For the first year of the project, the total IAB will be set at a minimum of 1.0 percent of total salaries. The IAB is separate from the funds available for base pay increases and contribution bonuses. The IAB includes funds formerly spent for performance awards and incentive awards. The IAB will be available for use as incentive awards for employee contributions and all other incentive awards (*i.e.* Special Act or Service). The President may adjust the annual budget proportions of performance awards and incentive awards in the IAB. This will allow adequate funds for incentive awards not related to CCAS contributions. IAB funds will be paid as lump sum amounts and will not add to base pay. The IAB funds will be under the Pay Pool Manager for each pay pool. The Pay Pool Manager will give final approval for all Incentive Awards.

8. Movement Between Broadband Levels

It is the intent of the demonstration project to have career growth accomplished through the broadband levels. Movement within a broadband level will be determined by contribution and salary increases following the CCAS process. Movement to a higher broadband level is a competitive action. Movement to a lower broadband level may be voluntary or involuntary.

Broadband levels derive from salaries of the banded GS grades and equivalent Wage Grades. The lowest salary of any given broadband level is that for step 1 of the lowest GS grade in that broadband level. Likewise, the highest salary of any given broadband level is that for step 10 of the highest GS grade in that broadband level. There is a natural overlap in salaries in the GS grades that also occurs in the broadband system. Since the OCS is directly related to salaries, there is also an overlap between OCS across broadband levels.

Under the demonstration project, managers are provided greater flexibility in assigning duties by moving employees among positions within their broadband level. If there are vacancies at higher levels, employees may be considered for promotion to those positions in accordance with competitive selection procedures.

Under competitive selection procedures, the selecting official(s) may consider candidates from any source based on job-related, merit-based methodology. Similarly, if there is sufficient cause, an employee may be demoted to a lower broadband level position according to the contribution reduction-in-pay or removal procedures discussed in section III E 2.

9. Implementation Schedule

The 2000 employee annual appraisal will be done according to the performance plan rules in effect at the time of the 2000 close-out. Employees will be moved by personnel action into the demonstration project and into the appropriate broadband level on October 1, 2000, or as specified in the institution's implementation plan. The first CCAS assessment cycle will run from October 1, 2000 to July 30, 2001. Overall assessment scores and pay adjustments resulting from the 2001 assessment cycle will be paid out the first full pay period of January 2002.

10. CCAS Grievance Procedures

Bargaining unit employees who are covered under a collective bargaining agreement may grieve CCAS pay determinations under the grievance-arbitration provisions of the agreement. Other employees not included in a bargaining unit may utilize the appropriate administrative grievance procedures to raise a grievance against CCAS pay decisions (5 CFR Part 771), with supplemental instructions as described below.

An employee may grieve the assessment scores. If an employee is covered by a negotiated grievance procedure that includes grievances over assessment or appraisal scores, then the employee must use that procedure. If an employee is not in a bargaining unit, or is in a bargaining unit but grievances over appraisal or assessment scores are not covered under a negotiated grievance procedure, then the employee may use the administrative grievance procedure (5 CFR Part 771) with supplemental actions described below.

The employee will submit the grievance initially to the first line supervisor, the assessment official, who

will submit a recommendation to the pay pool panel. The pay pool panel may accept the assessment official's recommendation or reach an independent decision. In the event that the pay pool panel's decision is different from the assessment official's recommendation, appropriate justification will be provided. The pay pool panel's decision is final unless the employee requests reconsideration by the next higher official to the pay pool manager. The pay-pool manager will render the final decision on the grievance.

11. Contribution-based Reduction-in-Pay or Removal Actions

CCAS is an assessment system that goes beyond a performance-based rating system. Contribution is measured against the CCAS factors for the three career paths, each having multiple levels of increasing contribution. (For the purposes of this section, these factors are considered critical and are synonymous with critical elements as referenced in 5 U.S.C. Chapter 43.) This section applies to reduction-in-pay or removal of demonstration project employees based solely on inadequate contribution. Inadequate contribution in any one factor at any time during the assessment period is considered grounds for initiation of reduction-in-pay or removal action. The following procedures replace those established in 5 U.S.C. 4303 pertaining to reductions in grade or removal for unacceptable performance, except with respect to appeals of such actions. The statutory authority for appeals of contribution-based actions appears in 5 U.S.C. 4303(e). As is currently the situation for performance-based actions taken under 5 U.S.C. 4303, contribution-based actions shall be sustained if the decision is supported by substantial evidence and the Merit Systems Protection Board shall not have mitigation authority with respect to such actions. The separate statutory authority to take contribution-based actions under 5 U.S.C. 75, as modified in the waiver section of this notice (section IX), remains unchanged by these procedures.

