



COMDTCHANGE NOTE 12271  
April 23, 2015

COMMANDANT CHANGE NOTICE 12271

Subj: CH-1 COAST GUARD NONAPPROPRIATED FUND (NAF) PERSONNEL  
MANUAL, COMDTINST M12271.1B

1. PURPOSE. This Commandant Change Notice publishes a change to the Coast Guard Nonappropriated Fund (NAF) Personnel Manual, COMDTINST M 12271.1B.
2. ACTION. All Coast Guard unit commanders, commanding officers, officers-in-charge, deputy/assistant commandants, and chiefs of headquarters staff elements shall comply with the provisions of this Commandant Change Notice. Internet release is authorized.
3. DIRECTIVES AFFECTED. With the addition of this Commandant Change Notice, the Coast Guard Nonappropriated Fund (NAF) Personnel Manual, COMDTINST M 12271.1B, is updated.
4. DISCLAIMER. This guidance is not a substitute for applicable legal requirements, nor is it itself a rule. It is intended to provide operational guidance for Coast Guard personnel and is not intended to, nor does it, impose legally-binding requirements on any party outside the Coast Guard.
5. MAJOR CHANGES.
  - a. Changes the title of Regularly Scheduled Intermittent to Regular Intermittent, and Intermittent when Actually Employed (WAE) to On Call Intermittent. Clarifies intermittent employees may work up to 19.75 hours per week.
  - b. Changes reference of Americans with Disability Act to Rehabilitation Act of 1973.
  - c. Adds reference for processing reasonable accommodation requests for applicants and employees.

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	a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q	r	s	t	u	v	w	x	y	z
A	X																									
B	X				X	X	X	X				X	X	X				X		X	X					
C	X	X		X					X		X														X	
D																										
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F																										
G																										
H				X		X					X															

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## COMDTCHANGE NOTE 12271

- d. Provides for hiring packets to be submitted to the Community Services Command (CSC) HR within 30 days of hire.
  - e. Clarifies pre-employment physical exam requirements for child care and food service workers.
  - f. Clarifies that employees serving alcohol must have documented completion of certified responsible server of alcohol training.
  - g. Changes all references from Coast Guard Exchange System CGES acronym to the new CGX acronym.
  - h. Changes CGX NAF employees from federal cost of living adjustments to the CGX compensation plan.
  - i. Clarifies over time for prevailing rate employees on compressed work schedules.
  - j. Clarifies holiday pay for full time employees working less than 40 hours per week.
  - k. Defines a work week as a calendar week.
  - l. Defines family member as it relates to sick leave use to care for a family member.
  - m. Defines creditable service based on service computation date.
  - n. Clarifies military leave compensation.
  - o. Provides opportunity for intermittent employees to be counseled and given the opportunity to improve before being separated for performance or disciplinary problems.
  - p. Adds CGX nonexempt employees to performance increase and cash awards.
  - q. Clarifies offenses related to alcohol abuse while on duty.
  - r. Provides for total years of service (including intermittent) to be used on retirement awards.
  - s. Provides opportunity for intermittent employees to be counseled and given the opportunity to improve before being separated.
6. ENVIRONMENTAL ASPECT AND IMPACT CONSIDERATIONS.
- a. The development of this Commandant Change Notice and the general procedures contained within it have been thoroughly reviewed by the originating office in conjunction with the Office of Environmental Management, and are categorically excluded (CE) under current USCG CE # 33 from further environmental analysis, in

accordance with Section 2.B.2. and Figure 2-1 of the National Environmental Policy Act Implementing Procedures and Policy for Considering Environmental Impacts, COMDTINST M16475.1 (series). Because this Commandant Change Notice contains guidance on, and provisions for, compliance with applicable environmental mandates, Coast Guard categorical exclusion #33 is appropriate.

- b. This directive will not have any of the following: significant cumulative impacts on the human environment; substantial controversy or substantial change to existing environmental conditions; or inconsistencies with any Federal, State, or local laws or administrative determinations relating to the environment. All future specific actions resulting from the general policies in this Commandant Change Notice must be individually evaluated for compliance with the National Environmental Policy Act (NEPA), DHS and Coast Guard NEPA policy, and compliance with all other environmental mandates. Due to the administrative and procedural nature of this Commandant Change Notice, and the environmental guidance provided within it for compliance with all applicable environmental laws prior to promulgating any directive, all applicable environmental considerations are addressed appropriately in this Manual.
7. DISTRIBUTION. No paper distribution will be made of this Commandant Change Notice. An electronic version will be located on the following Commandant (CG-612) web sites. Internet:  
<http://www.uscg.mil/directives/>, and CGPortal:  
<https://cgportal2.uscg.mil/library/directives/SitePages/Home.aspx>
8. PROCEDURE. If maintaining a paper library, remove and replace the following sections of the Coast Guard Nonappropriated Fund (NAF) Personnel Manual, COMDTINST M 12271.1B:

<u>Remove</u>	<u>Replace</u>
Table of Contents	Tables of Contents
Page 1-1 thru 1-5	Page 1-1 thru 1-5
Page 3-1 thru 3-2	Page 3-1 thru 3-2
Page 3-5 thru 3-26	Page 3-5 thru 3-26
Page 4-7 thru 4-17 and blank page	Page 4-7 thru 4-18
Page 6-1 thru 6-6	Page 6-1 thru 6-6
Page 7-1 thru 7-4	Page 7-1 thru 7-4
Page 7-9 thru 7-14	Page 7-9 thru 7-14
Pages 7-19 thru 7-30	Pages 7-19 thru 7-30
Pages 8-1 thru 8-15	Pages 8-1 thru 8-15
Page 9-13 thru 9-14	Page 9-13 thru 9-14
Page 11-5 thru 11-6	Page 11-5 thru 11-6
Page 13-5 thru 13-6	Page 13-5 thru 13-6
Page 19-1 thru 19-2	Page 19-1 thru 19-2

9. RECORDS MANAGEMENT CONSIDERATIONS. This Commandant Change Notice has been thoroughly reviewed during the directives clearance process, and it has been determined

COMDTCHANGE NOTE 12271

there are records scheduling requirements, in accordance with Federal Records Act, 44 U.S.C. 3101 et seq., NARA requirements, and Information and Life Cycle Management Manual, COMDTINST M5212.12 (series).

10. FORMS/REPORTS. The forms referenced in this Commandant Change Notice are available in USCG Electronic Forms on the Standard Workstation or on the Internet: <http://www.uscg.mil/forms>; Coast Guard Portal at <https://cgportal.uscg.mil/delivery/Satelite/uscg/References>; and Intranet at <http://cgweb.comdt.uscg.mil/CGForms>.
11. REQUEST FOR CHANGES. Units and individuals may recommend changes via the chain of command to: Commanding Officer, CG CSC.

D. R. CALLAHAN/s/  
Rear Admiral, U. S. Coast Guard  
Assistant Commandant for Human Resources





<b>TABLE OF CONTENTS</b>
--------------------------

**Chapter 1    General Concept and Policy**

A.	Summary	1-1
B.	Applicability	1-1
C.	Purpose	1-1
D.	Employee Status Definitions	1-1
E.	Responsibilities	1-2
F.	Policy	1-3
G.	Nonappropriated Fund Employees' Legal Status	1-5

**Chapter 2    Standards of Conduct**

A.	General	2-1
B.	Policy	2-1

**Chapter 3    Employment and Staffing**

A.	Scope	3-1
B.	Policy	3-1
C.	Noncompetitive Personnel Actions	3-3
D.	Competitive Personnel Actions	3-4
E.	Recruiting	3-5
F.	Accepting Applications	3-6
G.	Rating Applications	3-7
H.	<b>Rehabilitation Act of 1973</b>	3-7
I.	Veteran's Preference, Derived Preference & Active Duty Pref.	<b>3-10</b>
J.	Selection and Appointment	3-12
K.	Probation	3-22
L.	Denying Employment	3-23
M.	Employing Military Personnel	<b>3-24</b>
N.	Retired Coast Guard NAF Annuitants	3-26

**Chapter 4    Salary and Wages**

A.	Scope	4-1
B.	Policy	4-1
C.	Responsibilities	4-1
D.	Basic Requirements for Pay	4-2
E.	Prevailing Rate System (Crafts and Trades)	4-2
F.	Determining Prevailing Rate Positions' Pay Rates	4-5
G.	Pay Banding System	4-6
H.	Pay Band Employees' Salary Adjustments	4-6
I.	Basic Rate	4-7
J.	Premium Pay	4-8

K.	Grade and Pay Retention	4-11
L.	Dual Compensation	4-11
M.	Withholding Taxes	4-12
N.	Tips	4-12
O.	Miscellaneous Provisions	4-13
P.	Computing Back Pay	4-13
Q.	Severance Pay	4-14
R.	Commercial Garnishment of Federal Employee's Pay	4-15

## **Chapter 5 Position Classification and Appeals**

A.	Purpose	5-1
B.	Policy	5-1
C.	Authorities and Responsibilities	5-1
D.	Classifying Positions	5-2
E.	The Position Description (PD) (Crafts and Trades)	5-2
F.	The Standard Position Guide (SPG) (Pay Band)	5-2
G.	Classification Procedures	5-3
H.	Classification Review	5-4
I.	When New Position Descriptions Are and Are Not Required	5-5
J.	Appealing Position Classifications	5-5
K.	Appeal Contents (Crafts and Trades Positions Only)	5-6
L.	Effective Date of Appeal Decision	5-6
M.	Matters Not Admitted Under The Classification Appeal Procedures	5-7

## **Chapter 6 Work Hours**

A.	Authority	6-1
B.	Establishing Workweeks	6-1
C.	Establishing Tours of Duty	6-1
D.	Compressed Work Schedule	6-2
E.	Special Consideration in Establishing Work Schedules	6-3
F.	Rest Periods	6-3
G.	Break Time for Nursing Mothers	6-4
H.	Meal Periods	6-4
I.	Incidental Duties	6-5
J.	Legal Holidays	6-5
K.	Authority	6-5
L.	Determining Holidays	6-6

## **Chapter 7 Administering Leave**

A.	General	7-1
B.	Service Computation Date	7-1
C.	Annual Leave	7-2

D.	Voluntary Leave Transfer	7-7
E.	Sick Leave	7-8
F.	Absence Without Pay	7-11
G.	Family and Medical Leave Act of 1993 (FMLA) as Amended	7-13
H.	Absence for Parental and Family Responsibilities	7-17
I.	Court Leave	7-18
J.	<b>Military Leave</b>	7-20
K.	Funeral Leave	7-24
L.	Compensatory Time Off	7-25
M.	Excused Absences	7-27

## **Chapter 8 Performance Evaluations and Ratings**

A.	Applicability	8-1
B.	Purpose	8-1
C.	Coverage	8-1
D.	Definitions (General)	8-1
E.	Responsibilities (For Use With Both Evaluation Systems)	8-3
F.	Performance Evaluation Process for Use With Both Evaluation Systems	8-5
G.	Minimum Rating Period and When to Rate	8-10
H.	Resolving Disagreements Over the Rating	8-11
I.	Linkage With Other Personnel Decisions or Actions	8-11
J.	Performance Related Compensation	8-13
K.	Within-Grade Increase (WGI), Crafts and Trades Only	8-14
L.	Records Maintenance	<b>8-14</b>
M.	Disposing of Records	<b>8-14</b>
N.	Intermittent (WAE) Employee Performance Evaluation	8-15
Exhibit 8-1	Intermittent (WAE) Employee Performance Evaluation, Form CG-1227	8-16

## **Chapter 9 Disciplinary and Adverse Actions**

A.	General Policy	9-1
B.	Coverage	9-1
C.	Definitions	9-1
D.	Staff Support	9-2
E.	Relationship to the Employee Assistance Program	9-2
F.	Relationship to Equal Employment Opportunity Complaints	9-2
G.	Preliminary Investigations	9-2
H.	Determining Appropriate Action	9-3
I.	Disciplinary Actions	9-4
J.	Official Time	9-6
K.	Rejecting Representation	9-7
L.	Considering Medical Conditions	9-7
M.	Official Case File	9-8

N.	Delivering Disciplinary Action Correspondence	9-8
O.	Employee's Voluntary Action	9-8
P.	Leave Abuse Problems	9-9
Q.	Relevant Factors	9-10
Exhibit 9-1	Nonappropriated Employee Discussion Documentation Sheet, Form CG-1227A	9-12
Exhibit 9-2	Schedule of Offenses and Remedies	9-13

## **Chapter 10 Employee Grievances**

A.	Purpose	10-1
B.	Policy	10-1
C.	Definitions	10-1
D.	Subject Scope	10-2
E.	Right to Present	10-3
F.	Informal Procedures	10-4
G.	Formal Grievance Procedures	10-6
H.	Discrimination Allegations	10-7
I.	Combining Grievances	10-8
J.	Canceling a Grievance	10-8
K.	Grievance File	10-8
L.	Obtaining a Hearing Examiner	10-9
M.	Grievance Hearings	10-9

## **Chapter 11 Incentive Awards**

A.	Purpose	11-1
B.	Policy	11-1
C.	Types of Awards	11-1
D.	Coverage	11-1
E.	Grievances	11-1
F.	Confidentiality	11-1
G.	Responsibilities	11-1
H.	Time Off Award	11-3
I.	On-the-Spot Cash Awards	11-4
J.	Performance Cash Award	11-4
K.	Special Act or Services Awards	11-4
L.	Career Recognition	11-6
M.	Coast Guard Honorary Awards	11-6
N.	Department of Homeland Security Honorary Awards	11-10
O.	Presidential Retirement Letter	11-11
P.	Presidential Awards	11-12

## **Chapter 12 Reduction in Force (RIF)**

A.	Purpose	12-1
----	---------	------

B.	Scope	12-1
C.	Advance Planning and Information	12-1
D.	Definitions	12-1
E.	Policy	12-2
F.	Establishing a Retention Register	12-3
G.	Changes in Standing on a Retention Register	12-4
H.	Effecting a RIF	12-5
I.	RIF Notice and Notice Periods	12-5
J.	Placing Employees Affected by RIF	12-6
K.	RIF Records	12-7
L.	Reviewing RIF Actions	12-8
M.	Reemployment Priority List	12-8
N.	Special Instructions for Reducing Regularly Scheduled Duty Hours	12-9
O.	Dissolving a NAF Activity	12-9

### **Chapter 13 Employee Development**

A.	General Policy	13-1
B.	Funding	13-1
C.	Reviewing Training Requests	13-1
D.	Selecting Employees for Training	13-1
E.	CSC Responsibilities	13-2
F.	Command Responsibilities	13-2
G.	Supervisors	13-2
H.	Employees	13-2
I.	Self-Development	13-3
J.	Counseling Employees	13-3
K.	Informing Employees of Training Opportunities	13-3
L.	Permanent Record of Training	13-3
M.	Funding College and University Training	13-3
N.	Continued Service Agreement	13-3
O.	Paying Employees	13-4
P.	Protecting Government Interests	13-4
Q.	Mandatory Training	13-5

### **Chapter 14 Labor Management Relations**

A.	General	14-1
B.	Definitions	14-1
C.	Membership	14-2
D.	Supervisory Responsibilities	14-2

### **Chapter 15 Unemployment Compensation**

A.	Purpose	15-1
----	---------	------

B.	Background	15-1
C.	Unemployment Compensation Benefits Criteria	15-1
D.	Notice of Personnel Action, Standard Form 50 (SF-50)	15-2
E.	Notice to Federal Employee About Unemployment Insurance, Standard Form 8 (SF-8)	15-2
F.	Request for Wage and Separation Information-UCFE, ES-931, and Request for Separation Information for Additional Claim-UCFE, ES-931-A	15-2
G.	Computing Basic Benefits	15-3
H.	Unemployment Compensation Benefit Claim Procedures	15-3
I.	Coast Guard Payment of Benefits	15-4
J.	Employee Unemployment Compensation Benefit Records	15-4
K.	Appeals	15-5
L.	Penalties for Fraud	15-5

## **Chapter 16 Longshore and Harbor Workers' Compensation Act**

A.	Introduction	16-1
B.	Responsibilities	16-1
C.	Coverage	16-1
D.	Liability	16-1
E.	Exclusive Remedy	16-2
F.	Compensation Under the Act	16-2
G.	Medical Services and Supplies	16-2
H.	Total Disability	16-3
I.	Partial Disability	16-3
J.	Special Fund Relief	16-4
K.	Settling claims	16-5
L.	Employee Wage Report	16-5
M.	Compensation for Death	16-5
N.	Notice of Claim	16-5
O.	Paying Compensation	16-5
P.	Agreement to Waive Compensation	16-6
Q.	Presumptions	16-6
R.	Reports	16-6
S.	Statute of Limitations	16-6
T.	False Statements	16-6
U.	Third-Party Liability	16-6
V.	Compensation Notice	16-7
W.	Discrimination	16-7

## **Chapter 17 Equal Employment Opportunity (EEO)**

A.	Policy	17-1
B.	Purpose	17-1
C.	EEO Program	17-1

D.	EEOC Management Directive 715 (MD 715)	17-2
E.	Prohibited Conduct	17-2
F.	Supervisor Responsibilities	17-3
G.	Defense Equal Opportunity Management Institute (DEOMI) Organizational Climate Survey (DEOCS)	17-4
H.	Discrimination Complaints	17-4
I.	Alternative Dispute Resolution (ADR)	17-5
J.	Confidentiality	17-6

## **Chapter 18 Personnel Records, Files, and Reports**

A.	Introduction	18-1
B.	OPF	18-1
C.	OPF Documents	18-1
D.	Medical Records	18-2
E.	Safeguarding Personnel Records	18-2
F.	Retention of Personnel Records	18-3
G.	Records Disposal	18-3

## **Chapter 19 Separations**

A.	General Policy	19-1
B.	Actions Covered	19-1
C.	Actions Excluded	19-1
D.	Voluntary Separations	19-1
E.	Involuntary Separations	19-1
F.	Processing Procedures	19-4
Exhibit 19-1	Exit Checklist	19-5

## **Chapter 20 NAF Portability Program**

A.	Purpose	20-1
B.	Background	20-1
C.	Appointments	20-1
D.	Pay Provisions for Moves to Nonappropriated Fund from Coast Guard APF	20-1
E.	Retirement	20-2
F.	Annual and Sick Leave	20-5
G.	Health and Life Insurance	20-5
H.	RIF (Voluntary and Involuntary Moves)	20-5
I.	Probation Status (Voluntary and Involuntary Moves)	20-6

<b>Appendix A</b>	<b>Listing of Forms</b>	<b>A-1</b>
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**CHAPTER 1. GENERAL CONCEPT AND POLICY**

- A. Summary. This Manual establishes Coast Guard's policies and procedures for the administration of Coast Guard employees paid from nonappropriated funds (NAF).
- B. Applicability.
1. This Manual applies to civilian employees and Coast Guard off-duty military personnel who are paid from Coast Guard nonappropriated funds.
  2. These policies do not apply to:
    - a. Employees paid from appropriated funds, unless NAF Employee Benefit Portability Program, Chapter 20 of this Manual, applies.
    - b. Independent contractors, such as professional entertainers, with whom no employer-employee relationship exists.
    - c. Individuals employed by private concessionaires doing business under contract involving NAF activities.
- C. Purpose. This Manual establishes the policies and procedures which govern the Coast Guard NAF employees, the objectives in doing so include:
1. Treat employees fairly and equitably through a uniform, Coast Guard-wide personnel system.
  2. Assist officials in recruiting, developing, and retaining the best-qualified people available.
  3. Guide supervisors and other officials in the technical aspects of sound personnel management.
  4. Provide information on NAF employees' obligations, rights, and privileges.
  5. Establish a uniform personnel record system to provide reliable information on each employee's qualifications, employment history, and status as a Coast Guard NAF employee.
- D. Employee Status Definitions.
1. Full-Time. A position with a regular work schedule between 35 to 40 hours per week and eligible for benefits.
  2. Part-Time. A position with a regular schedule between 20 to 34.75 hours per week.

- a. Part-time employees who are hired to routinely work 30 – 34.75 hours per week will be eligible for life, medical, dental, vision, short term and long term disability (if enrolled in medical plan), flexible spending account, retirement, 401(k) and long term care benefits as well as annual and sick leave.
- b. Part time employees who are hired to work 20 – 29.75 hours per week will be eligible for retirement and 401(k) benefits as well as annual and sick leave.
3. **Regular Intermittent**. A position with a schedule of two to 19.75 hours per week. Intermittent appointments do not confer permanent status.
4. **On Call Intermittent**. A position in any employment category working “on call” with no regular schedule who may work zero to 19.75 hours per week.
5. **Temporary**. A position in any work schedule needed for a time limited period of up to two years. Temporary employees whose appointments are longer than 90 days are eligible for annual and sick leave.
6. **Seasonal**. A position in any work schedule needed on a seasonal basis.
7. **Retired Annuitant**. An employment category where a retired Coast Guard NAF annuitant may be re-employed into any position as a temporary employee for up to one year. Requests to extend employment beyond one year may be considered upon demonstration of unsuccessful recruiting efforts and continuing need for unique skills/abilities by an annuitant. Extension must be approved by the Commanding Officer of the Community Service Command and can only be approved on a year-by-year basis. The maximum amount of time a retiree can be employed as a retired annuitant is five years.

E. **Responsibilities**.

1. The Assistant Commandant for Human Resources (CG-1) is responsible for all Coast Guard NAF employee personnel policy matters.
2. Commandant (CG-1) has designated the Commanding Officer, Community Services Command (CSC), as this Manual’s program manager and administrator with these responsibilities:
  - a. Coordinate with appropriate authorities to maintain, revise, and change the Manual as necessary in accordance with Coast Guard policies, laws, and regulations from higher authority.
  - b. Direct the policies and programs set forth in the Manual, ensuring consistent implementation and continuous application Coast Guard-wide.
3. Commanding officers with assigned NAF personnel have the authority and responsibility to recruit, select, place, reassign, promote, terminate, and accomplish other related

personnel actions involving NAF employees. Additionally, they are authorized to establish NAF positions. All actions taken under these authorities, including establishing initial pay rates and administering basic, differential, and premium pay, shall conform to this Manual's policies and procedures.

4. Supervisors and managers will assign work, rate performance, prepare job descriptions and standard position guides, arrange training, approve or recommend approval of leave, and recommend personnel actions. Supervisors will ensure compliance with labor-management agreements and ensure all employees understand their duties, to whom they report, and their work relationships with their coworkers.

F. Policy. All Nonappropriated Fund Instrumentalities (NAFI) must comply with all policies governing NAF employees.

1. Employees have the right to join or refrain from joining any lawful labor organization or employee association without interference, coercion, restraint, or reprisal. If a recognized labor organization represents employees, management will maintain a relationship of mutual respect and trust.
2. If labor agreements differ from this Manual's requirements, the agreement will prevail during its term, unless an unmistakable waiver exists allowing adoption of this Manual's terms.
3. Civilian employees paid from nonappropriated funds can work in all jobs that do not require:
  - a. Military incumbents for reasons of law, training, security, rotation, or combat readiness.
  - b. A military background to successfully perform assigned duties.
4. NAF employees are essential to the Coast Guard mission. NAF employees' standing as individual employees are comparable to that enjoyed by other Coast Guard civilian employees, except as limited by law and this Manual.
5. In establishing pay, allowances, and job-related benefits for NAF employees, this Manual adheres to the principle of equal pay for equal work.
6. Each commanding officer must promote equal opportunity in every aspect of personnel policy and practice in employing, developing, and advancing NAF employees. Commanding officers must conduct a continuing campaign to eliminate every form of prejudice and discrimination based on race, marital status, color, religion, age, sex, lawful political affiliation, labor organization membership, physical disability, national origin, or sexual orientation. Commanding officers must act to address any discriminatory action and will impartially select employees only on the basis of merit to fill positions; place

employees in jobs for which they are best-qualified; and give employees opportunities to advance.

7. Supervisors must provide training necessary to improve job performance and develop individuals to the extent resources permit.
8. Supervisors must continually evaluate employees' work performance fairly and objectively and discuss the results of such evaluation with the employees.
9. Within applicable compensation schedules, NAF employees will receive similar pay for work of similar difficulty and responsibility.
10. Supervisors must follow Occupational Safety and Health Administration (OSHA) standards to make working conditions as safe and healthful as possible.
11. The Coast Guard will inform employees and officially recognized labor organizations as soon as possible of plans and policies affecting employees.
12. Supervisors will encourage employees to express ideas for improving work methods and working conditions.
13. The immediate supervisor must accord any employee having a grievance a fair, prompt discussion. Failing a prompt, satisfactory adjustment, the employee has the right to pursue the matter under grievance procedures in Administrative Appeals and Grievances, Chapter 10 of this Manual, or, when required, under the applicable negotiated grievance procedure. In dealing with a grievance, supervisors must not interfere with, restrain, or retaliate against an employee, who may choose a representative to accompany and assist him or her.
14. Employees have the right to discuss their problems with one or more of these persons:
  - a. Personnel on CSC Human Resources staff.
  - b. An equal employment opportunity counselor.
  - c. If a bargaining unit employee, a labor organization official.
  - d. A person designated to provide guidance on questions about or indicating a conflict of interest.
  - e. A supervisor or manager of higher rank or level than the immediate supervisor.
15. Employees have the right to participate or not in voluntary fund-raising campaigns and purchase United States Savings Bonds without compulsion, coercion, or reprisal.

16. Supervisors will treat employees with full regard for their dignity as individuals and not use their wage grade or pay band as the basis to decide their trustworthiness.
  17. Title 5 of the Code of Federal Regulations (CFR) and Coast Guard appropriated fund personnel regulations do not apply to NAF employees unless specifically noted or cited in laws, Executive Orders and Coast Guard directives applicable to appropriated fund personnel.
  18. A NAF employee may supervise appropriated fund employees, including military personnel.
- G. Nonappropriated Fund Employees' Legal Status. Section 2105, Title 5, United States Code (5 USC 2105), excludes NAF employees from the Office of Personnel Management (OPM) jurisdiction of laws it administers for Federal Government employees except for specific laws stated in 5 USC 2105. For all other purposes, NAF employees are Federal Government employees. The Office of Personnel Management has the authority to establish pay rates for prevailing rate employees under 5 USC 5342 provisions further detailed in 5 CFR 532.

## CHAPTER 3. EMPLOYMENT AND STAFFING

A. Scope. This chapter applies to all current NAF employees and employment applicants, as appropriate. It also includes instructions on employing off-duty military personnel.

B. Policy.

1. Supervisors must fill all NAF positions with the best-qualified persons available. When filling newly established or vacated positions, management personnel must review and evaluate all applicants' qualifications, including those of current employees. Current employees includes those absent for legitimate reasons, e.g., on detail, on leave, at training courses, in the military service, and on leave-without-pay (LWOP), whom management normally would consider as meeting the position's minimum qualifications if they were present. The USCG Standard Position Guide for NAFI lists the qualifications for all NAF positions. If no standards exist, the CSC HR staff will develop them.
2. Supervisors will select the best-qualified candidate available based solely on job-related criteria. Supervisors may not designate a position to be filled by only either off-duty military members or civilian personnel.
3. Supervisors will strictly observe Equal Employment Opportunity (EEO) provisions as contained in Chapter 17 of this Manual.
4. Supervisors must strive to ensure that they recruit, retain and sustain a diverse, talented and highly skilled workforce. Diversity allows the Coast Guard to benefit from the talents, abilities, ideas and viewpoints of a workforce drawn from the richness of American society, including men, women, minority groups, people with disabilities and veterans. It is achieved by using two key enablers:
  - a. Providing unfettered employment opportunities to all qualified citizens equally.
  - b. Creating and sustaining an organizational climate in which people of diverse backgrounds, cultures, races, religions, ethnicities and experience are fully included, valued and respected.
5. Supervisors are prohibited from employing, appointing, or promoting relatives of commissioned and noncommissioned officers and civilian officials whose positions exercise jurisdiction or control over the employing NAF or any organizational unit in the chain-of-command.
  - a. Supervisors may employ relatives of military personnel and civilians assigned to or employed by the NAFI provided neither a supervisory relationship nor a situation creating the appearance of favored treatment or collusion exists.
  - b. For these purposes "relative" includes: parent, child, foster child, sibling, uncle, aunt, first cousin, nephew, niece, spouse, same sex domestic partner, grandparent, parent-

in-law, sister-in-law, brother-in-law, son-in-law, daughter-in-law, stepparent, stepchild, stepsibling, and half-sibling.

- c. This policy does not prohibit one command's activity manager from employing a relative of another command's activity's manager, provided the related manager does not advocate the relative's employment. For example, a food or beverage activity at a command or the exchange may employ a relative of the other unit's convenience store manager.
6. All civilian personnel occupying permanent full and part-time positions paid from nonappropriated funds have reemployment rights after military service in the United States armed forces. If denied reemployment after military service, such veterans may file a grievance under the grievance procedures as addressed in Chapter 10 of this Manual.
7. NAF personnel employment will comply with applicable Federal, state, and U.S Territorial labor laws where the employing NAF is located.
8. Under Title 5, United States Code, Sections 5531(2), and 5533(a) (5 USC 5531(2), and 5533(a), a NAF employee is subject to the prohibition against dual pay and employment in the Federal Service. A NAF civilian employee may only receive basic pay, whether paid by appropriated or nonappropriated funds, for 40 total hours of work in one **calendar** work week.
9. Employees may serve in two or more positions using multiple appointments provided they work only a maximum of 40 total hours per week. This may include two part-time, one part-time and one intermittent or two intermittent appointments. Separate appointment actions must be documented on a Notification of Personnel Action, Standard Form 50 (SF-50). Separate time records must also be established for each job. Supervisors and managers will monitor time worked to ensure employees holding two or more positions routinely work 40 or fewer hours a **calendar** work week.
10. Supervisors may not establish maximum age requirements for appointments to NAF positions.
11. Title 5 United States Code 7321-7326 on political activity applies to NAF employees.
12. A NAF activity may reimburse a transferred permanent employee's transportation and travel costs. The vacancy announcement will state transportation and travel costs are negotiable. Before negotiations, the hiring manager must contact the CSC for specific guidelines.

E. Recruiting.

1. The commands/exchanges will ensure that all of these actions are completed before initiating action to fill a position:
  - a. There is an existent classified position for title, series, and grade or pay band level. In cases where there is not an existent classified position one must be established through the CSC HR staff.
  - b. Minimum written qualifications are developed in accordance with the provisions of the Standard Position Guide for NAFIs.
  - c. The written qualification requirement must not restrict competition to one individual.
  - d. When a position has been changed from appropriated fund (APF) to NAF, the hiring manager must clearly demonstrate the proposed change meets bona fide management need and is not designed to afford NAF employment to the position's current or former APF (civilian or military) occupant.
  - e. Submit requests to announce vacant positions to the CSC HR staff on a Request for Personnel Action, Standard Form 52 (SF-52), for approval.
2. Publicize vacancies for at least one **calendar** work week and post in a prominent location where both employees and patrons may view.
  - a. If the command has sufficient qualified internal applicants available, vacancy announcements may limit applications to employees only.
  - b. The CSC HR staff will advertise all exempt positions at the NF pay band levels 3 - 5 Coast Guard-wide and outside the Service. NF 4 and 5 positions will be advertised for a minimum of two weeks.
  - c. Positions with a high turnover rates may be filled by continuously advertising or posting vacancy announcements that specify no closing date. Vacancy announcement must be reviewed at least annually and comply with Paragraph E.2 of this Chapter
  - d. No publicity is required for positions filled under Paragraph C of this Chapter.
3. In addition to advertising internally, vacancies may be publicized by advertising in newspapers, professional journals, or USA Jobs. Commands must ensure that the media complies with equal employment opportunity policies.
4. All vacancy announcements should contain:
  - a. Title, series, and grade or pay band level.

- b. Hourly rate for all non-exempt positions and annual salary for exempt positions.
- c. Position location.
- d. Work schedule and differential information, if appropriate.
- e. Brief list of duties, not the job description or Standard Position Guide.
- f. Brief list of required qualifications, including experience, duration, type, and level.
- g. Closing date or “open until filled,” as appropriate.
- h. Where to apply and point of contact.
- i. These statements: “U. S. Coast Guard Nonappropriated Fund Instrumentalities Are Equal Opportunity Employers” and “Equal Employment Opportunity: All candidates will be considered regardless of race, color, religion, sex, national origin, age, disability, marital status, political affiliation, sexual orientation, or other non-merit factors.”
- j. A statement the position has potential for promotion, if appropriate.
- k. A statement the standard payment method for payroll and travel purposes is mandatory direct deposit.
- l. A statement requiring men born after 31 December 1959 and at least 18 years old must have registered with the Selective Service System, unless exempt under the Selective Service Law, 5 USC 3378.
- m. A statement requiring proof of veterans’ preference by means of DD-214 (Certificate of Release or Discharge from Active Duty) or spouse preference as explained in Paragraph I in this Chapter.

F. Accepting Applications.

1. Applicants for NAF positions must submit a résumé or employment application. The CSC HR staff will date stamp and process all resumes and applications upon receipt. For positions requiring continuous recruitment, applications may be accepted at any time and vacancies filled promptly from the resulting application file using the procedures outlined in Paragraph E.2.c.of this Chapter.
2. Applications for NF 3-5 positions will be submitted to the CSC HR staff. Applications for all other positions may be submitted to the hiring manager.
3. It is illegal to ask questions regarding the applicant’s age, sex, race, religion, national origin, color, disability, marital/family status or sexual orientation. The presumption is

that all information gathered is used, so the application process must be free of such questions. Every question asked must be job-related.

4. No comments or marks of any sort should be made on the application by anyone including rating officials, interview panel members or the hiring manager.
5. All employment applications received for a specific position expire 30 calendar days after the position has been filled and applicants must re-submit new applications for a vacant position.
6. The CSC HR staff may retain applications received from sources other than vacancy announcements on file or return them to the applicants, depending on anticipated needs.

#### G. Rating Applications.

1. NF 3-5 Positions. In accordance with the position's minimum qualification requirements, the CSC HR staff will determine each applicant's basic eligibility for the position being filled. The Personnel Assistant (PA) will then develop a referral list noting eligibility or ineligibility, and will attach to it the applications and any other document used in determining the qualifications, if any.
2. NA, NL, NS and NF 1-2 Positions. The hiring manager will rate applications according to the qualifications established for the position and must apply these criteria consistently to determine each applicant's eligibility for the position being filled. All ratings must be documented.
3. Intermittent and Temporary Positions. Due to the large turnover in intermittent and temporary positions and the fact such positions are non-career, an alternate, less time-consuming method of ranking applications for intermittent and temporary positions may be used by applying these guidelines:
  - a. Screen the applications to identify well-qualified candidates.
  - b. Refer the ten best qualified applicants on file at the time of recruitment to the selecting official.
4. The PA and selecting official will decide whether to have a panel of subject matter experts, one subject matter expert or the PA evaluate or determine the best qualified candidates from those minimally qualified. The individual(s) making the determination should be at the same or a higher grade than the vacancy being filled. The selecting official may not serve as a member of an evaluation panel, but may select its members.

#### H. Rehabilitation Act of 1973.

1. The **Rehabilitation Act** prohibits employers from discriminating against applicants or employees in employment terms and conditions due to their disability. The **Act** defines a

“qualified person” with a disability as one whom, with or without reasonable accommodation, can perform essential job functions.

a. Important definitions:

(1) Disability. The term ‘disability’ means, with respect to an individual:

- (a) A physical or mental impairment that substantially limits one or more major life activities of such individual.
- (b) A record of such an impairment.
- (c) Being regarded as having such an impairment (as described in Paragraph 3).

(2) Major Life Activities.

- (a) In general, for the purposes of Paragraph H.1.a (1), major life activities include, but are not limited to, caring for oneself, performing manual tasks, seeing, hearing, eating, sleeping, walking, standing, lifting, bending, speaking, breathing, learning, reading, concentrating, thinking, communicating, and working.
- (b) Major Bodily Functions. For purposes of Paragraph H.1.a (1), a major life activity also includes the operation of a major bodily function, including but not limited to, functions of the immune system, normal cell growth, digestive, bowel, bladder, neurological, brain, respiratory, circulatory, endocrine, and reproductive functions.

(3) Regarded as Having Such an Impairment. For the purposes of Paragraph H.1.a (1), an individual meets the requirement of “being regarded as having such an impairment” if the individual establishes that he or she has been subjected to an action prohibited under the Americans with Disabilities Act because of an actual or perceived physical or mental impairment whether or not the impairment limits or is perceived to limit a major life activity. Paragraph H.1.a (1), shall not apply to impairments that are transitory and minor. A transitory impairment is an impairment with an actual or expected duration of six months or less.

(4) Qualified Individual with a Disability. A person with a disability who satisfies the requisite skill, experience, and education requirements of the position he or she holds or desires to hold and who, with or without reasonable accommodation, can perform that position’s essential functions.

(5) Essential Functions. Primary duties intrinsic to the job, excluding marginal or peripheral functions incidental to performing primary job functions.

(6) Reasonable Accommodation. The law does not specifically define “reasonable accommodation” but lists examples of “modifying devices, services, or facilities or changing standards, criteria, practices, or procedures” to provide a particular

physically or mentally impaired person an equal opportunity to participate effectively in a particular program, activity, job, or other opportunity. The term includes making existing facilities that employees use readily accessible to and usable by persons with disabilities. Other accommodations include job restructuring, such as part-time or modified work schedules, reassignment or modifying work equipment or devices, appropriately adjusting or modifying examinations and training materials, providing qualified readers or interpreters, and other similar accommodations.

- b. Processing Procedures for Reasonable Accommodation Requests. A request for a reasonable accommodation is a statement from an employee or applicant for employment that, as a result of a medical condition, the individual needs an adjustment or change in the application process, in their job, or in a benefit or privilege of employment. The reasonable accommodation process begins as soon as the request for accommodation is made either orally or in writing. Processing of a request must be initiated immediately and is not contingent on the requester's receipt of a written confirmation for record-keeping purposes. A request does not have to use any special words, such as reasonable accommodation, disability, or Rehabilitation Act to start the interactive process. All reasonable accommodation requests and must be handled in accordance with Chapter 5 of the Coast Guard Civil Rights Manual, COMDTINST M5350.4 (series).**
- c. Direct Threat to Safety.**
- (1) An employer cannot use paternalistic concern for the disabled person's safety to disqualify an otherwise qualified individual but may insist he or she may not pose a direct threat to other persons' health or safety in the workplace. If challenged, the employer must be able to demonstrate a reasonable probability of significant risk or substantial harm. In determining significant risk, the employer must consider four factors.
    - (a) The duration of risk.
    - (b) The nature and severity of the potential harm.
    - (c) The likelihood the potential harm will occur.
    - (d) The imminence of the potential harm.
  - (2) An employer must individually determine whether a person poses a "direct threat" with these four principles in mind.
- d. Undue Hardship Accommodation Required. Employers are not required to "bump" another employee to create a vacancy or to establish a rehabilitation program for drug addicts or alcoholics.**

**e. Rehabilitation Act Exclusions:**

- (1) A person who currently engages in the illegal use of drugs, although rehabilitated drug users and persons incorrectly designated as drug users are covered.
- (2) Transvestites, transsexuals, homosexuals, bisexuals, voyeurs, pedophiles, exhibitionists, gender identity disorder victims (not resulting from physical impairments) people with gambling addiction, kleptomania, pyromania are examples, the complete list may be found in 29 CFR 1630.3 and 42USC 12211.

I. Veterans Preference, Derived Preference, Active Duty Spouse Hiring. All applicants will compete equally for vacant positions. An applicant will be placed on a selection list only if he or she is among the best-qualified candidates after a competitive screening process is completed. If finalists are roughly equal than the following order of preference will be followed: veterans, internal candidates then military spouses. Applicants must furnish proof of their eligibility when submitting their application.

1. Veterans. At hiring only, veterans preference will be provided to qualified applicants who meet the minimum service requirements as defined in 5 CFR 211. The employing agency grants preference on verifying veteran status, provided veterans are equally qualified for the vacant position. A veteran receives preference only if honorably discharged from a U. S. military service.

a. Definitions:

- (1) Active duty or active military duty means full-time service with military pay and allowances in the Armed Forces, except for training, determining physical fitness, and Reserve or National Guard service.
- (2) Armed Forces means the United States Coast Guard, Army, Air Force, Marine Corps, and Navy.
- (3) Veteran means a person who was separated with an honorable discharge or under honorable conditions from Armed Forces active duty who performed:
  - (a) In a war.
  - (b) During the period 28 April 1952 through 1 July 1955.
  - (c) For more than 180 consecutive days, other than for training, between 1 February 1955 and ending 14 October 1976.
  - (d) During the Gulf War from 2 August 1990, through 2 January 1992.
  - (e) For more than 180 consecutive days, other than for training, any part of which occurred during the period beginning 11 September 2001, and ending 31 August 2010.

- (f) In a campaign or expedition for which a campaign medal has been authorized. Any Armed Forces Expeditionary medal or campaign badge, including El Salvador, Lebanon, Grenada, Panama, Southwest Asia, Somalia, and Haiti, qualifies for preference.
  - (g) A campaign medal holder or Gulf War veteran who originally enlisted after 7 September 1980, (or began active duty on or after 14 October 1982, and has not previously completed 24 months of continuous active duty) must have served continuously for 24 months or the full period called or ordered to active duty.
  - (h) Honorable Discharge means termination under conditions considered honorable from a continuous period of active duty but not the Honorable Discharge given an enlisted person so he or she may be commissioned as an officer without a break in service. In this situation, the officer's discharge must be under honorable conditions.
  - (i) An Amnesty or Clemency Discharge does not meet the Veterans Preference Act requirement for discharge under honorable conditions. Accordingly, veteran's preference will not be granted to applicants with such discharges.
- (4) The applicant must present official documents issued by the Uniformed Services or Department of Veterans Affairs, for example, a Certificate of Release or Discharge from Active Duty (DD 214), to comply with the requirements for active duty and separation under honorable conditions.
2. Spouse Derived Preference. The spouse, surviving spouse, or mother of a 100 percent disabled service member injured while on active duty may be eligible to claim veterans' preference when the veteran is unable to use it.
- a. Spouses are eligible when the veteran has a service-connected disability is living and is qualified for Federal employment.
  - b. Surviving spouses may eligible if they did not divorce their veteran spouse, have not remarried, and the veteran has a service-connected disability and meets one of the following conditions:
    - (1) Served during a war or during the period 28 April 1952, through 1 July 1955, or in a campaign or expedition for which a campaign medal has been authorized.
    - (2) Died while on active duty that included service described in Paragraph I.1.
  - c. Mothers of deceased veterans are eligible if their son or daughter died under honorable conditions while on active duty during a war or in a campaign or expedition for which a campaign medal has been authorized. Additionally they must be or have been married to the father of their veteran and live with a

permanently disabled husband, or be widowed divorced or separated from the veteran's father and have not remarried; or if remarried, be widowed, divorced or legally separated from their husband at the time they claim derived preference.

- d. Mothers of disabled veterans are eligible if their son or daughter was separated with an honorable or general discharge from active duty and is permanently and totally disabled from a service-connected injury or illness. Additionally they must be or have been married to the father of their veteran and live with a permanently disabled husband, or be widowed divorced or separated from the veteran's father and have not remarried; or if remarried, be widowed, divorced or legally separated from their husband at the time they claim derived preference.

3. Active Duty Spouse Permanent Change of Station (PCS).

- (a) Active duty spouse preference provides priority in the employment selection process for military spouses who are relocating as a result of their military spouse's PCS.
- (b) The spouse must submit documentation to support the priority hiring under the conditions listed in Paragraph I.3. of this Chapter. Eligibility for this appointment method lasts for two years after the date of the documentation which confirms the requirement.
- (c) Spouse employment preference may be exercised only once for each permanent relocation of the military sponsor.

J. Selection and Appointment Action.

1. NF 3-5 Positions. As a rule, the CSC HR staff will refer to the hiring manager only the best-qualified candidates (usually 5 to 10 applicants) as defined in the rating process. If no candidates are best-qualified and further expansion of the area of consideration is impractical, the CSC HR staff will refer well-qualified candidates or if none, minimally qualified candidates to the hiring manager.
2. Requirements. The requirements must directly apply to the duties to be performed, not unduly limit competition, and not give an advantage to a particular individual. Qualification requirements for a NAF position must be equal to those for a similar position paid from appropriated funds if a similar position exists.
3. Selection Panels. When a selection panel is used, panel members should:
  - a. Represent a diverse population.
  - b. Become familiar with the basic responsibilities of the position for which they will interview applicants.