When an employee's contribution in any factor is at or less than the mid-point of the next lower broadband level (or a factor score of zero for broadband level I employees), the employee is considered to be contributing inadequately. In this case, the supervisor must inform the employee, in writing, that unless the contribution increases to a score above the midpoint of this next lower broadband level (thereby meeting the standards for adequate contribution) and is sustained at this level, the employee may be reduced in pay or removed. For broadband level I employees, a factor score that increases to the midpoint and is sustained at that level is determined to be adequate.

The written notice that informs an employee that he/she may be reduced in pay or removed affords the employee a reasonable opportunity (a minimum of 60 days) to demonstrate acceptable contribution with regard to identifiable factors. As part of the employee's opportunity to demonstrate adequate contribution, he or she will be placed on a Contribution Improvement Plan (CIP). The CIP will state how the employee's contribution is inadequate, what improvements are required, recommendations on how to achieve adequate contribution, assistance that the agency shall offer to the employee in improving inadequate contribution, and consequences of failure to improve.

Additionally, when an employee's contribution plots in the area to the right or below the upper rail of the normal pay range, the employee is considered to be contributing inadequately. In this case, the supervisor has two options. The first is to take no action but to document this decision in a memorandum for the record. A copy of this memorandum will be provided to the employee and to higher levels of management. The second option is to inform the employee, in writing, that unless the contribution increases to, and is sustained at, a higher level, the employee may be reduced in pay or removed.

These provisions also apply to an employee whose contribution deteriorates during the year. In such instances, the group of supervisors who meet during the CCAS assessment process may reconvene any time during the year to review the circumstances warranting the recommendation to take further action on the employee.

Once an employee has been afforded a reasonable opportunity to demonstrate adequate contribution but fails to do so, a reduction-in-pay (which may include a change to a lower broadband level and/or reassignment) or removal action may be proposed. If the employee's contribution increases to an acceptable level and is again determined to deteriorate in any factor within two years from the beginning of the opportunity period, actions may be initiated to effect reduction in pay or removal with no additional opportunity to improve. If an employee has contributed acceptably for two years from the beginning of an opportunity period, and the employee's overall contribution once again declines to an inadequate level, the employee will be afforded an additional opportunity to demonstrate adequate contribution before it is determined whether or not to propose a reduction in pay or removal.

An employee proposed for a reduction-in-pay or removal is entitled to a 30-day advance notice of the proposed action that identifies specific instances of the employee's inadequate contribution upon which the action is based. The employee will be afforded a reasonable time to answer the notice of proposed action.

A decision to reduce in pay or remove an employee for inadequate contribution may be based only on those instances of inadequate contribution that occurred during the two-year period ending on the date of issuance of the proposed action. The employee will be issued written notice at or before the time the action will be effective. Such notice will specify the instances of inadequate contribution on which the action is based and will inform the employee of any applicable appeal or grievance rights.

All relevant documentation concerning a reduction-in-pay or removal that is based on inadequate contribution will be preserved and made available for review by the affected employee or a designated representative. At a minimum, the records will consist of a copy of the notice of proposed action; the written answer of the employee or a summary; and the written notice of decision and the reasons thereof, along with any supporting material including documentation regarding the opportunity afforded the employee to demonstrate adequate contribution.

E. Special Situations Related to Pay

1. Change in Assignment

The CCAS concept, using the broadbanding structure, provides flexibility in making changes in assignments. In many cases an employee can be reassigned, without change in their rate of basic pay, within broad descriptions, consistent with the needs of the institution and commensurate with the individual's qualifications. Subsequent institutional assignments to projects, tasks, or functions requiring the same level and area of expertise and the same qualifications would not constitute an assignment outside the scope or coverage of the current level descriptors. In most cases, such assignments would be within the factor descriptors and could be accomplished without the

need to process a personnel action. Assignment resulting in series change, broadband level change, or change to KSAs shall be accomplished by official personnel action. Thus, this approach allows for broader latitude in institutional assignments and streamlines the administrative process. Rules for specific types of assignments under CCAS follow:

(a) Promotions. When an employee is promoted to a higher broadband level, the salary upon promotion will be at least 6 percent, typically not more than 20 percent, greater than the employee's current salary. However, if the minimum rate of the new broadband level is more than 20 percent greater than the employee's current salary, then the minimum rate of the new broadband level is the new salary. The employee's salary may not exceed the salary range of the new broadband level. When an employee receiving a retained rate is promoted to a higher broadband level, at a minimum the employee's salary upon promotion will be set in the higher broadband level at 6 percent higher than the maximum rate of the employee's existing broadband level; or at the employee's existing retained rate, whichever is greater.

(b) Competitive Selection for a Position with Higher Potential Salary. When an employee is competitively selected for a position with a higher target broadband level than previously held (*e.g.,* Upward Mobility), upon movement to the new position the employee will receive the salary corresponding to the minimum of the new broadband level or the existing salary, whichever is greater.

(c) Voluntary Change to Lower Broadband Level/Change in Career Path (except RIF). A provision exists today for an employee to request a change to lower grade. If that request is totally the employee's choice, then the employee's salary is lowered accordingly. To handle these special circumstances, employees must submit a request for voluntary pay reduction or pay raise declination during the 30-day period immediately following the annual payout and show reasons for the request. All actions will be appropriately documented. Although the rationale behind such a voluntary request varies under CCAS, a voluntary request for a pay reduction or a voluntary declination of a pay raise would effectively put an over-compensated employee's pay closer to or within the employee's contribution level. Since an objective of CCAS is to properly compensate employees for their contribution, the granting of such requests is consistent with this goal. Under normal circumstances, all employees should be encouraged to advance their careers through increasing contribution rather than trying to be under-compensated at a fixed level of contribution. When an employee accepts a voluntary change to lower broadband level or different career path, salary may be set at any point within the broadband level to which appointed, except that the new salary will not exceed the employee's current salary or the maximum salary of the assigned broadband level, whichever is lower.

(d) Involuntary Change to Lower Broadband Level Without Reduction in Pay Due to Contribution-based Action. Due to inadequate contribution, an employee's salary may fall below the minimum rate of basic pay for the broadband level to which he/she is assigned. When an employee is changed to a lower broadband level due to such a situation, this movement is not considered an adverse action.

(e) Involuntary Reduction in Pay, to Include Change to Lower Broadband Level and/or Change in Career Path Due to Adverse Action. An employee may receive a reduction-in-pay within his/her existing broadband level and career path; be changed to a lower broadband level; and/or be moved to a new position in a different career path due to an adverse action. In these situations, the employee's salary will be reduced by at least 6 percent, but will be set no lower than the minimum salary of the broadband level to which assigned. Employees placed into a lower broadband due to adverse action are not entitled to pay retention.

(f) Reduction-in-Force (RIF) Action (including employees who are offered and accept a vacancy at a lower broadband level or in a different career path). The employee is entitled to pay retention if all Title 5 conditions are met.

(g) Return to limited or light duty from a disability as a result of occupational injury to a position in a lower broadband level or to a career path with lower salary potential than held prior to the injury. The employee is entitled indefinitely to the salary held prior to the injury and will receive full general and locality pay increases.

2. Academic Ethics

According to the Ethics Reform Act of 1989, Federal employees may not accept outside salaries, stipends, and/or honoraria directly related to work duties. This prevents conflict of interest for employees who would use information acquired through federal employment to seek outside gain. However, normal academic activities fall outside the restrictions of usual government employment. The 1991 Ethics Manual for federal employees clarifies acceptable guidelines for outside employment:

> The Committee has determined that the following types of compensation are not honoraria: Compensation for activities where speaking, appearing, or writing is only an incidental part of the work for which payment is made (*e.g.,* conducting research) * * *.
>
> Haskell employees may engage in outside employment or activities that relate to their official duties and responsibilities and accept outside salaries, stipends, and/or honoraria.
>
> Employees must inform their supervisor prior to engaging in such activities.

F. Revised Reduction-In-Force (RIF) Procedures

RIF shall be conducted according to the provisions of 5 CFR part 351 and BIA procedures except as otherwise specified below.

Displacement means the movement via RIF procedures of an employee into a position held by an employee of lower retention standing.

Employees are entitled to additional years of retention service credit in RIF, based on assessment results. This credit will be based on the employee's three most recent annual overall contribution scores (OCSs) of record received during the four-year period prior to the issuance of RIF notices. However, if at the time RIF notices are issued, three CCAS cycles have not yet been completed, the annual performance rating of record under the previous performance management system will be substituted for one or more OCSs, as appropriate. An employee who has received at least one but fewer than three previous ratings of record shall receive credit for performance on the basis of the value of the actual rating(s) of record divided by the number of actual ratings received. Employees with three OCS or performance ratings shall receive credit for performance on the basis of the value of the actual ratings of record divided by three. In cases where an individual employee has no annual OCS or performance rating of record, an average OCS or performance rating will be assigned and used to determine the additional service credit for that individual. (This average rating is derived from the current ratings of record for the employees in that individual's career path and broadband level within the competitive area affected by a given RIF.)

When a competing employee is to be released from his/her position, the activity shall establish separate master retention lists for the competitive and excepted services, by type of work schedule and (for excepted service

master retention lists) appointing authority. Within the above groups, competing employees shall be listed on the master retention list in compliance with 5 CFR part 3551 and BIA procedures.