- c. Normally be in the same or a higher pay band than the position being filled (unless they are participating as human resource professionals or individuals with a particular expertise required for the position).
  - d. Receive appropriate guidance on lawful selection before participation in the interview and selection process.
  - e. Keep all information related to the applicants interviewed and the selection or recommendation confidential.
4. Interview Questions. A set of interview questions should be developed and asked of each applicant.
- a. Questions should seek information related to the applicant's knowledge, skills, and ability to perform the job.
  - b. Questions that are not job related or that violate EEO standards are not permissible.
  - c. Interviewers must document applicants' responses to questions to assist with their evaluation of each candidate's qualifications. This information must be retained with other documentation of the selection process
5. Selection.
- a. The hiring manager/panel will consider all referred applicants' qualifications when selecting. After making a selection, the hiring manager will return the referral package to the CSC HR staff **within 30 days of interviews.**
  - b. If an equally qualified candidate as described in Paragraph I of this Chapter was not selected, a memorandum for the record will be completed by the hiring manager and attached to the referral list containing the name of the selected candidate, a brief description for the reason he or she was found to be the best qualified. This information will be maintained with the recruitment file for a period of two years.
  - c. Interviews are not required for NF 1 and 2 positions. The command may interview none, one, some, or all applicants, but will carefully document the basis for this decision. For all NF 3 and senior positions, an interview panel will be used in the process of determining the best qualified applicant.
  - d. All appropriate actions required in Paragraph M of this Chapter must be completed before selecting a retired member of the United States Armed Force for employment.
  - e. The hiring manager will offer the applicant the position and negotiate salary when appropriate to finalize the offer. The CSC HR staff will confirm the offer and acceptance after the appropriate pre-employment requirements are complete.

- f. A NAF employee's supervisor normally will release the employee from his or her current position within one full pay period or at most within 30 days, after he or she is selected for promotion.
6. Record Maintenance. The CSC HR staff will maintain all competitive actions' administrative records so they can provide necessary information to employees and the public while protecting individuals' privacy rights. For each competitive action a record will be made sufficiently detailed to allow reconstruction of the action, including documentation on how the candidates were evaluated. These records should include:
  - a. The position description or standard position guide.
  - b. A copy of the vacancy announcement.
  - c. Referral list in accordance with Paragraph G.1. of this Chapter.
  - d. The name of the assigned PA.
  - e. Any records used to document the determination of the best qualified candidates.
  - f. The name of the individual(s) determining the best qualified candidates.
  - g. Documents used in the interviewing process.
  - h. The name of the selecting official.
  - i. Reasons for the selection of a candidate;
  - j. Documentation stating reasons an applicant, as described in Paragraph I of this chapter, was not selected when equally qualified, if applicable.
  - k. Records must be retained for two years after the personnel action's effective date.
7. Information Available to Employees. On request, the personnel office will provide the following information about a competitive recruitment action to an employee or his or her authorized representative:
  - a. Whether he or she was considered and, if so, was eligible based on applicable minimum qualification requirements.
  - b. Whether he or she was in the best-qualified group.
  - c. Who was selected for the position.
  - d. How the employee can improve to increase his or her chances for future promotion.
8. Complaints. Unless alleging discrimination, an employee or applicant may not contest non-selection for promotion from a list of properly ranked, certified candidates. If an

employee or employment applicant alleges discrimination, he or she must process the complaint through the equal employment opportunity complaint process.

9. Requirements for Personal Service Contracts.

- a. This section addresses personal service contracts only, not those contracting entire functions, e.g., custodial services, food service operations, or vehicle maintenance. Personal services contracts are not authorized to employ civilian and off-duty military personnel paid from nonappropriated funds. Activities may use contracts to secure the personal services of either civilian or off-duty military personnel as follows:
  - (1) Persons employed on a fee basis, such as sports officials, for services that do not consist of duties similar to those of employees appointed under this Manual.
  - (2) Persons engaged as “independent contractors,” for example, instructors, where no employee-employer relationship exists.
- b. An employee-employer relationship exists under the conditions below; if all are present, activities may not use contracts to obtain personal services:
  - (1) The service is performed on-site.
  - (2) The Coast Guard furnishes the principal tools and equipment to perform the work or service.
  - (3) Regardless of location, the contractor performs the services to accomplish the assigned mission.
  - (4) Nonappropriated fund employees appointed under this regulation’s provisions perform comparable services.
- c. To protect its interests, retain control of the function involved, and maintain personal responsibility for the function, an authorized contracting officer must appoint a contracting officer’s representative (COR) to monitor the tasks performed by the contracted employee(s). The contractor must provide direction or supervision of employees’ activities.

10. Appointment Requirements.

- a. Other than for emergency temporary appointments (Paragraph C.14. above), offers of employment must not be made for NL, NS, and NF2 lead and above positions until receiving two satisfactory references, at least one from a former employer or educational institution if no employment history exists. References for these appointments will be conducted by CSC HR and must be documented. The following exceptions to the two satisfactory references before offering-employment requirement are acceptable:

- (1) If an applicant is currently employed or has been employed within the previous six months, his or her current or former employer's satisfactory reference is considered adequate to effect the appointment, pending receipt of an additional reference.
  - (2) For off-duty military personnel, the requirement is satisfied by the member's commanding officer approving the off-duty employment.
  - (3) For employing students under the age of 18, no references are required.
  - (4) When delaying an appointment may impair the employing NAF's interests, the command may appoint with the approval of the commanding officer.
  - (5) A unit may waive recommendation requirements when employing foreign-born family members who have no United States educational or employment history. Similarly, when employing persons reentering the workforce after a long period whose former employer(s) cannot be contacted, the unit may accept personal references.
- b. References for NA and NF2 (non-lead) positions are not required but are highly recommended to be conducted at the local level.
  - c. Reference checks should include at minimum, dates of service, position and job duties, performance, attendance, reason for leaving and if the employee is eligible for rehire.
  - d. The CSC HR staff will make the following pre-employment checks before an applicant may start in accordance with Personnel Security and Suitability Program, COMDTINST M5520.12 (series):
    - (1) NAF Personnel (except CDC NAF).
      - (a) When a hiring decision is made, the command will submit the Request for Action (SF-52) to their supporting personnel assistant (PA) at CSC.
      - (b) Upon receipt of the SF-52, the PA will execute a commercial source background check, and "invite" the prospective employee to complete the required Federal Government background investigation form using the Electronic Questionnaire for Investigations Processing (e-Qip). The prospective employee is also informed in that same "invitation" that they need to obtain/provide a set of fingerprints.
      - (c) Provided the commercial report does not reveal any impediment to hiring the PA will process the SF-50 when the member has fully completed the investigation form in e-Qip and provided the required fingerprints. The PA will provide the command with an electronic copy of the SF-50.

- (d) Personnel may not start working under any circumstances until the SF-50 has been processed.
- (2) NAF Personnel (other than CDC) Who Will Work With Children. In those cases where the employee will work with children under 18, the process will vary as follows:
- (a) When a hiring decision is made, the command will submit the Request for Action (SF-52) to their supporting PA at the CSC. In the comments section of the SF-52 the command/exchange must note that the employee will work with children.
  - (b) Upon receipt of the SF-52, the PA will execute a commercial source background check, and “invite” the prospective employee to complete the required Federal government background investigation form using the Electronic Questionnaire for Investigations Processing (e-Qip). The prospective employee is also informed in that same “invitation” that they need to obtain/provide a set of fingerprint prints.
  - (c) After the prospective employee completes the e-Qip and provides the completed fingerprint cards, the PA will forward the completed package to the Security Center (SECCEN). SECCEN will then do an expedited background check on the prospective employee.
  - (d) If the expedited background check and the commercial report results are favorable, the PA will then process the SF-50.
  - (e) The PA will provide the command with an electronic copy of the SF-50.
  - (f) Personnel may not start working under any circumstances until the SF-50 has been processed and an expedited background check has been completed and the report does not reveal any impediment to hiring.
- (3) CDC NAF Personnel. CDC personnel have a separate background screening process run by the CDC. An SF-52 must be forwarded to CSC HR to hire.
- e. A medical examination and immunization may be required for certain positions such as child care workers and food service personnel, and documented, in accordance with the Civilian Employee Health Care and Occupational Health Program Manual, COMDTINST M12792.3 (series). These examinations are performed by CG medical personnel before placement in a specific job to medically assess if the worker will be able to perform the job safely. All costs associated with the medical evaluations and screenings are funded in accordance with the Civilian Employee Health Care and Occupational Health Program Manual, COMDTINST M12792.3 (series).**

- f. Employees serving alcoholic beverages **must** have documented successful completion of certified responsible server of alcohol training. Recognized training programs such as Training for Intervention Procedures (TIPS) and Controlling Alcohol Risks Effectively (CARE) meet this requirement. Commands must forward documentation of annual certification of completing this training to CSC HR for inclusion in the employee's OPF. Commands shall not assign employees to serve alcoholic beverages until they have completed such training. Further information on the responsible serving of alcohol may be found in the Coast Guard Morale, Well-Being, and Recreation Manual, COMDTINST M1710.13 (series).
- g. The appointee must be at least 18 years of age. Minors, 16 years of age and over, may be employed subject to these restrictions.
  - (1) Must have completed a formal training program sponsored by a public or private organization that provides youth work-training programs.
  - (2) Fills a temporary full-time to part-time appointment or an intermittent appointment during summer or other school vacation period.
  - (3) Fills a regular part-time or intermittent appointment if he or she is enrolled in high school.
  - (4) Commands must observe restrictions on maximum hours of duty per Chapter 4 of this Manual. The command must observe state and municipal restrictions on employing minors handling intoxicating beverages. A person filling a position that serves or sells alcoholic beverages for consumption on the premises must be at least 21 years old. The restriction does not apply to selling alcoholic beverages or tobacco products consumed elsewhere.
  - (5) Commands must make adequate provisions for minors' safety and welfare. Work sites should be reviewed to eliminate identified hazards and ensure jobs are as safe as possible. Young workers should be trained how to do a job safely, recognize hazards and are competent in safe work practices. Training should include prevention of fires, accidents, violent situations, and what to do if injured. Commands should ensure that equipment operated by young workers is both legal and safe for them to use.
  - (6) Commands must not employ minors under age 18 for any position that may be classified as hazardous or detrimental to their health.
  - (7) Commands may employ minors 15 years old in limited capacity in retail, food (no alcohol served), and gasoline service establishments. These occupations are permitted:
    - (a) Office and clerical positions, including operating office machines.

- (b) Cashier, sales, modeling, and work in advertising departments, including window trimming, art design, and comparative shopping.
  - (c) Marking and tagging prices by hand or machine, assembling orders, packing and shelving.
  - (d) Bagging and carrying customers' orders.
  - (e) Errands and deliveries by foot, bicycle, and public transportation.
  - (f) Custodial and maintenance positions, excluding using power-driven mowers or cutters.
  - (g) Kitchen work and other work involved in preparing and serving food and beverages, including operating machines and devices used in performing such work. Examples of permitted machines and devices include, but are not limited to, dishwashers, toasters, dumbwaiters, popcorn poppers, milk shake blenders, coffee grinders, automatic coffee machines, devices used to maintain the temperature of prepared foods (such as warmers, steam tables, and heat lamps), and microwave ovens that are used only to warm prepared food and do not have the capacity to warm above 140 °F. Minors are permitted to clean kitchen equipment (not otherwise prohibited), remove oil or grease filters, pour oil or grease through filters and move receptacles containing hot grease or hot oil, but only when the equipment, surfaces, containers and liquids do not exceed a temperature of 100 °F. Minors are also permitted to occasionally enter freezers momentarily to retrieve items in conjunction with restocking or food preparation.
  - (h) Cleaning vegetables and fruits, and wrapping, sealing, labeling, weighing, pricing, and stocking goods when performed in areas physically separate from areas where meat is prepared for sale and outside of freezers or meat coolers.
  - (i) Lifeguarding at a traditional swimming pool, provided that the minor has been properly trained and has current a certification by the American Red Cross or similar certifying organization. Working as a lifeguard on elevated water slides or at natural environment swimming facilities (lakes, rivers, oceans, piers, etc.) is prohibited.
  - (j) Work involving cars and trucks, if confined to dispensing gasoline and car cleaning, washing, and polishing.
- (8) Commands employing anyone under Paragraph J.10.i. of this Chapter must comply with Federal, state, and local laws on employing minors and the Fair Labor Standards Act (FLSA) of 1938, as amended. Any applicant under 18 years old must present a work permit, if required by local law, to receive appointment to a NAF position.

- h.** Each employee must be a United States Citizen, or authorized to work in the United States by the Department of Homeland Security, U.S. Bureau of Citizenship and Immigration Services. Paragraph J.11.k. in this Chapter addresses the verification requirements.
- i.** Some activities provide seasonal services, normally at the same time each year. These activities may identify positions not needed for the entire year as “seasonal positions” and place incumbents in a non-duty, non-pay status while their services are not needed. Seasonal appointees may be detailed to other work to avoid periods in a non-duty, non-pay status when conditions prohibit performance of normal duties.

  - (1) A position is defined as seasonal only if the command can determine the non-duty, non-pay period at the time of appointment or when initially placing an employee in the position. If the non-duty period is longer than six months, a seasonal appointment may not be used.
  - (2) These requirements apply to appointment to seasonal positions:

    - (a) The SF-50 will specify the non-duty, non-pay period for the appointment year. If the command cannot state specific dates, it will give the non-duty periods’ length and approximate time of year, for example, “12 work weeks during the summer vacation period.”
    - (b) The non-duty, non-pay periods will not be less than one **calendar** work week during the seasonal appointment.
    - (c) Seasonal employees’ compensation will be computed the same as for a part-time or full-time employee in a comparable position. Seasonal employees will be paid in full for each pay period in a duty status.
    - (d) Administering Leave, Chapter 7 of this Manual, governs seasonal appointees’ sick and annual leave accrual. At the end of a duty period immediately preceding a non-duty, non-pay period, the employee may request management to reduce the non-duty, non-pay period to permit him or her to use the amount of accrued annual leave requested. The criteria stated in Chapter 4 of this Manual must be used to determine whether to credit part or all of the non-pay periods as part of the waiting period for within-grade increases.
  - (3) The non-duty, non-pay periods specified do not require advance notice and are not furloughs or adverse actions, since they are appointment conditions the appointee voluntarily accepts.
  - (4) During periods specified as non-duty, non-pay periods, the command may use the employee on an intermittent basis if needed. Such employment does not alter the basic appointment terms. All hours worked must be credited for leave accrual purposes.

j. Periodically, the CSC HR staff will review the total hours actually worked per week by other than full-time employees to ensure the employees are working in accordance with the employment status indicated on the SF 52 in their OPF.

(1) If an intermittent or part time employee routinely works over or under his/her appropriate number of hours per week, the CSC HR staff will determine the reason for the extra hours worked.

(2) If the need for the extra hours routinely continues over a period of 90 calendar days, the CSC will initiate action to either establish the position as a regular full- or part-time position or change the SF-50 to reflect the correct minimum hours.

11. Appointment Actions. The CSC HR staff will act as follows to effect all appointments:

- a. Have the appointee complete an Appointment Affidavit, Standard Form 61 (SF-61), pledging not to strike against the U. S. Government. This does not apply if the applicant is appointed without a break in service following other NAF Coast Guard employment or the appointee is an off-duty military member.
- b. Complete an SF-50 recording in the remarks section the minimum hours the employee works weekly.
- c. Verify previous NAF employment and determine the employee's leave category.
- d. Determine the employee's eligibility to participate in the Group Health and Life Insurance Plan. Each eligible employee must complete an enrollment or refusal form within 30 calendar days of his or her appointment.
- e. Insure that the employee is informed of all other eligible benefits such as Long Term Care Insurance and Flexible Spending Account participation offered to eligible NAF employees.
- f. If the employee is eligible to participate in the NAF retirement and 401K plan, inform the employee of the plan's provisions and required waiting periods.
- g. Have the employee complete IRS Form W-4, Employees Withholding Exemption Certificate, and appropriate state or municipal exemption certificates.
- h. Establish and maintain the employee's official personnel folder (OPF).
- i. Establish a leave record for each eligible employee.
- j. Forward an employee orientation and check-off sheet to the supervisor for completion.
- k. Title 8 United States Code 1324A requires employers to verify employees' employment eligibility on a form approved by the Attorney General. All new

employees must complete an Employment Eligibility Verification, Form I-9, to comply with the Immigration Reform and Control Act of 1986, as amended. The form will be kept and made available for inspection to authorized officials of the Department of Homeland Security, Department of Labor and Office of Special Counsel for Immigration-Related Unfair Employment Practices. To verify employment eligibility employers cannot specify which documents they will accept from an appointee but must accept any document or combination of documents listed in instructions for completing Form I-9. The personnel office must complete Form I-9:

- (1) For all persons hired after 31 May 1987.
- (2) Within three business days of the appointment's effective date or before the end of the employee's first working day if employing the person for fewer than three days.
  - (a) The employer retains the completed form for three years after the appointment date or one year after the termination date, whichever is later. File current employees' Form I-9 on the OPF's right side.
  - (b) A blank I-9 form may be photocopied provided both sides are copied and the instructions are available to all employees completing the form.

K. Probation.

1. Scope. This paragraph applies to each employee serving in a regular full- or part-time position.
2. Purpose. The probationary period affords a final test of an employee's ability and fitness for the position, demonstrated by his or her actual job performance.
3. Probationary Period.
  - a. All persons newly appointed to regular, full, or part-time positions including those employees who move from intermittent to full or part-time must serve a one-year probationary period. Employees with previous service in a DoD NAF activity must serve a probationary period when appointed even if such previous service included a probation. During this period the employee's supervisor will observe the employee's conduct and performance of the position's duties and may separate the employee from NAF employment if conditions warrant such action.
  - b. If an employee is separated from his or her position before he or she completes probation and later is hired in a regular full or part-time position after a break in service of more than 30 calendar days, the employee must serve a new probation beginning on the effective date he or she assumes the new position.

- c. A probationary employee transferred, reassigned, promoted, or demoted during probation does not begin a new probation on changing positions, but completes only the remainder of the initial probation.
- d. The following Coast Guard NAF service is creditable toward completing a probationary period, provided the employee has not had a break in service of 30 or more calendar days:
  - (1) Periods in a pay status in a regular appointment.
  - (2) Absences in a non-pay status up to 15 total workdays.
  - (3) Temporary service if the temporary appointment converts to a permanent appointment with no break in service.
  - (4) Under the Portability Act of 1990, time spent in an appropriated funded position counts toward completing probation provided the employee has not had a break in service of more than three days.

L. Denying Employment.

- 1. A command may deny employment to an applicant or terminate an employee if the command reasonably believes an employee or applicant has committed:
  - a. A felony, such as a crime declared a felony by statute or for which a penitentiary sentence can be adjudged.
  - b. A misdemeanor involving moral turpitude, such as conduct contrary to accepted standards of conscience or moral law involving villainy of principle, word, or action. However, commands may hire rehabilitated offenders for jobs for which they are needed and qualified, provided the command selects such persons carefully and complies with established staffing regulations. A rehabilitated offender must be selected on his or her own merits. The commanding officer decides whether to hire such a person. A unit may terminate employment for a person convicted of a felony or misdemeanor before or after he or she entered duty and about which the employee did not inform the command before entering duty.
- 2. Management may deny employment to any person discharged from the United States Armed Services under other than honorable conditions. The commanding officer must fully review the specific circumstances and then decide each case.
- 3. The commanding officer must authorize in advance rehiring employees discharged for cause or permitted to “resign to avoid.”
- 4. Commands may deny employment to any person who fails to qualify for a fidelity bond, if the position requires the incumbent to hold such a bond.

5. Commands may deny employment to or terminate employment for any person presenting false or misleading information on their resume or application for employment.

M. Employing Military Personnel.

1. A command may employ enlisted personnel after duty hours only on an intermittent basis. Officers are not eligible for off-duty NAF employment.
2. When authorized, NAF may compensate commissioned and warrant officers' off-duty services only under these conditions:
  - a. Such officers may perform only services without official supervisors' direct supervision and control, e.g., officiating at sports events and conducting educational, religious, recreational, or entertainment activities, on a fee basis to avoid an employer/employee relationship.
  - b. Commands must follow the written policies the commanding officer has established.
  - c. Commands may not use this paragraph to compensate officers with NAF for work in excess of their regular military duty hours.
3. Commands may employ off-duty enlisted personnel on an intermittent basis only for 19 or fewer hours per week. Commands will follow the provisions of this Chapter in recruiting and employing off-duty enlisted personnel. The CSC HR staff will establish and maintain an OPF for each of these employees.
4. Before employing off-duty enlisted military personnel, commands must ensure that the military member obtained his/her commanding officer's written approval. The approval must clearly state the military member is authorized to work as an intermittent for the specified NAFI during off duty hours. If at any time the commanding officer determines the off-duty employment impairs military duty, commands must terminate the enlisted member's employment based on disqualification.
5. In employing enlisted personnel from a command for a NAF position, it is extremely important to avoid any action that might result in or may possibly create the appearance of preferential selection.
6. Retired United States Armed Forces members legally entitled to pay for service are eligible for all NAF employment authorized and established pursuant to authority contained in this Manual. Commands must employ such persons equitably and strictly comply with merit and open competition principles, avoiding the practice and appearance of preferential treatment. Activities will strictly observe these principles before employing any retired uniformed services member in any position.
  - a. In recruiting for the position, commands will ensure it makes reasonable efforts to avoid giving rise to suspicions of unduly limiting competition to a particular individual.

- b. Commands must publicize the vacancy well and apply the provisions of Paragraph F. of this Chapter.
  - c. Qualification requirements will not contain provisions unduly limiting competition or designed to give an advantage to a particular person.
  - d. Before selecting and appointing a retired United States Armed Forces member to a NAF position, the activity must clearly establish he or she is better qualified than any in-service candidate.
  - e. Management will not hold a position open pending a uniformed services member's retirement to provide the retiree a preferential opportunity to apply for or be appointed to the position. Personnel will actively recruit from the time the position becomes vacant, unless the command can fully justify suspending recruitment for reasons unrelated to the uniformed service member's impending retirement.
  - f. If the proposed appointee or any other military incumbent last occupied the position, management must clearly demonstrate the proposed change to civilian incumbency meets a bona fide management need and is not designed to afford civilian employment to the proposed appointee.
7. Before appointing a retired uniformed services member whose last tour directly supported a Coast Guard NAFI to a civilian position within 180 days immediately after his or her retirement, personnel must obtain authorization from the appropriate approving authority, as follows:
- a. Last tour at CSC. Approval of Commander, Personnel Service Center (PSC) is required.
  - b. All Other Positions. Approval of Commanding Officer, CSC is required.
  - c. Members Currently on Active Duty and Reservists Not Yet Retired. After receiving approval for appointment to a civilian position, a retiring military member should be able to demonstrate his or her availability for work within 45 days, the standard applicable period for all Coast Guard civilian appointments. Additionally, the CSC may view a waiver request for prolonged delays as holding the position open for a military member and deny the request.
  - d. Supporting Documentation. Whenever proposing to appoint any applicable retired military member, the selecting official will initiate the documentation indicated below and forward to the CSC or PSC, as appropriate. Each request will be signed by the commanding officer and comply with these criteria:
    - (1) The request must have a statement of the action taken to comply with this subparagraph and the supporting documentation, including vacancy announcements, copies of all applications received, and a description of the rating and ranking factors used to determine the best qualified.