Employees will be ranked in order of their retention standing, beginning with the most senior employee. This employee may displace an employee of lower retention standing occupying a position that is at the same or lower broadband level and that is in a series for which the senior employee is fully qualified, to include a series in a different career path. The undue interruption standard of 5 CFR 351.403(a)(1) shall serve as the criterion to determine if an employee is fully qualified. In addition, to be fully qualified. (However, statutory waivers shall continue to apply) The displaced employee must be appointed under the same authority, if excepted service, and in the same work schedule. Offer of assignment shall be to the position that requires no reduction or the least possible reduction in broadband. Where more than one such position exists, the employee must be offered the position encumbered by the employee with the lowest retention standing.

Displacement rights are normally limited to 2 GS grades below the employee's present position. However, a preference-eligible employee with a compensable service-connected disability of 30 percent or more may displace up to 5 grades below the employee's present position level.

Employees covered by the demonstration are not eligible for grade retention. Pay retention will be granted to employees downgraded by reduction in force whose rate of basic pay exceeds the maximum salary range of the broadband level to which assigned. Such employees will be entitled to retain the rate of basic pay received immediately before the reduction for a period of one year or the completion of one assessment cycle whichever is longer. The employee will then receive the pay level or bonus equivalent to their CCAS rating. If the CCAS rating indicates a pay level lower than the current pay level then the CCAS level becomes the employees new pay level.

Under the demonstration project, all employees affected by a reduction-in-force action, other than a reassignment, maintain the right to appeal to the Merit Systems Protection Board (MSPB) if they believe the process/procedures were not properly applied.

Prior to RIF, employees may be offered a vacant position in the same broadband as the highest broadband available by displacement. Employees may also be offered placement into vacant positions for which management has waived the qualifications requirements. If the employee is not placed into a vacant position and cannot be made an offer of assignment via displacement, the employee shall be separated.

G. Academic and Certificate Training

Trained and educated personnel are a critical resource in a higher education institution. This demonstration recognizes that training and development programs are essential to improving the performance of individuals in the higher education workforce, and thereby raising the overall level of performance of the higher education workforce, and that a well-developed training program is a valuable tool for recruiting and retaining motivated employees. The HEWP authorizes degree and certificate training for HINU employees, and may contribute payment for these degree and certificate training programs. HINU will continue to seek funds from grants and internal budget to facilitate continuous acquisition of advanced, specialized knowledge essential to the higher education workforce, and provide a capability to assist in the recruiting and retaining of personnel critical to the present and future requirements of the higher education workforce.

H. Sabbaticals

The President of HINU will have the authority to grant sabbaticals without application to higher levels of authority. These sabbaticals will permit employees to engage in study, research, or work experience that contributes to their development and effectiveness. The sabbatical provides opportunities for employees to acquire knowledge and expertise that cannot be acquired in the normal working environment. These opportunities should result in enhanced employee contribution. The spectrum of available activities under this program is limited only by the constraint that the activity contribute to the institution's mission and to the employee's development. The program can be used for advanced education; employee development; or training with industry or on-the-job work experience with public, private, or nonprofit organizations. It enables an employee to spend time in an academic or work environment or to take advantage of the opportunity to devote full-time effort to technical, academic, or managerial research.

The HEWP sabbatical program will be available to all demonstration project employees who have seven or more years of service in the institution. Each sabbatical will be of three to twelve months' duration and must result in a product, service, report, or study that will benefit the higher education community as well as increase the employee's individual effectiveness. A process for application for a sabbatical will be established by the mechanism to recommend sabbaticals to the President, who has final approval authority, and who must ensure that the program benefits both the higher education workforce and the individual employee. Funding for the employee's salary and other expenses of the sabbatical is the responsibility of the institution.

IV. Training

The key to the success or failure of the proposed demonstration project will be the training provided for all involved. This training will provide not only the necessary knowledge and skills to carry out the proposed changes, but will also lead to participant commitment to the program.

Training prior to of implementation and throughout the demonstration will be provided to supervisors, employees, and the administrative staff responsible for assisting managers in effecting the changeover and operation of the new system.

The elements to be covered in the orientation portion of this training will include: (1) A description of the personnel system; (2) how employees are converted into and out of the system; (3) the pay adjustment and/or bonus process; (4) the new position requirements document; (5) the new classification system; and (6) the contribution-based compensation and assessment system.

A. Supervisors

The focus of this project on management-centered personnel administration, with increased supervisory and managerial personnel management authority and accountability, demands thorough training of supervisors and managers in the knowledge and skills that will prepare them for their new responsibilities. Training will include detailed information on the policies and procedures of the demonstration project, as well as skills training in using the classification system, position requirements document, and contribution assessment software developed for use in the project.

B. Administrative Services Staff

The Vice President for Administration, the Director of Personnel and the HEWP administrative

staff will play a key role in advising, training, and coaching supervisors and employees in implementing the demonstration project. This staff will receive training in the procedural and technical aspects of the project.

C. Employees

Prior to implementation, all employees covered under the demonstration project will be trained through various media. This training is intended to fully inform all affected employees of all significant project policies procedures, and processes.

V. Conversion

A. Conversion to the Demonstration Project

Initial entry into the demonstration project for covered employees will be accomplished through a full employee-protection approach that ensures each employee's initial placement into a broadband level without loss of pay. There will be no change or adjustment for General Schedule employees. They will remain at their current grade and step. Automatic conversion from the permanent Wage Grade into the new broadband system will be accomplished. Wage Board employees will be converted to a GS grade corresponding to the pay rate equal to or greater than their WG rate. They will then be placed into the new broadband system at that GS level.

Adverse action and pay retention provisions will not apply to the conversion process, as there will be no decrease in base pay rate. If the employee's rate of basic pay exceeds the maximum rate of basic pay for the broadband level corresponding to the employee's GS grade, the employee will remain at that broadband level and will receive a retained rate.

B. Conversion Back to the Former System

For demonstration project employees who were originally in the Wage Board System and are either moving to a Wage Grade (WG) position not under the demonstration project, or if the project ends and the employee must be converted back to their original Wage Grade system, the following procedure will be used to convert the employee's GS grade and step to the corresponding WG rate of pay. The position will convert to its original WG classification and grade. The employee will have their converted Wage Grade and WG rate of pay determined before movement or conversion out of the demonstration project and any accompanying geographic movement, promotion, or other simultaneous action. For conversions upon termination of the project and for lateral assignments, the employees pay will be equal to the original pay level upon entering the demonstration project. If they currently receive a rate of pay greater than their original rate they will be moved to the pay level nearest their demonstration project rate but not less than their current rate. If their current rate exceeds pay level five of their previous WG rate they will retain pay at the rate received in the demonstration project.

For GS schedule employees there will be no change from their project based pay since it is the GS system. Their current GS grade and rate will become the employee's actual GS grade and rate after leaving the demonstration project (before any other action). For transfers, promotions, and other actions, the current GS grade and rate will be used in applying any GS pay administration rules applicable in connection with the employee's movement out of the project (*e.g.*, promotion rules, highest previous rate rules, pay retention rules) as if the GS-converted grade and rate were actually in effect immediately before the employee left the demonstration project.

3. Employees Receiving a Retained Rate Under the Project

If an employee is receiving a retained rate under the demonstration project, the employee's GS-equivalent grade is the highest grade encompassed in his or her broadband level. The institution will confer with the Office of Personnel Management (OPM) to prescribe a procedure for determining WG-equivalent pay rates for employees receiving retained rates.

4. Years of Retention Service Credit and Contribution Provisions

Employees leaving the demonstration project will be assigned ratings of record that conform with pattern E of 5 CFR 430.208(d) based on the years of credit accumulated for the 3 most recent years during the last 4 years while under the demonstration project. Since the demonstration project does not make use of summary level designators (*e.g.*, Outstanding, Level 5. Highly Successful, Level 4; Fully Successful, Level 3; or Unacceptable, Level 1) used in the appraisal system and programs constructed under 5 U.S.C. Chapter 43 and 5 CFR part 430, the retention service credit that is based on the OCS. A score of 100%, Full Performance, or higher will convert to a satisfactory rating in the current Federal appraisal system for the purpose of retention service credit.

5. Within-Grade Increase—Equivalent Increase Determinations

Service under the demonstration project is creditable for within-grade increase purposes upon conversion back to the GS pay system. CCAS base salary increases (including a zero increase) under the demonstration project are equivalent increases for the purpose of determining the commencement of a within-grade increase waiting period under 5 CFR 531.405(b).

VI. Project Duration

The project evaluation plan addresses how each intervention will be comprehensively evaluated for at least the first five years of the demonstration project. Major changes and modifications to the interventions can be made through announcement in the **Federal Register**. At the five-year point, the entire demonstration project will be reexamined for: (a) Permanent implementation; (b) modification and additional testing; (c) extension of the evaluation period; or (d) termination.

VII. Evaluation Plan

Demonstration-authorizing legislation (Public Law 105–337) mandates evaluation of the demonstration project to assess the effects of project features and outcomes. The overall evaluation will consist of three phases—baseline, formative, and summary evaluations. The evaluation for the HEWP will be overseen by the Secretary, Department of the Interior, and Office of Indian Education Programs (OIEP). The main purpose of the evaluation is to determine the effectiveness of the personnel system changes to be undertaken. To the extent possible, strong direct or indirect relationships will be established between the demonstration project features, outcomes, and mission-related changes and personnel system effectiveness criteria. The evaluation approach uses an intervention impact model that specifies each personnel system change as an intervention, the expected effects of each intervention, the corresponding measures, and the data sources for obtaining the measures.