(2) The request will contain the proposed appointee's name; service; retirement date, duty assignment, and station; employing NAF activity's command and location; proposed duty entrance date; and the position's job title, series, grade, pay band level, and initial pay rate.

8. Both the requesting official and CSC will maintain records of requests to approve appointing retired uniformed services members before the end of the 180-day period after retirement.

N. Retired Coast Guard NAF Annuitants.

1. Retired annuitants may be re-employed in the Retired Annuitant employment category, as defined in Chapter 1 D.7.
2. Retired annuitants may be re-employed if:
  - a. The annuitant is uniquely qualified for a time limited position, or is the only available employee after reasonable recruitment efforts fail to identify an appropriately qualified candidate.
  - b. The re-employment of a retiree will not result in the displacement of a full-time or part-time employee.
3. Re-employed retirees are eligible to participate in the medical/dental plans if they participated in these plans prior to retirement.
4. Re-employed retirees may participate in the 401 k savings and investment plan, Flexible Spending Account, and Long Term Care Plan.
5. Reemployed annuitants **hired into part time or full time positions will accrue annual and sick leave as a newly hired employee.**

annual performance appraisals. Performance based increases must be documented on an SF-52 and submitted to the CSC HR office once approved.

2. Proficiency Increase. A manager, via the chain of command, can request a proficiency increase for an employee who completes on-the-job training, demonstrates an increase in skills, or merits increased responsibilities in the existing position. Proficiency increases greater than 10 percent must be fully justified in writing on an SF-52 and submitted to the CSC HR for processing.
3. Promotion. Moving from one pay band level to a higher one is a promotion, normally accompanied by a pay adjustment. Chapter 3 of this Manual provides guidance on administrative procedures for promotions.
4. Cost of Living Adjustment (COLA). CSC may announce an annual COLA (wage and salary increase designed to bring pay in line with increases in the cost of living), which becomes effective the first full pay period of the NAF fiscal year. The CSC determines the COLA based on the current federal civil service nationwide pay rate, excluding any locality percentage. Non-exempt NAF employees performing at a “meets” or “exceeds” level receive the COLA. The COLA is deferred for any employee with a current “fails to meet” evaluation until he or she earns a meet or exceeds performance evaluation, the first pay period after which the COLA will become effective. The employee will not receive retroactive pay for the time the performance evaluation was rated at a fails to meet level. **In 2013, COLAs were discontinued for CGX NAF employees who were moved to a pay for performance system in accordance with the CGX Compensation Plan, CSCINST 12530.1 (series).**
5. Cost of Living Allowance (COLA) Outside the Continental United States (OCONUS). Though they have the same acronym, the cost of living *adjustment* (COLA) is different than the cost of living *allowance* (COLA). The cost of living *allowance* is a supplement designed to equalize purchasing power between exempt employees overseas (OCONUS) and their CONUS-based counterparts. Commands may pay cost of living allowances to exempt employees working in Alaska, Hawaii, and Puerto Rico. With the enactment of The Non-Foreign Area Retirement Equity Assurance Act of 2009, COLA began to be phased out and locality pay began to be phased in.
6. Temporary Pay Decrease. Commands may authorize temporary pay decreases for NAF employees as a tool to avoid permanent Reductions in Force (RIFs) or furloughs. The commanding officer must approve these actions in advance considering anticipated temporary loss of income, temporary base closings, etc. The maximum amount of time for a pay decrease is six months. If afterward the unit still needs to reduce personnel costs, management must consider a RIF. Further guidance on RIFs is provided in Chapter 12 of this Manual.

#### I. Basic Rate.

1. For prevailing rate employees, the basic rate is the scheduled pay rate plus any night shift or other differential.
2. For pay band (NF) employees, the basic rate is the scheduled pay rate before any deductions, excluding additional pay of any kind. However, in computing overtime under the Fair Labor Standards Act (FLSA), the CSC HR office may include some types of additional pay when determining the employee's regular rate. Refer to Paragraph J.1. of this chapter.
3. Under 5 USC 5504 (b), when it is necessary for computation of pay to convert an annual rate of basic pay to a basic hourly rate, the annual rate must be divided by 2,087.

J. Premium Pay.

1. Overtime Pay.

- a. FLSA Determinations. Fair Labor Standards Act rules and where applicable, Title 5, United States Code, Section 5544 (5 USC §5544), govern paying overtime. The CSC HR determines "exempt" and "nonexempt" status during the position classification process according to the FLSA rules.

(1) Exempt employees. An FLSA exempt employee is one who is not covered by the minimum wage and overtime provisions of the FLSA. Employees identified as "exempt" may not receive overtime or compensatory time off for working more than 40 hours in a **calendar** work week unless approved in advance and in writing by their supervisor. Exempt employees are generally in pay bands NF 3 and above.

(2) Nonexempt employees. An FLSA nonexempt employee is one who is covered by the minimum wage and overtime provisions of the Act. Employees identified, as nonexempt must receive compensation for working more than 40 hours per **calendar** work week they are permitted or suffered to perform.

- (a) If a non-exempt employee works overtime, even if not authorized in advance, the command must pay compensation at one and one-half times the employee's basic rate.
- (b) Only actual hours of work are counted toward the 40 hours per **calendar** work week. Periods of paid leave or holiday leave are not included.
- (c) Overtime is payable to nonexempt employees for time spent on outside training, conferences, or trade shows outside their duty station and/or normal working hours only if attendance is required by the command.

(3) Overtime and Compressed Work Schedules For Non-Exempt and Exempt Employees. For full-time non-exempt employees who work a 5-4/9 compressed

work schedule, overtime hours are any hours worked outside the compressed work schedule that are "suffered or permitted," (5 USC 6128). Further information on the 5-4/9 compressed work schedule is provided in Chapter 6 of this Manual.

b. Prevailing Rate Employees.

- (1) In addition to the FLSA requirement for overtime pay for working more than 40 hours a week, 5 USC 5544 covers prevailing rate employees, who are entitled to overtime for working longer than eight hours a day, whichever is greater.
- (2) All prevailing rate employees enjoy this overtime entitlement **unless on a compressed work schedule.**

c. Calculations.

- (1) Overtime Pay Entitlement. Overtime is calculated at 1 1/2 times an employee's basic pay rate for actual hours worked, including any premium pay entitlements. Compensation for non-workdays, e.g., holiday pay, annual leave, sick leave, administrative leave, is not considered pay for overtime purposes. For example: An employee's regular tour of duty is Monday through Friday. The employee is off duty and on holiday pay for Thursday, Thanksgiving Day. The employee is required to work on Saturday of that week for inventory. Total compensation for that week is based on 48 hours but total hours worked are only 40. Therefore no overtime compensation is due for the hours worked on Saturday if the employee works only eight hours. If the employee works 12 hours, he or she is due four hours of overtime pay.
- (2) Compensatory Time Off. Compensatory time off is time off with pay in lieu of overtime pay. Further information on compensatory time is provided in Chapter 7 of this Manual.

2. Sunday Pay.

- a. Under 5 USC 5544 a prevailing rate employee is entitled to Sunday Pay as follows:
  - (1) Sunday premium pay is 25 percent of basic pay.
  - (2) An employee is entitled to the basic pay rate plus Sunday premium pay for all regularly scheduled, non-overtime work hours if he or she performs any part of the scheduled tour on Sunday. If two tours occur on the same Sunday, the employee is entitled to Sunday premium pay for both tours up to 16 hours.
  - (3) Only permanent or temporary full-time employees who work 40 hours per week are entitled to Sunday premium pay.

(4) Part-time and intermittent employees are not entitled to Sunday premium pay.

3. Night Differential. The Office of Personnel Management Operating Manual Federal Wage System Nonappropriated Fund, stipulates a NAF prevailing rate employee is entitled to Night Differential as follows:

a. A command must pay a prevailing rate employee a night shift differential for the entire shift for all regularly scheduled, non-overtime work, according to this schedule.

Percentage <i>in addition to</i> basic pay rate	Pay if a majority of the employee's regularly scheduled work hours occurs between these hours:
7.5	3:00 p.m. and 12:00 midnight
10	11:00 p.m. and 8:00 a.m.

b. An employee is entitled to night pay differential for a period when excused from night work on a holiday or other non-workday and for night hours while in an official travel status. Entitlement for paying night differential continues during periods of leave with pay depending on the shift to which the employee is assigned when going on leave and assignment duration. An employee is entitled to night pay differential for night work performed when assigned temporarily to a tour of duty other than his or her own.

c. In determining entitlement to night differential, work scheduled at least a week in advance is regularly scheduled work no matter how much prior notice the employee receives. In determining a majority of regularly scheduled work hours, a command must count the number of whole hours greater than one-half of the scheduled shift. Night shift differentials will be the basic pay rates used to compute overtime and Sunday pay, retirement, and group life insurance. An employee regularly paid night shift differential continues to receive it during a period of paid leave, when excused from night work on a holiday, and while in an official travel status during regular shift hours. If an employee regularly assigned a night shift is temporarily assigned to a day shift or the night shift with the lower differential, he or she continues to receive his or her usual night shift differential.

4. Holiday Pay.

a. To qualify for holiday pay, an employee must be in a pay status immediately before and after the holiday.

b. Each hour of holiday pay will be paid at the employee's base rate of pay and must not include shift premium or other premium payment.

c. An eligible employee required to work on a holiday falling within his or her regular schedule receives holiday pay at his or her base rate for the number of entitled hours, plus their base rate for the non-overtime hours they work on the holiday.

- d. Full-time employees are entitled to holiday pay under these conditions:
    - (1) Full-time employees who are not required to work on a holiday receive their base rate of pay for the applicable number of holiday hours.
    - (2) Standard (40-Hour/5-Day Week) Work Schedules. On a holiday, employees under a standard work schedule are generally excused from eight hours of work.
    - (3) Full time employees who work less than 40 hours per week are entitled to 7.5 hours of holiday pay unless on a compressed work schedule.**
    - (4) Compressed Work Schedules. On a holiday, employees under compressed work schedules are generally excused from all of the non-overtime hours they would otherwise work on that day and which apply to their "basic work requirement." For example, if a holiday falls on a nine-hour basic workday, the employee's holiday is 9 hours.
  - e. Part time employees are entitled to holiday pay under these conditions:
    - (1) Part time employees who are hired to work from 20 – 29.75 hours a week are entitled to 5 hours of holiday pay at their base rate of pay.
    - (2) Part time employees who are hired to work from 30 to 34.75 hours per week are entitled to 6 hours of holiday pay at their base rate of pay.
  - f. Regular intermittent employees who are routinely scheduled five or more days per week are entitled to three hours of holiday pay if they have worked five days a week for at least the previous two pay periods preceding the holiday. Regular intermittent employees routinely scheduled less than five days per week are not entitled to holiday pay.
  - g. On call intermittent employees are not entitled to holiday pay.
  - h. Chapter 6, Paragraphs I through K of this Manual provide further guidance on holidays.
- K. Grade and Pay Retention. Grade and pay retention apply only to NA, NL, and NS employees. Procedures for grade and pay retention are provided in 5 CFR 532.
- L. Dual Compensation.
- 1. The provisions of 5 USC 5533 prohibits employees in either or combined appropriated or nonappropriated fund positions, including temporary and intermittent appointments, from receiving pay from two or more positions for more than 40 total hours of work in one calendar week. This law does not apply to enlisted off-duty military personnel

performing military duty. However, off-duty military members are limited to holding only intermittent (up to 19 hours per week) positions.

2. Experts and consultants or persons compensated by fees paid on other than a fee basis, are exempt from these restrictions. For example, an umpire paid by the game is exempt; a part-time accountant is not.

M. Withholding Taxes.

1. Payroll administrators must comply with the Internal Revenue Code and withhold Federal income tax from civilian and off-duty military employees' compensation. Payroll check stubs should specify allowances and differentials not subject to Federal income tax or FICA (social security) tax and excluded from the base pay report on employees' Wage & Tax Statements (Form W-2).
2. The CSC must apply applicable state, county, and/or municipal income tax laws as required.
3. The CSC must deduct the FICA tax on employees' wages imposed by Internal Revenue Code §3101 and pay the employer's excise tax imposed by §3113.

N. Tips.

1. Internal Revenue Service (IRS) regulations establish procedures and requirements both employee and employer must understand and follow in administering tips.
2. The words "tip" and "gratuity" mean money in the form of cash or a credit card or other charge in an employee's favor a patron voluntarily gives the employee. Management may not retain, but must disburse a cash or charge tip to the employee(s) concerned. The tip recipient and other supporting personnel may voluntarily arrange to split or pool tips.
3. Under IRS regulations, tips are subject to Federal income tax. Employees who receive more than \$20 in tips during a calendar month are required to report all tips as taxable income. The IRS requires tipped employees to keep a daily tip diary or other evidence to prove tip earnings. This requirement applies both to directly-tipped employees, such as servers who get tips directly from customers, and indirectly-tipped employees, who may share in these tips. An employee's written tip report must include certain information as indicated on IRS Form 4070, Employee's Report of Tips to Employer. The IRS requires the employee to report tips received at least monthly to their employer, but more frequently if management desires to coincide with a pay system. The command should verify the established procedures for reporting tips annually.
4. A service charge is a *mandatory* charge added to a patron's bill, not a voluntary tip; the IRS considers a service charge NAF income. Commands usually disburse service charges added to patron's bills to employees. However, the disposition of this money is a command prerogative and subject to local labor-management agreements. Any portion of

the service charge disbursed to the employee constitutes wages and is subject to both employee and employer FICA taxes and Federal and state income tax withholding. Therefore, employees do not report any service charges they receive in the tip report.

O. Miscellaneous Provisions.

1. Pay for the date entering duty covers the time after selection for employment the employee is under the employer's control. The employee is not entitled to pay for any period exclusively devoted to applying for employment, pre-employment interviews, and other pre-selection processes.
2. Pay for the separation date covers only the time the employee is in a duty status, including time spent complying with clearance requirements.
3. Pay for the entire day of death regardless of hours worked provided the employee was in a pay, work, or leave status on the workday immediately preceding the date of death. If an employee dies, NAF will pay his or her designated life insurance beneficiary(ies) compensation due or follow applicable state laws if the employee did not name a life insurance beneficiary.
4. Chapter 7 of this Manual provides information on pay computations for leave.
5. A commanding officer may waive a salary overpayment if administrative error caused the overpayment and there are no indications of the employee's fraud, misrepresentation, or lack of good faith.

P. Computing Back Pay.

1. When an appropriate authority corrects or directs correcting an unjustified or unwarranted personnel action, the unit pays the pay, allowances, and differentials the employee would have earned if the personnel action had not occurred. They are paid as follows:
  - a. In computing the back pay amount due, the following periods are excluded:
    - (1) When the employee is not ready, willing, or able to perform his or her duties due to an incapacitating illness or injury.
    - (2) When the employee is unavailable to perform his or her duties for reasons other than those related to or caused by the unjustified or unwarranted personnel action.
  - b. In computing the amount of back pay the commanding officer will:
    - (1) On request, grant any sick or annual leave available to the employee for a period of incapacitation if the employee can establish the incapacity resulted from injury or illness.

- (2) Reduce the amount of back pay by the amount of wages earned for outside employment while the employee was separated due to an unjustified or unwarranted personnel action. Pay the employee earned from a part-time, "moonlighting" job he or she held before being erroneously separated is excluded.
2. Credit any extra annual leave restored to an employee over the normal maximum leave accumulation to a separate leave carry-over account in accordance with Chapter 7 of this Manual.

Q. Severance Pay.

1. Regular full-time and regular part-time employees who have completed at least 12 months of continuous creditable service with one or more Coast Guard NAFIs are eligible for severance pay. Such employees may earn one week of basic pay for each full year of creditable service up to a maximum of four weeks. Prorated credit will be applied for partial year service provided the employee has completed the 12-month continuous creditable service. The continuous service qualifying the employee for severance pay must have occurred within the 12 months preceding the effective date of the business based action.
2. A maximum payment equal to four weeks of pay may be granted if and when a regular full-time and regular part-time employee is separated due to a business based action, post deactivation, or reorganization. Such pay may also be granted to regular full or part-time employees who are adversely impacted by a business based action other than by separation action, e.g., loss of pay, changed to lower pay band, or to a lower employment category that affords less basic pay and/or benefits. Under such circumstances, an employee may opt for separation and claim earned eligibility for severance pay.
3. The following employees will not receive severance pay if they:
  - a. Are employed, without a break in service of more than three calendar days after separation in another NAF position, or any appropriated fund (APF) position, without a time limit on the length of the appointment.
  - b. Have refused an offer of employment by the command that would not result in a rate of basic pay that is lower than the rate of basic pay received immediately before the business based action, or a loss of employment category (i.e., from Regular Full-Time to Regular Part-Time or from Regular to Intermittent). Offers must be in the same commuting area, unless the employee is covered by an agreement in which mobility is a condition of employment.
  - c. Are entitled to an immediate annuity that is not reduced because of the employee's age at the time of retirement. This exclusion covers an annuity from a NAF retirement plan, or from a civil service retirement plan in which the employee elected to remain following movement between employment systems under 5 U.S.C., 8347(q) (reference (b)) and 8461(n) (reference (c)).

- d. Are receiving payments from the Department of Labor's Office of Workers Compensation Program for a job-related injury.

R. Commercial Garnishment of a Federal Employee's Pay.

1. Garnishment Procedures and Guidance. Executive Order Number 12897, Commercial Garnishment of Federal Employees' Pay, establishes these procedures and guidance in processing commercial garnishment orders, including state and local governments' tax levies. Commands must send all commercial garnishments received to the CSC HR office for legal review by Legal Services Command.
  - a. "Pay" means basic, premium, or any other pay paid or payable for personal services, whether called pay, wages, salary, lump-sum leave payments, commissions, bonuses, awards, or otherwise. "Pay" does not include awards for making suggestions, reimbursement for expenses an employee incurred in connection with employment, or allowance in lieu of reimbursement or compensation for work injuries.
  - b. Aggregate disposable earnings are the employee's pay less authorized excluded amounts per Paragraph Q.3. of this Chapter.
  - c. Garnishment, a legal process, means any writ, order, summons, or other similar process repayment, including an attachment, writ of execution, court order wage assignment, or state or local government tax levy issued by a court of competent jurisdiction in any state, territory, or United States possession, the District of Columbia, or Indian Tribal Courts.
2. Notifying the Employee.
  - a. In accordance with the court order, commands will notify an employee in writing, including a copy of the legal document, of the valid service of legal process. The employee will also be provided copies of any other documents submitted to support or in addition to the legal process.
    - (1) The United States does not represent the employee's interests in the pending legal proceedings.
    - (2) The employee may wish to consult legal counsel about his or her defense to the legal process.
3. Exclusions. In determining the amount of pay subject to garnishment, the following amounts are to be excluded:
  - a. Amounts the employee owes the United States.
  - b. Amounts the law requires deducting from the employee's pay, including at least:

- (1) Amounts withheld from benefits payable under the Social Security Act, Title II.
  - (2) Federal employment taxes.
  - (3) Amounts deducted for Medicare.
  - (4) Amounts properly withheld for Federal, state, or local income taxes if legally authorized or required and if withheld amounts do not exceed the amount the employee claims for all dependents to which he or she is entitled. Withholding additional amounts pursuant to 26 USC 3402(i) is permitted only if the employee presents evidence of a tax obligation that supports the additional withholding.
- c. Amounts deducted as health insurance premiums.
  - d. Amounts deducted as normal retirement contributions, not including amounts deducted for supplementary coverage. Here, all amounts contributed to the NAF Retirement Plan are deemed normal retirement contributions. Amounts voluntarily contributed to additional retirement accounts are considered supplementary.
  - e. Amounts deducted as normal life insurance premiums from salary or other remuneration for employment, not including amounts deducted for supplementary coverage. Basic life coverage is considered normal life insurance premiums. All optional life insurance premiums paid by allotment are considered supplementary.
4. Maximum Garnishment Limitations. Under 15 USC 1673(a)(1), the Consumer Credit Protection Act, as amended, and Department of Labor regulations at 29 CFR 870, these limits apply:
- a. Unless applicable state or local law mandates a lower maximum limit, the maximum of an employee's aggregate disposable earnings for any workweek subject to garnishment to enforce any legal debt other than a child support order or alimony is 25 percent. Further, in determining the garnishable amount of the employee's aggregate disposable earnings, the CSC must apply these dollar limitations, contained in 29 CFR 870: if the employee's aggregate disposable earnings for the workweek exceeded 30 times the FLSA minimum hourly wage, 25 percent of the employee's aggregate disposable earnings may be garnished. For example, effective 24 July 2009, the FLSA minimum wage rate is \$7.25 per hour. Multiplying by 40 to equal \$290.00; if the employee's disposable earnings exceeded \$290.00 for a workweek, 25 percent of his or her disposable earnings are subject to garnishment.
  - b. If the employee's aggregate disposable earnings per workweek are less than 30 times the FLSA minimum hourly wage, the maximum garnishment amount is that amount by which the employee's aggregate *disposable* earnings exceed 30 times the current minimum wage rate. Using the hypothetical example above, the amount of aggregate disposable earnings exempt from garnishment is \$217.50 (\$7.25 x 30). Only the amount above \$217.50 is garnishable.

- c. If the employee's aggregate disposable earnings in a workweek equal or are less than 30 times the FLSA minimum hourly wage, all of the employee's earnings are exempt from garnishment.
  - d. The percentage of an employee's aggregate disposable earnings garnishable for a state or local tax obligation or bankruptcy purposes is unlimited.
5. Examples of Amounts Subject to Garnishment. The following examples illustrate the statutory tests for determining the amounts subject to garnishment based on a pay rate of \$7.25 an hour.
- a. An employee's gross earnings in a particular week are \$293.00. After deductions required by law, the disposable earnings are \$263.00. In this week \$45.50 may be garnished, since only the amount over \$217.50 may be garnished where the disposable earnings are \$290.00 or less. The employee would be paid \$217.50.
  - b. An employee's gross earnings in a particular workweek are \$368.00. After deductions required by law, the disposable earnings are \$308.00. In this week 25 percent of the disposable earnings may be garnished ( $\$308.00 \times 25$  percent = \$77.00). The employee would be paid \$231.00.
  - c. A garnishment order is received after the second workday of the week. It requires a garnishment based on wages earned up to that day be withheld. The employee is paid \$60.00 a day. Since less than \$217.50 has been earned, no garnishment is permitted. However, if another garnishment is received when the workweek is complete, or in states where continuing garnishments are issued, withholdings will be made on the basis of the earnings for the entire week.
  - d. An employee paid every other week has disposable earnings of \$456.00 for the first week and \$40.00 for the second week of the pay period, for a total of \$496.00. In a biweekly pay period, when disposable earnings are above \$580.00 for the pay period 25 percent may be garnished. It does not matter that the disposable earnings in the second week are less than \$217.50 - 25 percent of the \$496.00 (\$124.00) is subject to garnishment.
  - e. Pursuant to a garnishment order (with priority) for child support an employer withholds \$90.00 a week from the wages of an employee who has disposable earnings of \$295.00 a week. A garnishment order for the collection of a defaulted student loan is also served. The limit for normal garnishments of 25 percent applies to the debt for the outstanding student loan. Under the formula for normal garnishments, a maximum of \$73.75 (25 percent of \$295.00) is garnishable. The \$90.00 child support payments must be withheld, because the normal restrictions do not apply to court orders for support. No withholding for the defaulted student loan may be made, because the amount already withheld is more than the amount that may be withheld for normal garnishments. Additional withholdings could be made to collect on another child support order, delinquent federal or state taxes and certain bankruptcy court ordered payments.