During the development of the Higher Education Workforce Project an observation was made that while previous demonstrations had used similar employee assessments, there appeared to be no study to show that the results achieved in the projects derived from the link between assessment and compensation. It was suggested that the outcomes may have resulted from the change in the work environment when the new assessment system was

implemented. Therefore, it was decided during the evaluation design process that there should be an internal control group that would participate in the assessment process without it affecting their compensation other than the current system does. There would still be an external control group, hereafter referred to as the comparison group. With these three groups the effect of the link between assessment and contribution could be more closely examined. The experimental, control and comparison groups should be as similar in composition as possible. However, since the demonstration will be applied to a diverse group of employees throughout the institution and given the size of the participant pool it may be difficult to evaluate the comparison group as a whole. Therefore, the comparison group members may be selected from the non-participant group that most closely matches the functions performed by the participant group. Baseline data and comparisons among the three groups will be made and the information recorded and monitored over time.

After completing training on demonstration project procedures, employees will be asked to respond with a decision of their choice to participate. Once these individuals have been identified, final selection of the comparison group will be accomplished.

The specific measures to be collected using the different methods are determined from the goals and objectives stated for each intervention. Both qualitative and quantitative measures will be obtained. Most of the potential measures can be grouped around three major effectiveness criteria: speed, cost, and quality. Collectively, the outcomes of the interventions are hypothesized to lead to institution personnel management improvements, as reflected by timeliness, cost effectiveness, and quality.

Baseline measures will be taken prior to project implementation. Then, repeated post-implementation measurements will be taken to allow longitudinal comparisons by intervention within HINU To compare the effects of the intervention on the institution, two groups will be used to evaluate the effects on the personnel system, a control group located within the HINU and a comparison group comprised of employees external to the institution. These two groups will be selected and compared to the experimental group to determine the effects and outcomes of the project.

The effectiveness of each intervention and of the demonstration project as a whole in meeting stated objectives will be addressed using a multi-approach method. Some methods will be unobtrusive in that they do not require reactions to inputs from employees or managers. These methods include analysis of archival workforce data and personnel office data, review of logs maintained by site historians documenting contextual events, and assessments of external economic and legislative changes. Other methods, such as periodic attitude surveys, structured interviews, and focus groups, will be used to assess the perceptions of employees, managers, supervisors, and personnel regarding the personnel system changes and the performance of their institution in general. Evaluation activities will also take into account the unique nature of this project in terms of institutional diversity.

In addition to the intervention impact model, a general context model will be used to determine the effects of potential intervening variables (*e.g.*, annual budget, regionalization of the personnel function, and the general state of the economy). Potential unintended outcomes will also be monitored, and an attempt will be made by the evaluation team to link the outcomes of demonstration project interventions to institutional effectiveness. In addition to assessing the impact of the individual demonstration project features, the evaluation will also assess the impact of the project as a whole, along with possible in-context effects and effects of intervening variables.

The evaluation will also monitor impact on veterans and EEO groups, adherence to the Merit Systems Principles and avoidance of prohibited personnel practices. In addition, the evaluation will attempt to link the demonstration project effects and outcomes to institutional outcomes such as mission accomplishment and productivity.

The initial evaluation effort will consist of three main phases—baseline, formative, and summary evaluation covering five (5) years. Baseline will collect workforce data to determine the ''as-is''; state. The formative evaluation phase will include baseline data collection and analyses, implementation evaluation, and interim assessments. Periodic reports and annual summaries will be prepared to document the findings. The summary evaluation phase will focus on an overall assessment of the demonstration project outcomes, looking initially at the first four (4) years, with a follow-on report covering the first five (5) years. The rationale for summary evaluation after the first four years is to assess whether the demonstration will continue after the fifth year. If the analysis indicates that the interventions show a positive effect towards meeting the goals of the demonstration, then documentation will be generated to support a request that the demonstration progress further. If the analysis indicates that the interventions do not meet the stated objectives, or if HINU does not wish to continue in the demonstration, then documentation and planning for conversion back to the existing personnel system must be prepared. The fifth-year summary evaluation, used in reporting to Congress, will provide overall assessment of all initiatives individually and as a whole. It will also provide recommendations on broader Federal Government application.

VIII. Demonstration Projects Costs

A. Wage Grade to General Schedule Conversion Buy-Ins

Under this demonstration project, implementation of the broad banding pay structure based on the GS pay structure will incur a conversion cost in moving Wage Grade employees to the General Schedule. To facilitate conversion to this system without loss of pay, employees will receive a basic pay increase necessary to bring them into the General Schedule. As under the current system, supervisors will be able to withhold these pay adjustments if the employee's performance has fallen below fully successful.