## CHAPTER 6. WORK HOURS

A. Authority. This chapter addresses the ability of commands employing NAF personnel to establish and change such employees' tours of duty.

B. Establishing Workweeks.

1. The established workweek consists of seven consecutive calendar days **starting on Sunday (hereafter called calendar work week)**.
2. Supervisors will establish a basic workweek of at least 35 hours for full-time employees, and between 20 and 34.75 hours for part-time employees. Regular intermittent employees will have a **calendar** work week of a minimum of two hours and maximum of 19 hours. On call intermittent employees may be scheduled a maximum of 19 hours. Workdays normally last eight hours and should never exceed 10 hours except for unusual circumstances beyond management's control.
3. Supervisors will schedule the basic workweek over a period of five consecutive days or, at a maximum, six. The basic workweek will include the minimum number of hours the employee is expected to work each week.

C. Establishing Tours of Duty.

1. Supervisors will, when possible, establish tours of duty for the same days of each week, the same hours each day, on consecutive days of the administrative workweek.
2. If a regular tour of duty will seriously impair performing a function or increase costs substantially, supervisors may establish rotating or irregular tours and explain the necessity for such tours to employees and applicants for positions involving such tours. In establishing rotating or irregular tours of duty, supervisors must treat employees equitably when assigning them to Saturday, Sunday, and night duty.
3. Supervisors will schedule full and part-time employees' tours of duty covering at least one administrative workweek and post these schedules one week in advance. Supervisors may make exceptions to this requirement if unusual circumstances make advance scheduling impossible.
4. Supervisors will not change or adjust tours of duty solely to avoid the obligation of granting leave, premium pay for a holiday, or overtime.
5. If it is necessary to schedule an off-duty period between two portions of a daily tour of duty, the employee will be completely free during that off-duty period.
6. Supervisors will express daily tours of duty in full hours. If fractional hours are necessary, supervisors will express daily tours in full and quarter-hour fractions.

7. When a daily tour of duty begins on one calendar day and extends into the next, the day the tour begins is that day's tour. For example, a tour of duty beginning 10:00 p.m. Friday and ending 4:30 a.m. Saturday is the Friday tour of duty. This also applies when determining holiday pay.
8. Notification of Personnel Action, Standard Form 50 (SF-50) for full-time, part-time, and regular intermittent employees will indicate the minimum number of hours in the basic workweek in the remarks section; for example, "at least 30 hours per week." Commands must account for these minimum hours in pay and/or leave records and should satisfy this requirement on a pay period basis if lack of work prevents meeting the weekly minimum. If an employee works a seasonal tour of duty, the SF-50 also will indicate the period(s) in a non-duty status.

D. Compressed Work Schedules.

1. Under 5 U.S.C. 6121(5), a compressed work schedule (CWS) is a fixed work schedule in which a full-time employee completes their 80-hour biweekly work requirement in less than ten working days.
2. The 5/4-9 schedule is the only CWS authorized. The 5/4-9 work schedule allows employees to fulfill their work requirement of 80 hours in a biweekly pay period over nine workdays (i.e., five days one week and four days the other week). For eight of the workdays, an employee works nine hours plus a 30-minute lunch break each workday, and for one workday, the employee works eight hours plus a 30-minute lunch break and has one "regular day off" (RDO) each biweekly pay period. The lunch break is in addition to the employee's eight or nine-hour daily work requirement. Employees on a 5-4/9 CWS have fixed tours of duty.
3. The RDO should not be the same day of all members in a department. Supervisors will make every effort to accommodate an employee's RDO choice. Supervisors remain responsible, however, for ensuring that CWS participants are allocated in equal proportions to each designated RDO. The goal shall always be to minimize the impact on the productivity of the work place. Supervisors will consider employee seniority in resolving RDO conflicts.
4. During weeks where the employee is scheduled for travel and/or training for one or more days during a pay period, the CWS may be suspended and participants may revert to a traditional eight hour schedule for the entire pay period. Advance notice of the change in work schedule is not required under this situation.
5. All full-time employees, including those on compressed work schedules, are entitled to an "in lieu of" holiday when a holiday falls on a non-workday. In such cases, the employee's holiday is the basic workday immediately preceding the non workday. A basic workday for this purpose includes a day when part of the basic work requirement for an employee under a flexible work schedule is planned or scheduled to be performed.

6. Leave taken by employees on the CWS will be charged according to the number of hours that would normally have been worked on the day(s) leave is taken.
  7. Commands are encouraged to make reasonable efforts to accommodate employee request for CWS, but all should recognize that compressed work schedules are not a right or benefit and may be granted with appropriate command approval when the change in working hours will not interfere with the efficient operation of the command and the employee's work performance will not be adversely affected.
  8. Chapter 4 of this Manual provides amplifying guidance on overtime and the CWS.
- E. Special Considerations in Establishing Work Schedules. Commands should observe these requirements when establishing tours of duty:
1. Minor's tours of duty.
    - a. Minor's tours of duty will comply with applicable Federal, state, and local laws. Chapter 3 of this Manual provides further guidance on the employment of minors.
    - b. If transportation facilities require unusually long commuting times, such as one hour or more, for travelling to and from work, students' daily tours must be reduced accordingly.
  2. Designating Emergency Duty. If it becomes necessary to call employees back to duty in emergencies, commanding officers may designate employees to be on call during off-duty time under these conditions:
    - a. If two or more employees possess the required skills, the on-call employee(s) must be designated on an equally rotating basis.
    - b. Requiring employees to make themselves available for emergency duty ordinarily requires them to leave names and/or telephone numbers where they can be reached.
    - c. Designating employees for emergency call does not justify paying additional compensation. An employee receives additional compensation if he or she must remain at his or her duty post. However, if a supervisor must call an employee back to duty, the supervisor will authorize a minimum of two hours pay to non-exempt employees only.
  3. Minimum tour of duty. Supervisors will not schedule employees or call them to duty for a period shorter than two hours except for tours of duty scheduled during lunch periods, or when the activity is open fewer than two hours.
- F. Rest Periods. A supervisor has the authority to permit short rest periods during the daily tour of duty if he or she believes such periods benefit or are necessary to the activity. Commands will establish a written policy on rest periods and give a copy to all employees. Rest periods must be established according to these criteria:

- a. Relief from hazardous work will protect an employee's health.
  - b. Relief from continuous physical exertion or work performed in confined spaces limiting personal activities will reduce fatigue.
  - c. Increased efficiency or production will result.
2. Rest periods must be granted subject to these conditions:
- a. When at least one of the criteria above apply.
  - b. A rest period may extend a maximum of 15 minutes during each four hours of continuous work.
  - c. A rest period will not extend the lunch period.

G. Break Time for Nursing Mothers. Congress amended Section 7 of 29 USC 207 (r)(1)(B) of the FLSA to provide breaks for nursing mothers as part of the Patient Protection and Affordable Care Act of 2010 (PPACA).

1. According to the PPACA, an employee must be provided reasonable break time to express milk for her nursing child. The requirement applies for one year after the child's birth. The frequency of breaks needed as well as the duration will likely vary. Breaks need not be compensated; however, where employees are provided compensated breaks, an employee who uses that break time to express milk must be compensated in the same way that other employees are compensated for break time.
2. In addition to providing reasonable breaks, commands must also provide a place, other than a bathroom, that is shielded from view and free from intrusion from coworkers and the public. A space temporarily created or made available when needed by the nursing mother is sufficient.

H. Meal Periods.

1. Supervisors will consider meal periods during which the employee is entirely free of job duties as free time and may not compensate the employee for the meal period. Meal periods last between 30 minutes and one hour and supervisors will indicate them on the work schedule. Supervisors must schedule a meal period for employees required to work six or more hours in any workday.
2. A supervisor may establish a paid on-the-job meal period of up to 20 minutes if an employee's duties require him or her to remain at the duty station. For each employee required to remain at his or her duty station, the supervisor will complete a meal waiver. A meal waiver is a letter from the supervisor stating the employee was required to remain at his or her duty station and will receive pay for an on-the-job meal period of up to 20 minutes. The supervisor and employee must sign the waiver. A supervisor may revoke a

waiver at any time if the employee is not required to remain at his or her duty station. A copy of the waiver must be provided to the serving Personnel Assistant in the CSC for inclusion in the Official Personnel Folder (OPF).

- I. Incidental Duties. The daily schedule of working hours will include time spent performing assigned incidental duties required to perform a given job. These duties include travel inherently part of and vital to the work itself. However, travel from home or lodging to and from a work place is unpaid commuting time. For example, the tour of duty includes the time maintenance workers must spend to secure working implements and if necessary change to protective clothing in the morning, and to return the implements and change back to ordinary clothing at the end of the workday. Similarly, a tour of duty includes the time both before and after the work period an employee needs to validate funds for which he or she is responsible. The supervisor must establish the time permitted for such duties in writing and give a copy to all affected employees.
- J. Legal Holidays.
1. First day of January.
  2. Third Monday in January.
  3. Third Monday in February.
  4. Last Monday in May.
  5. Fourth day of July.
  6. First Monday in September.
  7. Second Monday in October.
  8. Eleventh day of November.
  9. Fourth Thursday in November.
  10. Twenty-fifth day of December.
  11. Any other day Federal statute or Executive Order designates as a holiday.
- K. Authority. Commanding officers have the authority to include a holiday in an employee's basic workweek or require the employee to work that day and take another day off within that workweek, which becomes the employee's holiday. If an employee entitled to holiday leave is required to work on a legal holiday or the day that becomes a holiday, he or she is entitled to holiday pay in addition to being paid their basic rate for the number of hours they work that day. If a supervisor grants an employee scheduled to work on a holiday requested time off for personal reasons, the supervisor will charge the employee annual or sick leave as appropriate. Similarly, a supervisor will charge an unexcused absence as absent without

leave (AWOL) and not pay holiday pay in this situation. An employee must be in a pay status the day before and after a holiday to be eligible for holiday pay.

L. Determining Holidays.

1. For purposes of pay and leave, a supervisor will determine a holiday for a full-time, part-time, or regular intermittent employee with a basic five or six-day work week as follows:
  - a. If a legal holiday falls on a workday in the employee's workweek, that workday is a holiday.
  - b. If a legal holiday falls on a day outside an employee's basic workweek, the manager or supervisor will treat as the holiday the day of the basic workweek immediately preceding or following the legal holiday's observance. To allow continuity of operations, if strictly applying the "day preceding or day succeeding" rule would disrupt the command, managers or supervisors may designate an alternate day as an individual employee's holiday.

## CHAPTER 7. ADMINISTERING LEAVE

### A. General.

1. This chapter applies to all regularly scheduled full-time and part-time Coast Guard NAF employees. Intermittent employees are not eligible to earn or accrue leave. Temporary full-time or part-time employees whose appointment exceeds 90 days are eligible to earn or accrue leave.
2. The leave year is ordinarily a 52-week period prescribed for administration of leave. The leave year begins on the first day of the first full pay period in the calendar year and ends on the day of the last pay period that began in the same calendar year.

### B. Service Computation Date. The leave service computation date is the date appointed or converted to regular full-time or part-time employment **and is used to calculate creditable service**. Leave service computation dates will be adjusted for these circumstances:

1. Previous NAF Employment. An employee with previous DoD and Coast Guard NAF service as a part-time and full-time employee will be given credit for these periods.
2. Previous Appropriated Fund (APF) Employment. An employee with previous APF service must meet all portability requirements to receive credit. Chapter 20 of this Manual describes how to compute leave for employees appointed under the NAF Portability Program.

### 3. Credit for Military Service.

- a. NAF employees eligible to accrue leave may receive credit for previous active duty military service when certain conditions are met.

(1) Military Retirees. Section 6303 of title 5, United States Code, restricts the amount of leave accrual credit military retirees receive for their active duty service.

(a) NAF employees who retired from previous uniformed service receive credit only for service that was performed in the armed forces during a war or in a campaign or expedition for which a campaign badge has been authorized.

(b) NAF employees who retired from previous uniformed service receive credit for all active military service if:

[1] The retirement was based on a disability resulting from injury or disease received in line of duty as a direct result of armed conflict.

[2] The retirement was disability caused by an instrumentality of war and incurred in the line of duty during a period of war.

[3] Uniformed service must be verified by the branch in which the person served and is generally done so using the Certificate of Release or Discharge from Active Duty, DD-214 and the Verification of a Military Retiree's Service in Non-wartime Campaigns or Expeditions, SF-813.

(2) Military Service (Non-Retiree). An employee who has previous active duty military service and who did not retire from the military will receive full credit for all time on an active duty status provided his or her discharge was honorable or under honorable conditions (general) or the service member transferred to the inactive reserves under honorable conditions. The employee must provide a DD-214 to receive credit for military service.

(3) Effective Date. The provisions of (1) and (2) above became effective 16 February 1983. No recomputation of leave for employment periods prior to the effective date is authorized.

b. NAF employees called to active duty for short periods, such as up to six weeks, with Armed Forces Reserve components continue to accrue annual and sick leave during such periods. Non-duty time in Reserve components is not creditable.

4. Credit for Workers' Compensation Status. An employee on leave without pay (LWOP) status who receives benefits under the Longshoremen's and Harbor Workers' Compensation Act does not accrue annual or sick leave. However, the time spent in LWOP status is creditable service time for determining leave accrual.

C. Annual Leave.

1. Using Annual Leave.

a. Purpose. Annual leave is paid time off accrued by employees and available for use as approved by their supervisor. Annual leave may be used for personal and emergency purposes, or leave for parental and family responsibilities.

b. Basic Considerations. Commands must encourage employees to plan their annual leave as far in advance as practical to accommodate operating and work requirements. Supervisors must consider leave requests in light of current and anticipated workloads and with regard for individual employee's welfare and preference. Employees are entitled to take the annual leave they have earned. However, management has the right to adjust the time when an employee may take earned leave.

2. Granting Annual Leave.

a. Leave Requests. Except in an emergency, employees must plan and request to use leave before the absence. In an emergency, an employee must notify his or her supervisor or designated alternate before or as soon as possible when the employee is scheduled to report for duty, normally within two hours, to explain the circumstances

and request approval for the absence. When the employee requests the leave, the supervisor will advise the employee whether the request is approved.

- b. Advance Annual Leave. Advance annual leave is not authorized. Under no circumstances will a request for advance annual leave be approved for any employee. Should an employee's approved annual leave exceed his/her accumulation, a deduction for the days/time absent will be taken from the employee's next paycheck.
3. Enforced Annual Leave. Supervisors may require employees to use their annual leave or LWOP, if they have no accrued annual leave, with or without their consent in the following circumstances:
- a. In cases of interrupted, suspended, or reduced operations when supervisors can give 24 hours advance notice.
  - b. If an employee is not "ready, willing, and able" to work, and alternate assignments would not be equitable or feasible, for example, failure to wear proper safety equipment or refusing to perform properly assigned duties within the scope of his or her official position.
4. Accruing Annual Leave. An employee earns annual leave based on hours of creditable NAF service ( as follows:
- a. On a pro rata basis according to the total hours worked each pay period and his/her years of service.

Years of Employment	Percentage of Total Hours in a Pay Status	Maximum Hours per Pay Period
Fewer than 3	5	4
3 to 15	7.69	<b>6.15</b>
More than 15	10	8

- b. Annual leave accrues only as straight-time (non-overtime).
  - c. Temporary employees whose appointments are over 90 days or who have completed 90 days under successive appointments without a break in service earn leave the same as permanent employees. Employees initially appointed for fewer than 90 days whose appointment is extended will receive credit for annual leave earned from the initial appointment date.
5. Maximum Accumulation of Annual Leave. Employees may carry over to the next leave year a maximum amount of accrued annual leave of 240 hours excluding restored annual leave.

6. Forfeiting Annual Leave. An employee who has accumulated more than 240 hours of leave must use it or forfeit the excess leave at the beginning of the first complete pay period in the new leave year.
7. Restoring Forfeited Leave. Leave approving officials may only restore annual leave forfeited because of business exigencies, sickness, or administrative error as follows:
  - a. Business Exigencies. A business exigency is one that arises from reasonably unforeseeable circumstances beyond the affected employee's control that make it impractical or not in the public interest to grant the affected employee the excess leave. The exigency must be so important it prevents using annual leave scheduled in advance and must occur at a time or last so long it is impossible to reschedule the annual leave before the end of the leave year. An obvious exigency may arise due to a natural disaster, other public emergency, or unexpected staffing shortages in the organization. For an individual employee, an exigency may arise due to some unforeseen public business that prevents him or her from using the planned annual leave, e.g., a sudden call to jury duty or a call to military duty to preserve public order. The supervisor normally decides whether the exigency is so important it precludes using the scheduled annual leave before canceling it. To qualify under this provision, the annual leave must be approved in writing and scheduled for use before the start of the third biweekly pay period before the leave year's end, although the employee may have scheduled to go on leave during the last three pay periods of the leave year.
  - b. Sickness. A medical condition must interfere with using annual leave scheduled in advance and occur or continue so late in the leave year that the employee could not reschedule the annual leave to avoid forfeiture. Excessive work load caused by absence due to illness is not sufficient grounds to restore leave unless a genuine exigency of the public business, as specified in paragraph C.7.a. of this chapter, occurs. Both the employee and management have a responsibility to schedule or reschedule annual leave to avoid forfeiture, particularly if the employee knows a medical or physical condition will require his or her absence before the end of the leave year.
  - c. Administrative Error. Annual leave forfeited because of administrative error may be restored. The command will pay former employees who forfeited annual leave because of administrative error a lump sum if the error is not discovered until after separation from the command.
8. Time Limit for Using Restored Excess Annual Leave. In order to avoid forfeiting annual leave without the possibility of restoration, an employee must schedule and use restored annual leave by the following deadlines:
  - a. After an exigency by the end of the leave year ending two years after the date the exigency ended.

- a. Illness or other circumstances that do not render the employee personally unfit for duty. Family illness does not make an employee unfit for duty, except as Paragraph E.6 of this chapter stipulates.
  - b. In place of annual leave.
4. Abusing Sick Leave. If an employee appears to be using sick leave improperly, e.g., by chronically using brief periods of sick leave, his or her supervisor may require the employee to comply with special leave procedures more stringent than those applied to other employees per Chapter 9 of this Manual.
5. Granting Sick Leave.
- a. Requests for Leave.
    - (1) Absence for Illness. Employees who wish to request sick leave while ill must:
      - (a) Make every effort to notify their supervisor about the illness before their scheduled workday starts, but in all cases within two hours of their scheduled starting time.
      - (b) Notify their supervisor(s) before leaving work due to illness during normal duty hours.
      - (c) Request and obtain approval of sick leave for the absence.
    - (2) Absence for Prearranged Examination or Treatment. An employee must obtain his or her supervisor's approval in advance for any absence to undergo any medical, dental, or optical examination or any pre-arranged treatment.
  - b. Supporting Evidence.
    - (1) Absences Longer Than Three Days. A medical certificate normally is required for absences longer than three workdays.
    - (2) Furnishing Additional Evidence. If a supervisor reasonably doubts the validity of a sick leave request, he or she may require medical certification for an absence of three or fewer days. Except in unusual situations in which service needs require otherwise, the supervisor will give the employee advance written notice if a medical certificate is required for absences of three or fewer days. This requirement remains effective until the supervisor revokes it in writing. If an employee fails to comply, the supervisor normally will regard the absence as absence without leave (AWOL), which may provide grounds for disciplinary action.
  - c. Charging Sick Leave. Sick leave will be charged in 15-minute increments.

- d. Advance Sick Leave. Advance sick leave is not authorized. Under no circumstances will a request for advance sick leave be approved for any employee. Should an employee's approved sick days exceed his/her accumulation; a deduction for the days/time absent will be taken from the employee's annual leave balance during the next pay cycle. If no annual leave exists, a deduction for the days/time absent will be taken from the employee's next paycheck.
6. Employee Sick Leave for Family Care.
    - a. Employees may use sick leave to care for a **family member, attend the funeral of a family member or for bereavement of a family member. The definition of family member includes spouse; parents; parents-in-law; children; brothers; sisters; grandparents; grandchildren; step parents; step children; foster parents; foster children; guardianship relationships; same sex and opposite sex domestic partners; and spouses or domestic partners of the aforementioned, as applicable.** Employees may use up to 104 hours per year. If the family member has a serious health condition as defined in Paragraph G of this chapter, the employee may use sick leave under the Family Medical Leave Act (FMLA) for up to 12 weeks. Refer to Paragraph G of this chapter for information regarding FMLA.
    - b. An employee may use up to seven days of paid leave each calendar year to serve as a bone-marrow donor. An employee also may use up to 30 days of paid leave each calendar year to serve as an organ donor. Leave for bone marrow and organ donation is a separate category of leave that is in addition to annual and sick leave. Employees may use this leave or leave to which otherwise entitled without loss or reduction in pay, credit for time or service, or performance efficiency rating.
  7. Substituting Leave. If an employee is ill during a period of scheduled annual leave, the supervisor may charge the period of illness to sick leave.
  8. Re-credit and Transfer of Sick Leave.
    - a. If a former Coast Guard NAF employee is reemployed with a break in service of one year or less, the employee's lost sick leave is re-credited. A former DoD NAF employee re-hired by the Coast Guard as a NAF employee within one year of separation for reasons other than retirement or separation for cause will have his/her sick leave at separation re-credited.
    - b. If a Coast Guard APF employee becomes a Coast Guard NAF employee with a break in service of three or fewer days, all sick leave transfers without limit.
    - c. Upon transfer of an employee to another DoD NAF employer, the employee's sick leave credits shall be transferred between the NAF employers without a transfer of funds provided the employee did not receive service credit for unused sick leave in the computation of an annuity. An employee who transfers from a DoD APF regular

position with a break in service of no more than three calendar days is entitled to a transfer of sick leave credit.