B. Out-Year Project Costs

The overall demonstration cost strategy will be to balance projected costs with benefits of the demonstration to bring about the projected improvements to the institution. The project evaluation results will be used to ensure that out-year project costs will not outweigh the derived benefits to the demonstration. A baseline will be established at the start of the project, and salary expenditures will be tracked yearly. Implementation costs, including the WG conversion costs detailed above, will not be included in the cost evaluations, but will be accounted for separately.

The amount of money available for contribution increases in the out-years will be determined as part of the annual project evaluation process, starting with a review of the prior year's data for HINU by the Personnel Policy Board, and then will be reported to the President of the institution. The funds determination will be based on a

balancing of appropriate factors, including the following: (1) Historical spending for WGI, quality step increases, and in-level career promotions; (2) labor market conditions and the need to recruit and retain a skilled workforce to meet the business needs of the institution; and (3) the fiscal condition of the institution. Given the implications of base pay increases for long-term pay and benefit costs, the compensation levels will be determined after cost analysis with documentation of the mission-driven rationale for the amount. As part of the evaluation of the project, HINU will track the base pay costs (including average salaries) under the demonstration project and compared to the base pay costs under similar demonstration projects and under a simulation model that replicates General Schedule spending. These evaluations will balance costs incurred against benefits gained, so that both fiscal responsibility and project success are given appropriate weight.

C. Personnel Policy Boards

It is envisioned that HINU shall establish a Personnel Policy Board for the demonstration project that will be representative of the employee population and chaired by the President of the institution or delegated representative. The board is tasked with the following:

(a) Overseeing the pay budget;

(b) Determining the composition of the CCAS pay pool in accordance with the established guidelines and statutory constraints;

(c) Reviewing operation of the Institution's CCAS pay pools;

(d) Providing guidance to pay pool managers;

(e) Administering funds to CCAS pay pool managers;

(f) Reviewing hiring and promotion salaries;

(g) Monitoring award pool distribution by pay pool; Assessing the need for changes to the demonstration project, procedures or policies.

D. Developmental Costs

Costs associated with the development of the demonstration system include software automation, training, and project evaluation. Site-specific costs for follow-on training, employee salary conversion, and any in-house software automation will be borne by the institution from such additional sums as may be necessary for the operation of HINU pursuant to Public Law 105–337. The projected annual expenses for each area are summarized in Table III. Project evaluation costs will continue for at least the first five (5) years and may continue beyond that point. TABLE III is an example of the format used. Costs will be determined once an actual plan is selected.

TABLE III.—PROJECTED DEVELOPMENT COST

[Then year dollar ($K) by fiscal years]

	2000	2001	2002	2003	2004	2005	2006
Personnel Costs	150,000	425,000	400,000	400,000	400,000	400,000	400,000
Travel and Per Diem	25,000	5,000	5,000	5,000	5,000	5,000	5,000
Training	25,000	25,000	5,000	5,000	5,000	5,000	5,000
Project Evaluation	0	75,000	50,000	50,000	50,000	50,000	50,000
Automation	25,000	25,000	25,000	25,000	25,000	25,000	25,000
Data Systems	0	75,000	5,000	5,000	5,000	5,000	5,000

IX. Required Waivers to Law and Regulations

A. Waivers to Title 5, United States Code

Chapter 5, Section 552a: Records maintained on individuals. This section is waived only to the extent required to clarify that volunteers under the Voluntary Emeritus Program are considered employees of the Federal Government for purposes of this section.

Chapter 31, Section 3111: Acceptance of volunteer service. This section is waived only to the extent required to allow volunteer service under provisions of the voluntary emeritus program.

Chapter 33, Section 3308: Competitive service; examinations; education requirements prohibited; exceptions (to the extent necessary to accommodate the Scholastic Achievement Appointment's requirement for a college degree).

Chapter 33, Section 3317 (a): Competitive service; certification from registers (insofar as ''rule of three'' is eliminated under the demonstration project).

Chapter 33, Section 3318 (a): Insofar as ''rule of three'' is eliminated under the demonstration project. Veterans' preference provisions remain unchanged.

Chapter 41, Section 4107 (a): Prohibition of training for academic degrees.

Chapter 43, Sections 4301–4305 except for 4303 (e) and (f): Related to performance appraisal. In turn, 4303 (3) and (f) are waived only to the extent necessary to (a) substitute ''broadband'' for ''grade'' and (2) provide that moving to a lower broadband as a result of not receiving the full amount of a general pay increase because of inadequate contribution is not an action covered by the provisions of section 4303.

Chapter 51, Sections 5101–5102 and Sections 5104–5107: Related to classification standards and grading.

Chapter 53, Sections 5301; 5302 (8) and (9); and 5303–5305 and 5331–5336: Related to special pay and pay rates and systems (Sections 5301, 5302 (8) and (9), and 5304 are waived only to the extent necessary to allow demonstration project employees to be treated as General Schedule employees and to allow basic rates of pay under the demonstration project to be treated as scheduled rates of basic pay).