- d. Any employee reduced from full or part-time to regular intermittent status may retain accumulated sick leave and use it under established procedures, provided:

- (1) The employee's current command has employed that person for at least one year.
- (2) The employee works an intermittent schedule established in advance, and the sick leave request is for a scheduled workday.
- (3) The employee did not move to intermittent status for at his or her own request.

F. Absence Without Pay.

1. Granting Leave Without Pay (LWOP).

- a. Administrative Discretion. Leave approving officials may authorize LWOP at their discretion. Leave without pay is not a matter of right except for these employees:

- (1) Disabled veterans requiring periodic medical treatment for a service-connected disability.
- (2) Reservists and National Guardsmen ordered to perform military training duties if military leave does not cover the absence and it is shorter than three consecutive months per Paragraph J of this chapter.

- b. Charging LWOP. As with annual and sick leave, LWOP is charged in 15-minute increments.

- c. Leave Without Pay Status and Holiday Pay. An employee on LWOP for any portion of the scheduled workday immediately before or after a holiday is not entitled to receive holiday pay.

2. Extended LWOP.

- a. Supervisors will examine closely each request for extended LWOP, such as for 30 days or more. LWOP is approved on a case-by-case basis. Supervisors must consider several factors before approving an employees' request for LWOP. For example:

- (1) Length of the request and the probability of employee's return to work.
- (2) Immediate need to back-fill the position.
- (3) Additional cost to the command associated with the absence i.e. medical, life etc.

- (4) As a basic condition for approving extended LWOP, the employee should be expected to return after the approved period. In addition, it should be apparent at least one of these benefits would result:
  - (a) Protecting or improving the employee's health.
  - (b) Retaining a desirable employee.
  - (c) Furthering a command program.
- b. Leave without pay is appropriate to meet the needs of infant care, the adoption process, foster care, child care, and other parental and family responsibilities.
- c. Any LWOP approved for the above reasons including disability will automatically run concurrent for leave under the Family Medical Leave Act per Paragraph G of this chapter.
- d. As stated in Paragraph F.2.b. above, granting LWOP is done on a case-by-case basis and does not automatically guarantee or qualify the individual to receive the six months maximum permissible amount. The following types of situations ordinarily warrant granting extended LWOP:
  - (1) To recover from serious but temporary illness or disability if continued or immediate return to employment might impair the employee's or other employee's health. The maximum permissible amount of LWOP for such illness or disability is six months.
  - (2) The employee does not have the required 60 days of sick leave for short-term disability benefits.
  - (3) To protect an employee's status pending determination of a compensation claim resulting from an employment-connected injury or disease. The maximum permissible amount of LWOP for such injury or disease is six months.
  - (4) For up to 90 days to seek other Coast Guard NAF employment.
- e. Duration. The maximum LWOP period is six months. If an employee fails to return to duty within seven calendar days after the end of the particular approved period of leave without pay, he or she may be separated for abandonment of position.
- f. Duration of LWOP for Disability Reasons. An employee who has been granted leave without pay due to a disability (including serious illness or an on-the-job-injury, etc.) will at the end of six months, be separated without prejudice if it is determined by medical authority that he or she is unable to perform the duties of the position and if all reasonable efforts to reassign the employee to another position have failed.

3. Approving LWOP Requests.

- a. Requests for 30 or Fewer Calendar Days. Employees must request LWOP on an OPM 71; the supervisor or manager has approval authority. Time and attendance reports will reflect the exact LWOP dates.
- b. Requests Longer Than 30 Calendar Days. An employee must request LWOP exceeding 30 calendar days in total on an OPM 71 and include a written statement justifying the request. Supervisors should evaluate extended LWOP requests individually. If an employee requests LWOP for health reasons, he or she must include a statement from the physician or other practitioner indicating the need for the absence; a prognosis; the anticipated duration of the absence; and the expectation the employee will be able to return to work after the LWOP. If the supervisor approves the employee's request, he or she must submit it with a completed Request for Personnel Action, Standard Form 52 (SF-52), one full pay period before the LWOP's effective date to the appropriate command official for approval. The CSC HR will issue a Notification of Personnel Action, Standard Form 50 (SF-50), documenting the LWOP. When the employee returns to duty, his or her command must submit a second SF-52 to the CSC HR staff for preparation of an SF-50 changing the employee's status.

4. Absence Without Leave (AWOL).

- a. If an employee is absent from duty without approval, supervisors will charge the absence as AWOL. The employee can avoid the AWOL if he or she explains the cause to the immediate supervisor and, when appropriate, the reason for failing to ask for permission to be absent. The employee must request leave or LWOP, as appropriate, to cover the absence. If the immediate supervisor does not consider the employee's explanation acceptable, he or she will charge the absence as AWOL. The immediate supervisor must automatically review any such unauthorized absence to determine if disciplinary action is warranted. The charge to AWOL and subsequent loss of pay are not themselves a disciplinary action but rather record an unauthorized absence and attendant loss of pay resulting from it. Supervisors must consult the CSC HR staff for guidance before initiating any disciplinary action.
- b. An employee AWOL for any portion of the scheduled workday immediately before or after a holiday is not entitled to holiday pay.

G. Family and Medical Leave Act of 1993 (FMLA), as Amended.

1. General. The FMLA provides for up to 12 weeks of unpaid, job-protected leave to eligible employees for the following reasons:
  - a. For incapacity due to pregnancy, prenatal medical care, or child birth.

- b. To care for the employee's child after birth, or adoption, or foster care or care of a child to whom the employee stands "in loco parentis." In loco parentis is commonly understood to refer to "a person who has put himself in the situation of a lawful parent by assuming the obligations incident to the parental relation without going through the formalities necessary to legal adoption.
- c. To care for the employee's spouse, son or daughter, parent or a person who stood "in loco parentis" to the employee, who has a serious health condition.
- d. For a serious health condition that makes the employee unable to perform the employee's job.

(1) Serious health condition means a physical or mental illness, injury, or impairment involving a:

- (a) Period of incapacity, treatment, or care in a hospital, hospice, or residential medical care facility.
- (b) Condition resulting in an incapacity requiring an absence of 4 or more calendar days and involving continuing treatment by a health care provider.
- (c) Health care provider's continuing treatment or supervision for a chronic or long-term condition that, if not treated, would likely result in an incapacity lasting longer than three calendar days.

(2) Continuing treatment by a health care provider means:

- (a) A health care provider treated the employee twice or more.
- (b) Under orders or on referral, a health care provider treated the employee twice or more or treated at least once, resulting in a regimen of continuing treatment under either a health care provider's or designated professional's supervision.
- (c) Under a health care provider's continuing supervision for a serious long-term or chronic condition or an incurable disability.

2. Coverage. All NAF employees are eligible provided they meet both aspects of the following two criteria:

- a. The Coast Guard command must have employed the NAF employee for at least one year.
- b. The employee must have been in a pay status for at least 1,250 hours before the leave begins.

proceeding including hearings and conferences before a committing court, magistrate, or commission; grand jury proceedings; a coroner's inquest; and hearings and conferences conducted by a prosecuting attorney to determine whether to file charges in a particular case. Court leave covers all the proceeding's stages: preliminary, hearing, inquest, trial, or deposition-taking. Court leave does not include an administrative proceeding.

2. Employee Eligibility. A supervisor may grant court leave to eligible employees as follows:
  - a. To permanent or temporary employees on part- or full-time schedules.
  - b. To night shift employees performing court service during the day for their regularly scheduled night tours. They are entitled to the night differential they normally would have earned.
  - c. An employee performing duty for a full workday who then sits on a grand jury in the evening on the following day to the extent necessary to relieve hardship.
  - d. Intermittent employees are not eligible for court leave.
  
3. Granting Leave.
  - a. A supervisor will grant eligible employees ordered to serve as jurors or witnesses leave for the entire period required. Court leave extends from the reporting date the summons specifies until the employee is discharged, no matter the number of hours per day or days per week. If an employee is discharged or excused for a half-day or more, he or she must return to duty if his or her place of employment is located in the same local commuting area as the court.
  - b. A supervisor must charge annual leave or LWOP for these absences if an employee:
    - (1) Is called as a witness in a private capacity on behalf of a private party and no Government is a party to the judicial proceedings.
    - (2) Is on leave without pay when called for jury duty or other qualifying witness service. Court leave is available only to an employee who otherwise would be on duty or leave with pay.
  - c. An employee eligible for court leave may not elect to take annual leave instead. Doing so would reduce accumulated leave, which is prohibited. An employee may not substitute annual leave for court leave to avoid forfeiture at the end of the leave year.
  - d. An employee summoned to attend court must notify his or her immediate supervisor as soon as possible by submitting an OPM 71 and attaching a copy of the order or

subpoena requiring attendance in court. On return to duty, the employee must produce a certificate of attendance verifying the time spent as a witness or on jury duty signed by the Clerk of the Court or other appropriate official.

4. Fees Received on Court Leave. Employees ineligible for court leave may retain all fees and allowances they receive for their court service. Employees eligible for court leave must submit any fees received to the CSC payroll office. However, they may retain any portion of the fee exceeding their normal compensation. Mileage or reimbursement of actual expenses incurred on jury service is not considered fees and employees may retain them and any fees received for service on non-workdays in full.
  5. Travel Expenses. If such service is part of his or her official duty, an employee appearing as a witness is entitled to travel expenses at the same rates and amounts allowable for other purposes under law (5 USC 5701-5708) and regulations. The employee must refund the difference between Government-paid travel expenses and those paid by the court, authority, or party summoning the employee.
- J. Military Leave. Any full-time or part time NAF employee whose appointment is not limited to 1 year is entitled to military leave. Temporary and intermittent status employees are not entitled to military leave.
1. Military Leave Eligibility. Both full- and part-time permanent employees who are National Guard or Armed Forces Reserve members are entitled to military leave.
  2. Types of Military Leave.
    - a. 5 U.S.C. 6323 (a) provides 15 days(120 hours) per **appropriated fund** year for active duty, active duty training, and inactive duty training. An employee can carry over a maximum of 15 days into the next fiscal year. Military leave is prorated for part-time employees based on the number of hours in the employee's regularly scheduled biweekly pay period. Any part of this military leave that is not used in any given fiscal year accumulates for use in succeeding fiscal years, not to exceed a 15-day maximum carryover. Therefore, an employee could have a maximum total of 30 days to his/her credit for use during a fiscal year.
    - b. Inactive duty training is authorized training performed by members of a Reserve component not on active duty and performed in connection with the prescribed activities of the Reserve component. It consists of regularly scheduled unit training periods, additional training periods, and equivalent training.
    - c. 5 U.S.C. 6323 (b) provides 22 workdays per calendar year for emergency duty as ordered by the President, the Secretary of Defense, or a State Governor. This leave is provided for employees who perform military duties in support of civil authorities in the protection of life and property or who perform full-time military service as a result of a call or order to active duty in support of a contingency operation as defined in Section 101(a)(13) of Title 10, United States Code.

- d. Employees may be granted 22 days leave only upon presentation of competent orders. Compensation (other than a travel, transportation, or per diem allowance) received by an employee for such military service shall be credited against the pay payable to the employee with respect to his/her civilian position for such period of military service. Military leave is to be granted only for workdays; the civilian pay of the employee will be reduced only by the amount received for military service performed on a workday.**
3. Types of Military Duty Not Covered by Military Leave. Employees are ineligible for military leave for these types of military duty:
- a. Reserve Officers Training Corps summer training. These employees will be in LWOP status.
  - b. State National Guard parade participation; however, by specific statute, District of Columbia National Guard members are entitled to military leave for parade participation.
  - c. Training with a state defense or military organization not a part of the National Guard or any other state organization created during an emergency in the absence of a state National Guard.
  - d. Weekly District of Columbia National Guard drills and meetings.
  - e. Civil Air Patrol, a United States Air Force civilian auxiliary.
  - f. Time taken on a workday to travel to the training location unless military training orders encompass the required travel time.
  - g. Active duty as a U. S. Public Health Service Reserve Corps commissioned officer.
4. Days of Leave.
- a. Military leave should be credited to a full-time employee on the basis of an eight-hour workday. The minimum charge to leave is one hour. An employee may be charged military leave only for hours that the employee would otherwise have worked and received pay.
  - b. Employees who request military leave for inactive duty training (which generally is 2, 4, or 6 hours in length) will be charged only the amount of military leave necessary to cover the period of training and necessary travel. Members of the Reserves and/or National Guard will no longer be charged military leave for weekends and holidays that occur within the period of military service.
  - c. A full-time employee working a 40-hour workweek will accrue 120 hours (15 days x 8 hours) of military leave in a fiscal year, or the equivalent of three 40-hour

workweeks. Military leave under 5 U.S.C. 6323 (a) will be prorated for part-time employees and for employees on uncommon tours of duty based proportionally on the number of hours in the employee's regularly scheduled biweekly pay period.

5. Approving Military Leave.

- a. Employee responsibility. Employees who can volunteer or arrange for their military duty must discuss their plans for military duty and request approval in advance.
- b. Evidence Required for Military Leave. For initial leave authorization, an employee must furnish a copy of the military order calling him or her to duty. On returning from military duty, the employee must furnish official evidence he or she performed military duty. Acceptable certification includes a copy of his or her military orders showing all endorsements in lieu of the military official's original signatures or other official documents issued by the National Guard or an appropriate Armed Forces reserve component.
- c. Mandatory approval. If an employee has followed leave procedures and provided acceptable evidence, approving military leave requests is mandatory.

6. Computing Military Leave. Military leave is computed on a work day basis. The CSC HR will not charge non-workdays at the beginning or end of the leave period to military leave. For example, an employee absent on military leave from Monday of one week through Friday of the next week would use 10 days of military leave. The intervening Saturday and Sunday would not count for military leave. An otherwise eligible employee is entitled to military leave for each military training tour up to the limit of his or her accrued, accumulated military leave for that leave year.

7. Converting Other Leave to Military Leave.

- a. Annual Leave. If an otherwise eligible employee absent on annual leave is ordered to military duty, on request, he or she is entitled to have the annual leave converted to military leave.
- b. Leave Without Pay (LWOP). An employee on extended LWOP ordered to military training duty may not convert the LWOP to military leave. However, if an eligible employee takes approved LWOP immediately before or after military training duty to attend to personal matters; his or her eligibility for military leave remains the same.

8. Using Other Leave for Military Leave. If a National Guard or Armed Forces Reserve member is not entitled to, does not request, or has exhausted his or her military leave, supervisors should grant the employee annual leave or LWOP, as requested, to perform active or inactive duty, except as follows:

- a. If the employee is ordered to an initial period of active duty for training longer than three consecutive months, the supervisor has the option to grant the requested annual leave or LWOP.

- b. If an employee will continue military active duty for an extended period, usually more than one year, after exhausting any requested military leave to which entitled, he or she should be separated with reemployment rights.
- c. As with military leave, an employee electing annual leave receives full compensation from the civilian position for each workday charged to annual leave in addition to his or her military pay for the same period.

9. Pay Status during Military Leave.

- a. Employees absent on military leave are entitled to receive their regular civilian pay and the military pay and allowances to which entitled.
- b. An employee absent on an overtime day on which he or she is regularly scheduled to work is entitled to overtime compensation for that day, provided he or she was in a pay status for 40 hours of the basic workweek before entering military leave status. An employee is entitled to night differential and Sunday premium pay during a military leave period when he or she, if in a duty status, would have earned them.

10. Absence for Physical Examination. A supervisor may grant an excused absence to employees to take a physical examination required by Armed Forces reserve components or the National Guard.

11. Extended Active Military Duty.

- a. The Uniformed Services Employment and Reemployment Rights Act (USERRA) and the Code of Federal Regulations (CFR), Part 1002 of Chapter 11 of Title 20, establish rights for employees who serve or have served in the uniformed services of the United States.
- b. As soon as a supervisor is informed or becomes aware that an employee is going to leave or has left for military service, the command of the NAF employee must consult with CSC HR to insure compliance with USERRA regulations.
- c. A military leave of absence without pay must be granted for employees in positions other than those that are temporary. The regulations define temporary positions as those that exist for a brief, non-recurrent period with no reasonable expectation that the employment would have continued for a significant period.
- d. To be eligible, an employee must meet one of the following criteria:
  - (1) The employee is inducted through Selective Service.
  - (2) The employee enlists voluntarily.

- (3) The employee is called through membership in the uniformed services, defined as the Armed Forces; the Army National Guard; the Air National Guard; the commissioned corps of the Public Health Service; and, for USERRA coverage only, service as an intermittent disaster response appointee upon federal activation of the National Disaster Medical System (NDMS) or attending NDMS authorized training in support of its federal mission.
- e. The limit on the cumulative time away from work for military service and still retain USERRA rights is five years.
  - f. The military leave of absence covers the dates that the employee is actively performing service. The five-year limit may also extend to a later date when the employee is able to obtain a release from active duty.
  - g. An employee who completes uniformed service and requests (orally or in writing) to return to work is to be returned within two weeks of the request if he or she meets the following criteria:
    - (1) The employee was discharged from military service under honorable conditions.
    - (2) The employee requests to return to work within the following time limits:
      - (a) Service of 1 to 30 days: the beginning of the next regularly scheduled work period on the first full day following completion of service and expiration of an 8-hour rest period following safe transportation home.
      - (b) Service of 31 to 180 days: application for reinstatement must be submitted not later than 14 days after completion of military duty.
      - (c) Service of 181 or more days: application for reinstatement must be submitted not later than 90 days after completion of military duty.
    - (3) The cumulative period of time away from the command in military service does not exceed five years, or if it does, the exceptions provided for in USERRA apply.
  - h. The employee meeting these criteria will be returned to the status that he or she would have enjoyed with reasonable certainty as if the military absence had not occurred. This includes the completion of any evaluation period that would have expired during this time
- K. Funeral Leave. A supervisor may grant requested funeral leave to allow an employee to arrange or attend a funeral or memorial service for an immediate family member who died due to a wound, disease, or injury incurred while serving as an Armed Forces member in a combat zone. Funeral leave extends up to three workdays without loss of or reduction in pay or leave to which an employee otherwise is entitled. The three days need not be consecutive, but if not, the employee must furnish satisfactory reasons to justify granting funeral leave for

non-consecutive days. Employees may be eligible for funeral leave under Paragraph E.6.b. of this chapter.

L. Compensatory Time Off.

1. General.

- a. Compensatory (comp) time off is compensation in lieu of monetary overtime pay. While it is not a true leave category, this chapter discusses it to inform and guide supervisors on its use.
- b. Federal Wage System, 5 USC 5542 and 5543, governs an employee's eligibility to accrue compensatory time off, per Paragraph 2, below.
- c. All crafts and trades and pay band employees may be granted comp time in lieu of overtime pay for equal amount of irregular or occasional overtime work. An eligible employee may request comp time in lieu of overtime pay. Such requests must be approved by the employee's supervisor.
- d. Exempt employees may be required to work more than the basic 40-hour week since the responsibilities of their positions are not confined to a specific number of hours but rather to getting the job done. Exempt employees are not ordinarily provided compensatory time off for work in excess of 40 hours in an administrative workweek except in extenuating travel circumstances, per Paragraph L.4.e., below.
- e. The immediate supervisor is responsible for approving and tracking compensatory time. The tracking documentation must be written and the employee must receive a copy of the documentation.

2. Accruing Compensatory Time Off. Compensatory time off accrues at one hour for each overtime hour worked up to a maximum of 80 accrued hours at any time, after which all time accrued earns overtime pay.

3. Using Compensatory Time Off.

- a. An employee must use compensatory time off when convenient to both the employee and supervisor within a reasonable period of time after working the overtime. Comp time off must be used within 90 days of accrual. If not used within above established time period the comp time converts to overtime pay at one and one half times the basic pay rate at which it was earned, per Paragraph c., below.
- b. An employee must use accrued compensatory time off before annual leave is approved, unless the employee would forfeit annual leave at the end of the leave year.
- c. A supervisor and employee must set the employee's separation or transfer date from the NAF to allow him or her to use all accrued compensatory time off, if practical.

Otherwise, at separation all unused compensatory time off converts to paid overtime at the rate of one and one half times the basic pay rate in the grade or pay band at which the employee earned the compensatory time.

4. Compensatory Time for Travel.

- a. Compensatory time off for travel is a separate form of compensatory time off that may be earned by a non-exempt employee for time spent in a travel status away from the employee's official duty station when such time is not otherwise compensable.
- b. This compensatory time for travel applies to personnel who are on official travel (officially ordered) and away from their duty station. Time in a travel status includes:
  - (1) Time spent traveling between the official duty station and a temporary duty station.
  - (2) Time spent traveling between two temporary duty stations.
  - (3) The "usual waiting time" preceding or interrupting such travel (e.g., waiting at an airport or train station prior to departure).
- c. If an employee experiences an unusually long wait prior to his or her initial departure or between actual periods of travel during which the employee is free to rest, sleep or otherwise use the time for his or her own purposes, the extended waiting time outside of the employee's regular working hours will not be creditable.
- d. For the purposes of earning compensatory time off for travel, bona fide meal periods are not considered time in a travel status. For example, if an employee spends an uninterrupted hour eating a meal at an airport restaurant while waiting for a connecting flight, that hour is not considered time in travel status.
- e. Exempt employees may receive compensatory time at the supervisor discretion for extenuating and extraordinary travel circumstances. The use of comp time for travel should be authorized and approved in a judicious manner.
- f. Compensatory time off for travel is credited and used in increments of one- one-quarter of an hour (15 minutes). Compensatory time off for travel is forfeited:
  - (1) Upon voluntary transfer to another agency.
  - (2) Upon separation from employment.
- g. Under no circumstances may an employee receive payment for unused compensatory time off for travel.

5. Compensatory Time for Religious Observances.

- a. Both non-exempt and exempt employees whose personal religious beliefs require absence from work may request to work overtime and earn compensatory time off to use for those religious observances. Modifying work schedules for this purpose should not interfere with accomplishing the NAF mission efficiently.
- b. An employee may work such overtime either before or after using the compensatory time off, but should repay advance compensatory time by the appropriate overtime work within a reasonable amount of time. It is strongly recommended that the supervisor and employee agree on the date(s) the employee will work the overtime before the supervisor approves the request for compensatory time.

#### M. Excused Absences.

1. General. An excused absence, also called administrative leave, is an absence from duty with neither loss of pay nor charge to an employee's leave account. Employees may appropriately take excused absences in several situations.
2. Tardiness and Brief Absences. The supervisor may grant administrative leave for unavoidable tardiness and brief absences from duty of up to one hour. If these events become too frequent, the supervisor will inform the employee and advise him or her in writing. The official will record future absences as AWOL unless the employee requests and the official approve annual leave or LWOP. Instances of AWOL may serve as the basis for appropriate disciplinary action. The supervisor must consider and record each period of absence separately.
3. Attending Conventions, Conferences, or Meetings.
  - a. Absence from duty to attend conventions, conferences, or meetings related to the NAF activity's work, including travel time is considered duty status and does not require excused absence.
  - b. If the convention, conference, or meeting is not directly related to the NAF activity work but, attendance will improve the employee's work, authorized officials have the administrative discretion to grant excused absence or charge it to annual leave.
  - c. Supervisors must charge approved absences unrelated to an employee's NAF employment to annual leave or LWOP.
  - d. Supervisors must establish the duty or leave status of an employee attending a meeting, conference, or convention in advance.
4. Absence Due to Preventive Medical Programs. When the Coast Guard offers employees either health education or specific disease screening examinations and immunizations as part of a preventive medical program, supervisors will grant participating employees excused absence for the length of time required.

5. Absence Due to Attendance at CGSUPRT, the Coast Guard's Employee Assistance Program. Supervisors will grant an employee counseled by a CGSUPRT counselor excused absence for a reasonable time for such counseling. However, if an employee requests approved absence for scheduled treatment at a counseling or rehabilitation center outside the Coast Guard, the supervisor must record the absence as sick leave, annual leave, LWOP, or compensatory time off, as appropriate.
6. Blood Donations. Supervisors may grant employees up to four hours of excused absence for travel, clinical time, and recovery time for each voluntary blood donation (including platelet). However, employees who sell their blood are not authorized excused absence, and supervisors must charge all time off from work to annual leave, LWOP, or compensatory time off, as appropriate.
7. Absence for Voting and Registration. Employees are encouraged to vote in all elections if absence from duty does not interfere seriously with operations. Supervisors will excuse employees who want to vote or register in any election or referendum on a civic matter in their community for a reasonable time for that purpose, according to these guidelines:
  - a. Voting.
    - (1) Generally, if the polls are not open for three hours before or after working hours, a supervisor may grant an employee an amount of excused absence that will permit him or her to report to work three hours after the polls open or leave three hours before the polls close, whichever requires the least time off.
    - (2) In exceptional circumstances, if the general rule does not permit enough time, a supervisor may excuse an employee for any additional time up to one day needed for him or her to vote depending upon the particular circumstances.
    - (3) If an employee's voting place is beyond normal commuting distance and the voting jurisdiction does not permit absentee voting, a supervisor may grant an employee sufficient time off to travel to the voting place. Time off longer than one day must be charged to annual leave or LWOP.
  - b. Registration. A supervisor may not excuse an absence if a voting jurisdiction permits registration during non-working hours and the registration place is within a reasonable one day round-trip travel distance of an employee's residence. If the voting jurisdiction does not permit non-workday registration, a supervisor may excuse an absence on the same basis as for voting.
8. Emergencies.
  - a. Hazardous Weather.

- (1) Facility Closed. When hazardous weather conditions, such as heavy snow, icing, or hurricane cause Federal installations to close for one or more whole days, all full-time and part-time employees scheduled to work at offices affected by the closing, including those who otherwise would have reported back to work after a period of approved leave, are excused from work without charge to leave except those determined in advance to perform critical or essential functions. Workdays on which a facility is closed are non workdays for leave purposes. Because leave cannot be charged on non workdays, employees who are on approved leave must also be granted excused absence. This does not apply to employees on LWOP, military leave, suspension, or in a non-pay status on a workday before and after the closure. These employees are not entitled to excused absence and should remain in their current status. Telework employees may be required to work when the facility is closed. Intermittent employees will not be paid for time not worked provided the information regarding the closing was available two hours before the start of their work day.
  - (2) Late Opening. When hazardous weather causes Federal offices and installations to open late, all employees of the affected offices who report for duty at the delayed opening time are excused for the period while closed. In addition, supervisors have the discretion to excuse tardiness beyond the designated opening time if the employees had tried reasonably diligently to get to work on time. Supervisors may place employees who do not report for duty at all on AWOL or grant them leave, as appropriate, for the entire workday.
  - (3) Early Closing. When hazardous weather causes Federal offices and installations to close early, supervisors will excuse all employees in a duty status at the time of closing for the period closed. Leave approving officials will approve and grant leave to employees on duty when an early closing is formally announced but who leave before the announced closing time or charge them as AWOL for the period of absence between their departure and the announced closing time. Supervisors will not grant an excused absence to employees who do not report for duty at all or leave before an early closure is formally announced, but will place them on AWOL or grant them leave, as appropriate, for the entire period of their absence. Employees who are required to remain on duty until normal closure time for ease of shutdown or other managerial considerations are not entitled to any additional compensation in the form of overtime or compensatory time solely because they were required to remain at the work site when others were dismissed early.
- b. Other Emergencies.
- (1) Dismissals due to unusual employment or working conditions created by a temporary disruption of air cooling or heating systems should be rare. Employees are expected to work if working conditions are reasonably adequate, even though they may be abnormal and involve minor discomfort. Before supervisors excuse absence, reasonable standards of judgment must clearly establish that the conditions prevent work. In so judging, consider such factors as the physical

requirements of the positions involved, the work area's temperatures, and the possibility of temporarily relocating employees to unaffected work areas. Supervisors may grant annual or sick leave to individual employees so affected by unusual temperatures they are incapacitated for duty or would impair their health by continuing on duty.

- (2) Supervisors may excuse employees from duty if an office is closed on regular workdays because of emergency conditions, including flood, earthquake, air pollution, massive power failure, extreme cold, major fires, public health or safety emergencies, or widespread interruptions to public transportation caused by incidents such as local transit employee's strikes or mass demonstrations. In such cases the guidelines for hazardous weather will apply.
9. Absence for an Employee Organization. Supervisors may excuse an employee serving as an employee organization's representative to receive information, a briefing, or orientation on matters of mutual concern to management and the employee organization up to eight hours a leave year.
10. Medical Absence. Supervisors may excuse employees without charging them leave to undergo required medical examinations or treatments resulting from an on-the-job injury. For an on-the-job injury, the maximum excused absence on the day of injury is eight hours. For example, an employee is scheduled 7:30 a.m. to 4:00 p.m. and at 1:00 p.m. is injured on the job, requiring medical treatment. The remainder of the shift, three hours, is an excused absence.
11. Group Absence. Group absences to attend parties, picnics, etc., that are not official functions or during which employees do not participate in their official capacity should be charged to annual leave.
12. Volunteer Activities. Employees seeking to participate in volunteer activities during basic working hours may be granted annual leave, leave without pay, compensatory time off, or in very limited and unique circumstances, excused absence (administrative leave) for participation in volunteer activities that is directly related to the mission of the Coast Guards mission such as the Coast Guard Partnership in Education program.

## CHAPTER 8. PERFORMANCE EVALUATIONS AND RATINGS

- A. Applicability. This chapter applies to all NAF employees serving under full-time, part-time, regular intermittent, temporary for more than 90 days, and probationary categories.
- B. Purpose. This chapter establishes a system to continually evaluate the quality of employee performance against realistic performance requirements so supervisors can advise employees about these requirements, evaluate performance, recognize exceptional performance, and take action to improve performance.
- C. Coverage. The Coast Guard NAF performance management system has three performance evaluation systems:
1. CGX exempt employees are evaluated using the Coast Guard Exchange System Performance Evaluation.
  2. Intermittent employees are evaluated using the Intermittent Employee Performance Evaluation, Form CG-1227, Exhibit 8-1.
  3. All other NAF employees are evaluated using the **U.S. Coast Guard Performance Plan and Evaluation**, Form CG-3430.8R (Rev 2-13) **also known as EARS**.
- D. Definitions (General).
1. Appraisal Rating Period. Also called the appraisal or rating cycle, the appraisal rating period is the portion of the year (at least 90 calendar days) in which an employee's performance is reviewed and a rating of record is prepared. The annual appraisal period for CGX employees is 1 February to 31 January of each year. The annual appraisal period for other NAF employees is 1 April to 31 March of each year.
  2. Approving Official. The official, generally the employee's second-level supervisor, who approves the rating of record.
  3. Core Competencies (CC's) (CGX Nonexempt and Other NAF Employees). Organizational values that apply broadly to all or many jobs. Using core competencies helps link individual performance with organizational goals in such areas as timeliness, quality, customer service, and leadership. Each CC has a generic standard that provides examples of performance at the "Meets" rating level.
  4. Performance Factors. Performance dimensions used to evaluate CGX exempt positions. Examples of specific outcomes are provided to describe the "Achieves Expectation" (AE) rating levels. All factors rated "Exceptional" (E), "Exceeds Expectations" (EE), or "Below Expectations" (BE) require an explanation.
  5. Interim Rating. The rating official prepares a written evaluation of an employee's performance whenever an employee has been on an approved performance plan and (1)

completes a detail or temporary promotion of 90 days; (2) moves to a new position inside the Coast Guard after 90 days.

6. Intermittent (WAE) Employee Performance Evaluation, Form CG-1227. A standard evaluation used to evaluate all intermittent employees (Exhibit 8-1).
7. Level of Performance. The performance standard received for performing any assigned core competency or performance factor as appropriate.
  - a. The rating for CGX exempt positions: “Exceptional,” “Exceeds Expectations,” “Achieves Expectations,” or “Below Expectations.”
  - b. The rating for CGX nonexempt and all other NAF positions: “Exceeds,” “Meets,” or “Fails to Meet.”
  - c. The rating for Intermittent Employees is either: “Met acceptable level of performance” or “did not meet acceptable level of performance.”
8. Performance Percentage Increase. A salary increase that may be given only to CGX exempt employees whose performance evaluation is rated as “Achieves Expectations” or higher **and CGX nonexempt employees who are rated as “Meets” or higher**.
9. Performance Cash Award. A one-time cash award or recurring pay raise tied to the employee’s annual appraisal and based on performance during the rating cycle.
10. Performance Standard. Performance standards state what behaviors or results are expected for performance to be considered at the “Meets” level for pay band nonexempt CGX and all other NAF positions evaluated using EARS. This evaluation system uses “generic” performance standards for each core competency.
11. Performance Improvement Plan (PIP). A written plan developed by the supervisor for the purpose of improving the performance of the employee and addressing performance discrepancies identified in the performance appraisal process.
12. Progress Review. Formal, documented discussions between employee and supervisor about the employee’s performance during the appraisal period excluding any initial discussion at or near the start of the review period to establish the performance plan or at the end, during the presentation of the rating of record.
13. Rating Official. Normally, the employee’s first-level supervisor who proposes the employee’s final rating of record.
14. Rating of Record. The annual rating required at the end of the evaluation period (31 January or 31 March) unless a more current rating is completed to support a pay increase determination or a performance based action. If so, the more current rating becomes the rating of record. Summarized by a single level of performance, the rating of record is the official rating for pay, performance awards, and retention purposes.

15. Summary Rating/Performance Summary. A single performance level assigned when summarizing the employee's overall performance.
  16. Supervisor of Record. The supervisor of the employee's official position of record, versus any position to which the employee is detailed or temporarily assigned.
  17. Work Plan. A plan, covering all or part of the evaluation period, and including task and other work statements.
- E. Responsibilities (for use with Both Evaluation Systems). Performance management requires joint planning and communication between rating officials and their employees. The responsibilities are as follows:
1. Employees will:
    - a. Jointly, with their supervisors, review the position descriptions, standard position guides, and task statements to ensure they accurately describe major duties.
    - b. Jointly, with their supervisors, develop and discuss their performance plan.
    - c. Discuss and help document performance during progress reviews. When the evaluation period expires, the employee has the option to prepare a statement of accomplishments.
  2. Rating Officials (Immediate Supervisor) will:
    - a. Jointly, with their employees, review the position descriptions and standard position guides to ensure they accurately describe major duties and responsibilities.
    - b. Jointly, with their employees, develop and discuss employees' performance plans to ensure performance expectations are consistent with organizational objectives and will promote equitable treatment of all employees. The plan's final specifications remain a supervisory right and responsibility.
    - c. During the full-year appraisal period (1 April to 31 March, or 1 February to 31 January) the supervisor will conduct at least two documented progress reviews at regularly spaced intervals during the rating cycle.
    - d. In arriving at the rating of record, the supervisor will:
      - (1) Consider any interim ratings for an employee to arrive at the rating of record.
      - (2) Provide the employee the opportunity to submit material relevant to the evaluation such as a summary of accomplishments.
    - e. Propose the final rating of record.

- f. Recommend performance awards as appropriate.
  - g. Submit an interim rating for all employees supervised 90 days or more if leaving the position before the end of the rating period in order to assist the incoming rating official who later will prepare the rating of record.
  - h. Discuss evaluations with approving officials and resolve differences before discussing with employees.
  - i. Discuss the rating of record with the employee and give him or her a copy.
  - j. In consultation with the CSC HR, take appropriate action if an employee's performance falls below the "Meets" or "Achieves Expectations" level.
3. Approving Officials, Normally Second-level Supervisors, will:
- a. Administer their respective organizations' evaluation system, ensuring promptness throughout.
  - b. Review and approve the performance plan their subordinate rating officials prepare for consistency, fairness, objectivity, and completeness, at the beginning of each evaluation cycle, making sure plans reflect the larger organization's overall needs or goals.
  - c. Review and approve significant changes to the performance plan during the rating period.
  - d. Approve ratings of record.
  - e. Assess subordinate rating officials' performance in executing this chapter's provisions.
4. CSC HR will:
- a. Advise and assist supervisors on the performance evaluation process and issue any required implementing directives.
  - b. Ensure all affected personnel are aware of deadlines, time-frames, and schedules; send reminder notices to all supervisors at least 30 days before the rating due date, and follow-up on performance evaluations until all are received.
  - c. Keep adequate records to respond to report requirements and requests.
  - d. Process pay increases and awards and complete, process, and file related forms and records quickly and accurately.

F. Performance Evaluation Process for use with Both Evaluation Systems.

1. Performance Plan. At the beginning of each evaluation cycle, the supervisor will develop a written performance plan for each employee. The plan should be based upon organizational objectives, the position's requirements, and applicable job elements as documented on the evaluation form. Optionally, the plan may include a work plan that clarifies standards and/or specifies matters such as associated tasks, timetables, and resources.
  - a. Both employee and supervisor should review the standard position guide and task statement to ensure accuracy and completeness.
  - b. While the supervisor approves a performance plan, the employee and supervisor should jointly develop and update the plan.
  - c. Before the plan becomes final, the approving official will review and approve it for consistency with plans established for similar positions and conformity with organizational goals. The approving official has final authority over the plan's content.
  - d. The rating and approving officials sign and date the plan to indicate approval. The employee signs and dates the plan to indicate receiving it.
  - e. Depending upon the evaluation system used, the supervisor and employee normally develop the employee's performance plan by 1 February or 1 April annually. If the employee is reassigned, promoted, or demoted, to a new position during the evaluation period, the rating official and employee will develop a new performance plan within 30 days.
  - f. A rating official can significantly change a performance plan at any time during the rating cycle up to 90 days before it ends. The supervisor must appropriately annotate such changes and the approving official must approve them. The employee must receive a copy and should initial the revised plan to indicate its receipt.
2. Process for Employees under EARS.
  - a. Coast Guard NAFIs use the EARS evaluation form, but with some minor modifications. CSC NAF pay band employees are not on a time in service pay increase system. The CSC guidelines on the NAF evaluation system address these minor differences.
  - b. Core Competencies (CCs). Additions to the nine CCs listed below are not permitted. Within the performance plan the supervisor must specify (by a checkmark) at least four applicable CCs, including any that are mandatory. When considering overall performance, the supervisor weighs each CC equally. If an employee "Fails to Meet" the performance standard for any single CC, his or her overall rating is "Fails to Meet." The nine CCs are:

- (1) Applied Job Knowledge and Skills (Mandatory for all employees)
  - (2) Supervisory Leadership (Mandatory for supervisors)
  - (3) Teamwork
  - (4) Customer Service
  - (5) Communication
  - (6) Quality of Work
  - (7) Timeliness and Quantity of Work
  - (8) Safety
  - (9) Funds Management
3. Progress Reviews for Employees under the U.S. Coast Guard Excellence, Achievement and Recognition (EARS), Form CG-3430.8 (series).
- a. During the full-year appraisal period (1 April to 31 March for non-CGX NAF employees, and 1 February to 31 January for CGX employees) the rating official and employee will conduct at least two documented progress reviews to discuss performance to date and whether to change the performance plan. Progress reviews should normally be made at regularly spaced intervals. Neither the initial discussion to establish a performance plan nor the presentation of the approved rating is a progress review. If the appraisal is for the minimum 90-day period only, no progress review is required. If the appraisal period lasts between 91 and 180 days, only one documented review is required. The rating official and employee will document the progress review by signing and dating Part III of the U.S. Coast Guard Excellence, Achievement and Recognition, Form CG-3430.8 (series) as appropriate. As necessary, they may complete multiple copies of Part III when documenting three or more progress reviews.
  - b. Supervisors must provide ongoing feedback to employees in addition to the required progress reviews. For example, feedback might be appropriate when an employee completes a short-term assignment or a 60-day detail to another position.
4. The Rating Process for Employees under EARS. At the end of the appraisal cycle, the supervisor assesses the employee's performance compared to each CC the employee has performed for at least 90 days and prepares a recommended rating of record.
- a. Obtaining Employee Input. As the first step in preparing a final rating, the supervisor will give the employee an opportunity to provide a written statement of accomplishments, part IV of the U.S. Coast Guard Excellence, Achievement and

- Recognition, Form CG-3430.8 (series) in fulfilling the plan. The statement may be made in any appropriate format (e.g., narrative, bullet, or list); may include discussion or elaboration of associated factors, resources available, scheduling, or other matters; and should be limited to the space provided in Part IV.
- b. Rating the Core Competencies. After considering any employee input, the supervisor will use one of the levels described below to rate the employee's performance for each applicable CC against the appropriate performance standard:
- (1) "Exceeds" the Performance Standard. Superior performance, accomplished with little supervision that so clearly exceeds the criteria for "Meets" as to be truly noteworthy. Performance at this level adds an unusual degree of value to the organization and significantly contributes to mission accomplishment. The supervisor needs to substantiate this evaluation in the allotted space.
  - (2) "Meets" the Performance Standard. Good, sound performance, accomplished with normal supervision that is generally consistent with the CCs performance standard. "Meets" encompasses a broad range of performance including at the upper end performance of high organizational value and commendable mission accomplishment.
  - (3) "Fails to Meet" the Performance Standard. The performance fails to meet the performance standard's criteria. Requires unusually close supervision or substantially correcting work. The supervisor needs to substantiate this evaluation in the allotted space.
5. Rating Official for Employees under EARS. The rating official will rate the individual CCs and prepare a narrative statement describing overall performance in the U.S. Coast Guard Excellence, Achievement, and Recognition, Form CG-3430.8 (series) Part V. The statement need not discuss all applicable CCs, but should highlight outcomes and results of the employee's performance. It should be limited to the space provided in Part V. Before sending the recommended rating of record to the approving official, the rating official will propose an overall summary rating based on these criteria:
- a. "Exceeds" the Performance Standard. No more than one CC is rated as "Meets" and no CC is rated "Fails to Meet." This is truly noteworthy and superior performance accomplished with little supervision. Performance at this level adds a high degree of value to the organization and significantly contributes to mission accomplishment.
  - b. "Meets" the Performance Standard. Two or more CCs are rated "Meets" and none are rated "Fails to Meet." This is good, sound performance, accomplished with normal supervision. "Meets" encompasses the broad range of performance including at the upper end performance of high organizational value and commendable mission accomplishment.
  - c. "Fails to Meet" the Performance Standard. One or more CC is rated "Fails to Meet."

6. Performance Evaluation Process For Employees Evaluated Under the Coast Guard Exchange System Performance Review.
  - a. The CSC will promulgate local policy that details guidance on completing and processing the Coast Guard Exchange System Performance Review.
  - b. There are two rating parts to the Exchange Performance Review; performance factors and performance objectives. Employees are evaluated and rated on the performance factors and objectives relating to their position. A numerical rating value is assigned to each performance factor and performance objective. The same rating scale is used for both. The score achieved for the performance objectives is added to the performance factor score to determine the overall rating.
  - c. The Performance Factors are:
    - (1) Financial Performance
    - (2) Customer **Service**
    - (3) Training **and** Development
    - (4) **Teamwork**
    - (5) Drive for Results
    - (6) Work Quality
    - (7) Communication
    - (8) **Leadership**
  - d. The performance objectives are based on the performance plan established by the supervisor and employee at the beginning of the appraisal cycle. The rating official must specify at least four objectives to be pursued during the next rating year. Objectives must support CGX business plans, and results expected must be measurable. One objective must address Equal Employment Opportunity/Workforce Diversity issues.
  - e. In addition to the performance factors and objectives, performance is also measured by comparing business results against the fiscal year business plan. The statistical elements used to measure performance vary by type of position. There are no rating values assigned to the statistical elements. However, the actual fiscal year business results compared to the fiscal year business plan are used in the evaluation process.
7. Progress Reviews.

- a. During the full-year appraisal period (1 February to 31 January) the rating official and employee will conduct at least two documented progress reviews to discuss performance to date and whether to change the performance plan. Progress reviews should normally be made at regularly spaced intervals. Neither the initial discussion to establish a performance plan nor the presentation of the approved rating is a progress review. If the appraisal is for the minimum 90-day period only, no progress review is required. If the appraisal period lasts between 91 and 180 days, only one documented review is required. Employees who moved from non-exempt to exempt status with less than 90 days remaining in the evaluation cycle shall be evaluated for that FY using the EARS form. The rating official and employee will document the evaluation progress review.
- b. Rating officials must provide ongoing feedback to employees in addition to the required progress reviews. For example, feedback might be appropriate when an employee completes a short-term assignment or a 60-day detail to another position.

8. The Rating Process.

- a. At the end of the appraisal cycle, the rating official assesses the employee's performance compared to each performance factor the employee has performed for at least 90 days and prepares a recommended rating of record. If an employee is hired after 1 November, i.e. would have less than 90 days service at the end of the evaluation cycle, no performance review is required based on this short time period. Their performance during this period shall be considered in the next full evaluation cycle.
- b. Obtaining Employee Input. As the first step in preparing a final rating, the supervisor shall give the employee an opportunity to provide a written statement of accomplishments in fulfilling the plan. The statement may be made in any appropriate format (e.g., narrative, bullet, or list), may include discussion or elaboration of associated factors, resources available, scheduling, or other matters, and if appropriate, may be attached to the evaluation.