Chapter 53, Section 5362: Grade retention.

Chapter 53, Section 5363: Pay retention. This waiver applies only to the extent necessary to: (1) allow demonstration project employees to be treated as General Schedule employees; (2) provide that pay retention provisions do not apply to conversions from General Schedule special rates to demonstration project pay, as long as total pay is not reduced; and (3) replace the term ''grade'' with ''broadband level.'' Chapter 71, to the extent its provisions (e.g. 5 U.S.C. 7103(a)(12) and 7116) would prohibit management or the union from unilaterally terminating negotiations over whether the project will apply to employees represented by the union.

Chapter 75, Sections 7512(3): Related to adverse action (but only to the extent necessary to exclude reductions in broadband level not accompanied by a reduction in pay and replace ''grade'' with ''broadband level'') and 7512(4): Related to adverse action (but only to

the extent necessary to exclude conversions from a General Schedule special rate to demonstration project pay that do not result in a reduction in the employee's total rate of pay).

B. Waivers to Title 5, Code of Federal Regulations

Part 300, Sections 300.601 through 300.605: Time-in-grade restrictions.

Part 308, Volunteer service: Waived to allow volunteer service under the provisions of the voluntary emeritus program.

Part 315, Sections 315.801 and 315.802: Probationary period.

Part 316, Section 316.303: Tenure of term employees (to the extent that term employees may compete for permanent status through local merit promotion plans).

Part 316, Section 316.305: Eligibility for within-grade increases.

Part 332, Section 332.402: ''Rule of three'' will not be used in the demonstration project.

Part 332, Section 332.404: Order of selection is not limited to highest three eligible.

Part 351, Sections 351.402 through 351.403: Competitive Area and Competitive Levels; Section 351.504(a) and (c): Credit for Performance; and Section 351.601 through .608: References to competitive levels are eliminated.

Part 351, Sections 351.701 (b) and (c): Assignment rights (bump and retreat): To the extent that the distinction between bump and retreat is eliminated and the placement of demonstration project employees is limited to one broadband level below the employee's present level, except that a preference-eligible employee with a compensable service-connected disability of 30 percent or more may displace up to two broadband levels below the employee's present position (or the equivalent of five General Schedule grades) below the employee's present level.

Part 410, Section 410.308(a): Prohibition of training for academic degrees.

Part 430, Subpart A and Subpart B: Performance management; performance appraisal.

Part 432, Sections 432.101, 432.102, 432.106 and 432.107: (Only to the extent necessary to (a) substitute broadband for grade and (2) provide that moving to a lower broadband as a result of not receiving the full amount of a general pay increase because of inadequate contribution is not an action covered by the provisions of section 4303).

Part 432, Section 432.103 through 432.105: Performance-based reduction-in-grade and removal actions.

Part 451, Sections 451.106(b) and 451.107(b): Awards.

Part 511, Section 511.201: Coverage of and exclusions from the General Schedule (To the extent that positions are covered by broadbanding.) Part 511, Subpart A; Subpart B; subpart F, Sections 511.601 through 511.612: Classification within the General Schedule; and Subpart G: Effective Dates of Position Classification Actions or Decisions.

Part 530, Subpart C: Special salary rates.

Part 531, Subpart B, Subpart D, Subpart E: Determining rate of pay; within-grade increases and quality step increases.

Part 536, Grade and Pay Retention (only to the extent necessary to eliminate grade retention and to provide that, for the purposes of applying pay retention provisions: (1) Demonstration project employees are to be treated as General Schedule employees; (2) grade is replaced by Broadband level; and (3) pay retention provisions do not apply to conversions from General Schedule special rates to demonstration project pay, as long as total pay is not reduced).

Part 550, Sections 550.703: Severance Pay, definition of ''reasonable offer'' (by replacing ''two grade or pay levels'' with ''one broadband level'' and ''grade or pay level'' with ''broadband level'').

Part 575, Sections 575.102(a)(1), 575.202(a)(1), 575.302(a)(1), and Subpart D: Recruitment and relocation bonuses, and retention allowances, and supervisory differentials (only to the extent necessary to allow employees and positions under the demonstration project to be treated as employees and positions under the General Schedule positions).

Part 752, Sections 752.401(a)(3): Reduction in grade and pay (but only to the extent necessary to exclude reductions in broadband level not accompanied by a reduction in pay and to replace grade with broadband level) and 752.401(a)(4) (but only to the extent necessary to exclude conversions from a General Schedule special rate to demonstration project pay that do not result in a reduction in the employees' total rate of pay).

Part 2635, (only to the extent necessary to allow outside employment and activities that may conflict with their official duties and responsibilities.)

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