9. Rating the Performance Factors. After considering the employees input, the supervisor will use one of the levels described below to rate the employee's performance for each applicable performance factor against the appropriate performance standard:

- a. Exceptional (E). Job performance which significantly stands out above others and exceeds all job standards, objectives, and goals. The performance is a driving influence on the "team," highly motivated, and productive. Superior and unique contributions are recognized by management and peers. Takes on new business challenges even when uncomfortable or risky. Seeks opportunities to share own learning and experience with others for the benefit of the organization rather than personal gain.
- b. Exceeds Expectations (EE). Performance consistently meets, and frequently exceeds, all jobs standards, objectives, and goals. Results consistently exceed most

expectations. Identifies specific strengths and expertise of others at all levels and seeks to learn from them. Reflects on and learns from experience, is not judgmental, and rarely makes the same mistake twice.

- c. Achieves Expectations (AE). Performance meets job standards, objectives, and goals. Occasionally exceeds expectations and has no serious deficiencies.
- d. Below Expectations (BE). Performance fails to meet job standards. Failure to improve will jeopardize employment.

10. Rating Official (Performance Factors). The rating official rates all individual performance factors and objectives, in the performance review. Before sending the recommended rating of record to the approving official, the rating official shall propose an overall summary rating based on the performance factor described under Paragraph F.6 of this chapter. The rating official will not discuss the evaluation (proposed marks or comments) until it has been signed by the approving official. The rating official will present the completed evaluation form to the employee within one week of receiving it from the approving official.

11. Approving Official (for both evaluation systems). The approving official will review the evaluation to ensure the rating official's marks and comments are consistent with his/her observations. If there are any differences of opinion, these are to be resolved between the rating and approving official at this point in the process and if necessary, a new evaluation form completed reflecting appropriate change(s). The approving official must sign the finalized evaluation within 60 days of the end of the evaluation cycle and return the signed form to the rating official.

G. Minimum Rating Period and When to Rate.

- 1. The minimum evaluation period is 90 calendar days.
- 2. Ratings of record are required for all employees who on 31 January or 31 March have been on an approved performance plan for at least 90 days during the performance cycle.
- 3. If a new employee who is evaluated under EARS has not worked at least 90 days under an approved performance plan by the end of their appraisal period (31 January or 31 March), the supervisor shall extend the evaluation period by the number of days necessary to meet the 90 day minimum evaluation period, when he or she shall prepare a rating of record.
- 4. When an employee who has performed on an approved performance plan for at least 90 days is reassigned or promoted to a new position or returns from a detail or temporary assignment of 90 or more days to his or her original position, the losing Coast Guard NAF command must prepare an interim rating. The gaining Coast Guard NAF command should consider such interim ratings when developing the next rating of record.

5. When an employee vacates his or her position for another NAF position, the rating official shall prepare an interim rating for any employee supervised for 90 or more days on an approved performance plan during the evaluation period. If the employee resigns, the rating official must prepare a final performance evaluation.
  6. If two or more supervisors have rated an employee during the evaluation period, the rating official of record at the end of that period, no matter how long assigned as rating official, shall provide a single, integrated rating of record for the employee, incorporating previous interim ratings. If the employee has no supervisor of record, the second-level supervisor prepares the rating of record.
- H. Resolving Disagreements over the Rating. When possible, the employee and rating official should informally resolve any disagreements about the rating of record. If they cannot, the following applies:
1. The employee has a right to file a formal grievance in accordance with chapter 10 of this Manual.
  2. Bargaining unit employees covered by a negotiated agreement, which includes a grievance procedure applicable to complaints over performance ratings, must use that procedure.
  3. The employee should be prepared to provide material related to his or her own work product demonstrating his or her performance warrants a higher rating.
- I. Linkage with Other Personnel Decisions or Actions. Performance ratings play an important part in major personnel decisions. The rating of record is the basis for adjusting base pay and deciding performance awards. Chapter 4 of this Manual provides guidance on adjusting base pay. Chapter 11 of this Manual provides guidance on performance awards. Performance ratings also affect the following personnel actions:
1. Probationary Periods. Employees new to NAF service undergo a probationary period. An employee's performance is one factor management considers when deciding whether to retain or separate the employee before the end of the probation. A rating of record is not required when making such decisions.
  2. Promotion. The performance appraisal may serve as one factor when considering employees under competitive promotion procedures. Past performance indicates future performance only to the extent the applicant's performance objectives and standards and the duties and tasks upon which they are based apply to the position being filled.
  3. Training. Appraisals may identify persons who may benefit the Coast Guard with further training. Especially high performance may enable an individual to use further training to maximum effect. Conversely, observed performance not meeting standards may necessitate additional guidance, counseling, and appropriate training to improve knowledge, skills, and abilities.

4. Reduction in Force (RIF). Performance ratings of record are used in a RIF in accordance with Chapter 12 of this Manual.
5. Removing, Reassigning, or Reducing in Grade. Informal employee performance reviews should be a continuous process so that corrective action, to include a performance improvement plan (PIP), may be taken at any time in the appraisal cycle when an employee's performance reaches the point that he or she is performing at an unacceptable level. If an employee's performance is not meeting expectations, the supervisor must meet with the employee to discuss the performance problem. Supervisors may reassign, reduce in grade, or remove an employee, but only after giving the employee a reasonable opportunity to demonstrate acceptable performance during a PIP. The PIP must be reviewed by the CSC HR prior to discussing them with the employee.
  - a. The PIP is designed to facilitate constructive discussion between an employee and his or her supervisor and to clarify the work performance to be improved. The supervisor must address the following three key elements when drafting a PIP:
    - (1) The performance to be improved, citing specific examples.
    - (2) The standard of work performance expected to be performed on a consistent basis.
    - (3) What the supervisor will do to help the employee be successful.
  - b. Supervisors must establish a plan for reviewing the employee's progress and providing feedback to the employee for the duration of the PIP.
  - c. Upon successful completion of the PIP, the employee must be notified in writing and encouraged to maintain the expected level of work performance. The letter should also include the consequences of a lapse in performance. The letter must be reviewed by the CSC HR prior to discussing it with the employee.
  - d. If after the PIP, the employee's performance has not improved, the supervisor must reassign, reduce in grade, or remove the employee. In determining what action should be taken, supervisors should review the employee's previous performance. If the employee is failing in his or her present position, but had previously performed in a satisfactory manner in another position, the supervisor may wish to reassign or demote the employee if a vacant position is available. Supervisors must consult with the CSC HR for advice on the actions to be taken.
  - e. Some employees, realizing the urgency of the situation and knowing if they do not perform well might lose their jobs, perform well during a PIP, but after they successfully complete it, lapse again into a period of unsatisfactory performance. An employee need be placed on only one PIP within a calendar year. Thus, if an employee on a 30-day PIP performs well but two months later performs unacceptably, the supervisor may subject that employee to an adverse action without putting him or her on a new PIP. The new instance of unacceptable performance after

completing a PIP successfully must occur within one year of the time the employee first was placed on the PIP.

- f. PIP Retention. Performance ratings of record and supporting documentation, such as a PIP must be filed in the employee's OPF and destroyed three years after the evaluation date.

J. Performance Related Compensation.

1. Percentage to Base Pay Increase. A percentage increase changes base pay and therefore has cumulative benefits, thus making a percentage increase a significant form of recognition. For CGX, percentage increases apply to exempt **and nonexempt** employees. The CGX Compensation Plan provides specific guidance on how percentage increases are calculated. For non-CGX employees, the director or command may approve performance related percentage increases.
2. Performance Cash Awards for other than CGX Employees. To motivate, recognize, and reward NAF other than **CGX** employees on the EARS system who attain high performance, the Coast Guard may grant one-time cash payments or recurring pay raises tied to the employee's annual appraisal. Other awards are also available to recognize performance during the course of the year. Chapter 11 addresses other awards.
  - a. **The rating official may recommend an employee whose overall rating was "Exceeds" for a Performance Cash Award by justifying the recommendation on the EARS performance evaluation.**
  - b. **Performance Award Requirements. An employee occupying a position under the EARS system 31 March on the last day of the evaluation period for which performance awards are being paid is eligible for a performance award.**
3. Award Recommendation. The immediate supervisor recommends performance cash awards by completing a Coast Guard Award Recommendation, Form CG 1650, and routing it through the appropriate chain of command.
4. Nominating NAFI other than CGX Employees. Supervisors may nominate employees for performance awards by sending the Form CG 1650 Award Recommendation, a copy of performance evaluation, and recommended award amounts through the chain of command to the commanding officer for approval. A copy of the nomination form is then sent to the command's supporting PA at the CSC for processing.
5. Approval. The commanding officer reviews and approves all nominations for performance awards.
  - a. Supervisors may not nominate employees with a lower rating for a higher amount than coworkers with a higher performance rating who are in the same pay band or grade.

- b. Commanding officers must determine awards based upon financial conditions of their accounts.

K. Within-Grade Increase (WGI) Crafts and Trades Only.

1. Relationship to Performance. Each WGI must be based on a current rating of record. Individuals without a current rating of record shall be treated in accordance with Paragraph 2, below.
2. Eligibility. A crafts and trades employee paid below the top step of his or her grade will earn advancement in pay to that grade's next higher step on meeting these three requirements established by law:
  - a. The employee must perform at an acceptable level of competence and his or her most recent rating of record must be "Meets" or "Achieves Expectations."
    - (1) If the decision to grant or deny a WGI is inconsistent with the employee's most recent rating of record, the rating official must prepare a new rating of record.
    - (2) The rating of record used to determine acceptable level of competence for a WGI must not have been assigned before the most recently completed appraisal period.
  - b. The employee must have completed the required waiting period for advancement to the next higher step of his or her grade.
  - c. The employee must not have received an equivalent increase during the waiting period.
  - d. If the rating and approving officials decide a crafts and trades employee's work is not acceptable, the supervisor shall counsel and notify the employee in writing as soon as possible including in the notice:
    - (1) The basis for the negative determination and the specific performance improvements required for the employee to earn a WGI.
    - (2) A statement that employees may file a grievance over the negative determination. Bargaining unit employees covered by a negotiated agreement which includes a grievance procedure applicable to complaints over WGI denials must use that procedure. Others may use the administrative grievance procedures.

L. Records Maintenance. The employee performance folder maintained by the CSC HR contains only the three most recent ratings of record. Performance records superseded through an administrative or judicial procedure are to be destroyed.

M. Disposing of Records. When sending an employee's Official Personnel Folder (OPF) to another agency or the National Archives and Records Administration, CSC HR will include the employee performance ratings of record three or fewer years old with the OPF.

N. Intermittent Employee Performance Evaluation.

1. Rating. All intermittent employees must be appraised by the use of Intermittent Employee Evaluation and will be given one of the two following performance ratings at least annually:
  - a. Met acceptable level of performance.
  - b. Did not meet acceptable level of performance.
2. Rating Justification. Supervisors must make a brief statement justifying performance cash awards. A statement is not required if an employee is not receiving a performance cash award or percentage increase.

Exhibit 9-2  
SCHEDULE OF OFFENSES AND REMEDIES

Supervisors apply the appropriate penalty listed below for the offenses identified. If a range of penalties is listed, supervisors may select the penalty; up to the most severe they believe is warranted. Supervisors who wish to deviate from this guide and impose a lesser or greater penalty as circumstances require may do so but must base such deviations on sound reasons supported by appropriate documentation. Except for Offense 28, apply suspensions in WORK DAYS. This table is not designed to cover every possible offense. Supervisors may impose penalties up to and including removal for offenses not listed. This table considers the first time an employee is reprimanded or suspended for a listed offense his or her “first offense.” Subsequently violating the same rule or regulation is the second and third offense as appropriate. If the third offense does not cause removal, further violations of that rule or regulation should produce penalties of increased severity.

NATURE OF OFFENSE	1 <sup>ST</sup> OFFENSE	2 <sup>ND</sup> OFFENSE	3 <sup>RD</sup> OFFENSE
1. Unexcused or unauthorized absence or lateness.			
a. Unexcused or unauthorized absence of one to five scheduled work days.	Letter of reprimand to five-day suspension	10-day Suspension	Removal
b. Unexcused or unauthorized absence of more than five consecutive scheduled work days.	Removal		
c. Frequent tardiness.	Letter of reprimand	Five-day suspension	10-day suspension to removal
2. Unexcused absence from work site at any time during duty hours.	Letter of reprimand to five-day suspension	10-day suspension or removal	
3. Using sick leave improperly.	Letter of reprimand to one-day suspension	10-day suspension	Removal
4. Failure to carry out orders or assignments given by a superior official.	Letter of reprimand to 10-day suspension	Removal	
5. Disobedience to constituted authorities; failure or delay in carrying out any proper order, work assignment or instruction; insubordination, including failure to follow local or higher level policy.	Letter of reprimand to removal	Five-day suspension to removal	10-day suspension to removal

NATURE OF OFFENSE	1 <sup>ST</sup> OFFENSE	2 <sup>ND</sup> OFFENSE	3 <sup>RD</sup> OFFENSE
6. Failure to carry or show proper identification credentials as required.	Letter of reprimand	Five-day suspension	10-day suspension
7. Failure to observe personal safety precautions, e.g., failure to use safety equipment provided or available safety restraints when operating a motor vehicle on government business, or ignoring signs, posted rules, or regulations or written or verbal safety instructions. Texting while operating a vehicle for government business.	10-day suspension	Removal	
8. Failure to report personal injury or accident occurring on the job.	Letter of reprimand	Five-day suspension	10-day suspension
9. Conducting personal affairs while on duty.	Letter of reprimand	Five-day suspension	10-day suspension
10. Gambling or promoting gambling on NAF premises.	10-day suspension to removal	Removal	
<b>11.</b> <b>a. Unauthorized possession of alcohol on duty, or</b>  <b>b. Reporting for duty under the influence of alcohol, or</b>  <b>c. Use of or being under the influence of alcohol on duty.</b>	Letter of reprimand to removal. LOR may require the employee to enter a NAF-approved appropriate alcohol treatment program. Failure to enter the program or complete it successfully will result in removal	Removal	
12. While on duty, being under the influence of; possession, selling, or purchasing illegal or controlled substance on or off NAF premises.	Removal		

- c. A heroic act.
  - d. Disclosing fraud, waste, or abuse.
  - e. Increased customer service.
3. Determining Extent of Job Responsibility. Special acts or services often are related to an employee's work. However, being related to the employee's job does not automatically mean the contribution is part of the employee's job responsibilities. A contribution can fall within "job responsibilities" if it meets expected job performance requirements. Because an employee contribution and normal job requirements can be very closely related, supervisors must decide whether a contribution recommended for recognition goes beyond what normally is expected of the contributor.
  4. Relationship to Other Forms of Recognition. Special Act or Service Awards may be granted together with or in addition to performance awards. However, if recognizing an accomplishment within job responsibilities, performance appraisal-related awards must not have recognized the contribution. The act or service must be nonrecurring and significantly exceed normal job expectations.
  5. Group Awards. When a group of employees contributes, all contributing employees including supervisors may share in the award, provided a performance appraisal-related award has not recognized the contribution. The cash award may be granted equally to each employee in the group or in proportion to his or her personal contribution to the achievement.
  6. Time Limits. For fairness, maximum employee motivation, and confidence, it is important the award process function quickly and efficiently. Nominations should be submitted whenever appropriate, but within 90 days after the act or achievement meriting the award.
  7. Nomination Procedures. The supervisor must prepare an SF-52 and a Form CG 1650 Award Recommendation including a brief, but explicit, justification describing the superior accomplishments the employee or group of employees.
    - a. For MWR, CDC, CAF, and AAF personnel, the nomination, justification, proposed citation highlighting significant achievements are reviewed within the command's award process. If approved, the award package is then sent to the CSC HR.
    - b. Nominations for CGX employees must be submitted up the chain of command to the Chief Operating Officer. If approved, the award package is then sent to the CSC HR staff.
  8. Repeat Awards. Repeat awards are discouraged and commands need to ensure that they are not granted automatically. Reviewing and approving officials and all supervisors should be alert to and correct repetitive nomination patterns. They should ensure they

avoid unjustifiably rewarding the same employee’s usual performance level and do not repeatedly use awards as compensation for lack of promotion opportunities or rewards for long, faithful service.

9. Presentation. Awards to recipients should be presented at appropriate ceremonies as soon as practical after approval. In addition, awards should be publicized consistent with local command or CGX procedures.

L. Career Recognition.

1. Service Emblems. The Coast Guard awards time of service emblems to NAF employees to recognize their service **computation date** with the Federal Government. That service need not be continuous and should include all creditable service in the Coast Guard and other Federal agencies. Lapel pin service emblems are granted at increments of five years of service.
2. Retirement. Three months prior to retirement, supervisors must notify CSC HR in order to initiate the following retiree awards:

Years of Service	Award		Optional Awards For Exceptional Service
5 - 19	<i>CGX Employee</i> <ul style="list-style-type: none"> <li>▪ CSC CO Letter</li> <li>▪ Command Coin (if not previously awarded)</li> <li>▪ Lapel pin</li> <li>▪ CSC Retirement Plaque</li> </ul>	<i>Non-CGX Employee</i> <ul style="list-style-type: none"> <li>▪ Lapel pin</li> <li>▪ CSC Retirement Plaque</li> </ul>	Commander’s Award for Sustained Excellence in the Federal Service
20 - 34	In addition to above awards, retiree receives: <ul style="list-style-type: none"> <li>▪ DHS Plaque</li> <li>▪ US Flag</li> </ul>		Commandant’s Distinguished Career Service Award
≥ 35	In addition to above awards, retiree receives: <ul style="list-style-type: none"> <li>▪ Presidential Letter</li> </ul>		

- a. **Total years of service including time employed as an intermittent will be used on retirement awards rather than service computation date,**
- b. Supervisors must include a brief biography for all retirees. Additional information must be provided for the Presidential Letter or optional awards. Refer to Paragraphs O and M of this chapter respectively for award criteria.

M. Coast Guard Honorary Awards. Under the honorary awards program the Commandant is authorized to approve two high-level honorary awards: the Superior Achievement Award (Bronze Medal) and Distinguished Career Service Award. While equal in stature, these awards are appropriate at different points in an employee’s career. In addition, NAF

Q. Mandatory Training.

3. Supervisors of NAF employees must ensure that their employees have access to and complete all Coast Guard required training and have completion documented in their OPF.
4. **Civil Rights Awareness (CRA).** The CRA training program provides military and civilian Coast Guard personnel the tools and knowledge they need to positively interact in a diverse workforce.
  - a. The Coast Guard provides onsite CRA training through authorized Equal Opportunity Advisors (EOAs) who have graduated from the Defense Equal Opportunity Management Institute (DEOMI) Equal Opportunity Advisor Course.
  - b. All Coast Guard personnel (including NAF employees) must attend CRA training triennially.



## CHAPTER 19. SEPARATIONS

- A. General Policy. This chapter sets forth policy and procedures for the administration and processing of actions for voluntary and involuntary separations. Voluntary separations are usually those initiated by the employee while supervisors initiate involuntary separations. This chapter also defines the various types of separations and the effect of those separations on benefits.
- B. Actions Covered. The following actions are covered; resignations, retirement, separations during the probationary period, cancellation of intermittent and temporary appointments, disability, death, and abandonment of position. CSC HR must be involved with the processing of all of these types of actions.
- C. Actions Excluded. Chapter 9 of this Manual contains guidance on removals based on unacceptable conduct and performance. Chapter 8 of this Manual contains information on performance-based actions.
- D. Voluntary Separations.
1. Resignations. In the case of separation by resignation, the employee must submit his or her resignation in writing. The employee's supervisor must then submit an SF-52, to CSC HR. The reason and effective date will be noted on the SF-52. Requests for withdrawal of resignations may be granted if the employee submits the request before the effective date of the resignation and/or the position has not been filled. Employees should give 14 calendar days notice of their intent to resign.
  2. Retirement.
    - a. Normal Retirement. Normal retirement is the first day of the month that falls on or follows the employee's 62<sup>nd</sup> birthday or the completion of five years of continuous service, whichever is later.
    - b. Voluntary Early Retirement (unreduced benefit). If an employee is 55 years of age and has completed at least 30 years of continuous service or if the employee is 60 years of age and has completed 20 years of continuous service, he or she will receive full retirement benefits.
    - c. Optional Early Retirement (reduced benefit). An employee may retire before his or her normal retirement date if he or she is 52 years of age and has completed at least five years of continuous service. This benefit is reduced by four percent for every year he or she is under age 62.
- E. Involuntary Separations.
1. An employee may retire if he or she is involuntarily separated from employment, except for disability or conduct, and is age 50 with 20 years of continuous service or has

completed 25 years of continuous service at any age. His or her benefit will be reduced by two percent for every year under age 55.

2. **Regular** intermittent employees should be given an advance notice of 14 calendar days prior to separation. This may be accomplished by a properly completed SF-50 delivered 14 calendar days in advance or a notice of removal letter with a 14 calendar day notice period. **On call** intermittent employees may be separated at any time, with no advance notice. Reduction in force and adverse action procedures are not applicable to separation of any kind of intermittent employees. **Intermittent employees must be counseled and given an opportunity to improve before being separated for performance or disciplinary issues. The supervisor must document the discussion.** Periodic reviews will be made to ensure intermittent employees who are no longer needed are separated from the rolls.
3. A temporary employee may be terminated at any time if the conditions warrant. When termination of an appointment is to occur prior to the expiration date specified on the SF-50, a written notice will be issued as far in advance of the termination date as possible, but not less than 24 hours. An SF-50 indicating separation from temporary appointment may be used as the written notice.
4. An employee may be separated if it is determined that the employee has abandoned his or her position. An employee who fails to report for duty and is carried in an absent without leave (AWOL) status for one complete workweek will be determined to have abandoned his or her position regardless of any expressed intent to return to duty at a subsequent day. Advance notice is not required to effect the separation action. The SF-50 notifying the employee of the separation action will be mailed **via US Postal Service First Class Mail**, to the employee's last known address.
5. An employee may be separated during his/her probationary period if he or she fails to demonstrate that he or she possesses the skills or character for satisfactory performance in the position. Each employee should receive a reasonable time period in the position to show suitability for the job.
  - a. The supervisor is responsible for determining whether the employee's performance, conduct, or character is such to warrant separation. Supervisors will discuss with the employee specific reasons that led them to conclude the employee is unsatisfactory. The supervisor will prepare a record of the discussion, for placement in the employee's OPF and provide a copy to the employee. The supervisor will allow a reasonable length of time after the discussion to determine whether the employee has improved.
  - b. If it becomes apparent after a fair period that the employee's conduct, character, or capabilities are not suitable for satisfactory service, the supervisor must initiate action to separate the employee. The supervisor will begin separation action in time to give the employee seven calendar days advance notice before the effective separation date, unless retaining the employee in a duty status might: