



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	X																									
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NON-STANDARD DISTRIBUTION:

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- 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

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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

U.S. Department of  
Homeland Security

United States  
Coast Guard



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*Coast Guard*  
*Nonappropriated Fund*  
*Personnel Manual*

COMDTINST M12271.1B  
April 2013





COMDTINST M12271.1B  
30 April 2013

COMMANDANT INSTRUCTION M12271.1B

Subj: COAST GUARD NONAPPROPRIATED FUND (NAF) PERSONNEL MANUAL

12. PURPOSE. This Manual sets forth policy and procedures for the Coast Guard’s nonappropriated fund employees.
13. 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 Manual. Internet release is authorized.
14. DIRECTIVES AFFECTED. The Coast Guard Nonappropriated Fund (NAF) Personnel Manual, COMDTINST M12271.1A is cancelled.
15. MAJOR CHANGES.
  - a. Table of Contents. Updated to properly reflect the pagination of the Manual.
  - b. Chapter 1. Clarifies the employee classifications and includes hours and benefits.
  - c. Chapter 2.
    - (1) Limits the use of personal communication devices at work to rest periods, meal periods and emergencies.
    - (2) Moved required training, to Chapter 13, Employee Development.
  - d. Chapter 3.
    - (1) Emphasizes diversity in hiring.
    - (2) Section 3.I. clarifies veteran’s preference, derived preference, and active duty spouse hiring.

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A	1	1		1	1	1	1	1	1	1		1	1	1	1	1	1		1		1	1				
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D	X	X	X	X	X			X	X	X	X	X	X	X					X	X	X	X	X	X	X	X
E	X	X			X	X		X	X	X	X	X		1	X	X	X	X	X	X	X	X		X	X	
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H	X	X		X	1	1	1	X																		

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- (3) Requires two references for NL, NS, and NF2 lead and above positions to be conducted by Community Services Command Human Resources (CSC HR) prior to appointment.
- (4) Updates the process for obtaining security background investigations for NAF employees.
- (5) Clarifies duties of employees under 18 to reflect current Department of Labor restrictions regarding kitchen work and lifeguarding.

e. Chapter 4.

- (1) Deletes reference to AS/PS positions as they do not apply to the NAF workforce.
- (2) References the enactment of The Non-Foreign Area Retirement Equity Assurance Act of 2009 which phases out the OCONUS cost of living allowance.
- (3) Outlines the relationship between overtime and compressed work schedules for exempt and non-exempt employees.
- (4) Clarifies the definition of holiday pay to include the number of hours of holiday pay intermittent and part time employees earn.
- (5) Defines holiday pay for employees on compressed work schedule.
- (6) Corrects percentage of employee's aggregate disposable earnings per workweek that are garnishable to 30 percent (was incorrectly listed at 40 percent).

f. Chapter 6.

- (1) Adds Compressed Work Schedule guidelines.
- (2) Adds Nursing Mother Amendment guidelines.

g. Chapter 7.

- (1) Redefines leave year.
- (2) Corrects form number for Request for Leave or Approved Absence from SF-71 to OPM-71.
- (3) Prohibits employees from earning leave while using donated leave.
- (4) Allows for an employee to exhaust their sick leave before invoking Family Medical Leave Act (FMLA).
- (5) Increases the number of leave days for organ donor from seven to 30 days to mirror OPM guidance.

- (6) Clarifies leave use during hazardous weather closings to mirror Coast Guard civilian guidance and provides for intermittent employees to be paid for their scheduled shift, if information regarding closing was not available prior to the start of their work day.
  - h. Chapter 8.
    - (1) Changes the award recommendation form to Coast Guard Award Recommendation, Form (CG 1650).
    - (2) Clarifies that grievances involving annual performance ratings must be presented directly as formal grievances within 15 calendar days.
  - i. Chapter 9.
    - (1) Added reference to Government Travel Charge Card (GTCC) Program, COMDTINST 4600.14 (series) for disciplinary action related to abuse of GTCC.
    - (2) Expands the definition of insubordination and amends the range of remedies.
  - j. Chapter 10. Clarifies that grievances involving annual performance ratings must be presented directly as formal grievances within 15 calendar days.
  - k. Chapter 11.
    - (1) Clarifies the guidance on performance cash awards for CGX non-exempt employees.
    - (2) Clarifies the guidance on retirement awards.
    - (3) Adds Presidential letter guidance.
  - l. Chapter 13.
    - (1) Adds reference to Coast Guard Nonappropriated Fund Tuition Assistance Program, PSCINST 12900.1 (series).
    - (2) Updates mandatory training requirements.
  - m. Chapter 17.
    - (1) Includes prohibited conduct.
    - (2) Includes guidance on alternative dispute resolution.
    - (3) Requires all EEO complaints to be handled confidentially.
  - n. Chapter 19. Requires completion of a separation checklist as part of the separation process.
16. **PROCEDURES.** No paper distribution will be made of this Manual. Official distribution will be via the Coast Guard Directive Systems (CGDS) DVD. An electronic version will be located on the following Information and Technology CG-612 web sites. Intranet:

<http://cgweb.comdt.uscg.mil/CGDirectives/Welcome.htm>, Internet:  
<http://www.uscg.mil/directives/>, and CGPortal:  
<https://cgportal.uscg.mil/delivery/Satellite/CG612>

17. **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.
18. **RECORDS MANAGEMENT CONSIDERATIONS**. This Manual has been thoroughly reviewed during the directives clearance process, and it has been determined 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).
19. **ENVIRONMENTAL ASPECTS AND IMPACT CONSIDERATIONS**. Environmental considerations under the National Environmental Policy Act (NEPA) were examined in the development of this Manual. This Manual included preparation of guidance documents that implement, without substantive change, the applicable Commandant Instruction or other Federal agency regulations, procedures, manuals, and other guidance documents. It is categorically excluded from further NEPA analysis and documentation requirements under Categorical Exclusion (33) as published in COMDTINST M16475.1 (series) Figure 2-1. An Environmental Checklist and Categorical Exclusion Determination (CED) are not required.
20. **FORMS/REPORTS**. The forms referenced in this Manual 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/Satellite/uscg/References>; and Intranet at <http://cgweb.comdt.uscg.mil/CGForms>.

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





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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 2. STANDARDS OF CONDUCT

### A. General.

1. Executive Order 12731 establishes standards of conduct for Federal employees including NAF personnel.
2. Supervisors must reproduce this Manual's standards of conduct and give them to all new employees during their initial indoctrination; each employee will sign them and the supervisor must forward the signed copy to CSC HR for inclusion in the Official Personnel Folder (OPF).

### B. Policy.

1. NAF employees must refrain from any personal business, professional activity, or direct or indirect financial interests that would conflict with the public interest of the Coast Guard, Department of Homeland Security or the United States. NAF personnel shall do their utmost to avoid even the appearance of such a conflict. NAF personnel must not engage in any personal, business, or professional activity or enter into any financial transaction involving the direct or indirect use or appearance of "inside information" gained through a Federal position to further another person or entity, particularly one with whom they have family, business, or financial ties. NAF personnel shall not use their Federal positions to induce, coerce, or influence in any way any person, including subordinates, or entity to provide any financial or other benefits to themselves or another person or entity, particularly one with whom they have family, business, or financial ties, or give the appearance of doing so.
2. NAF personnel who are members or officers of non-governmental associations or organizations must avoid acting on these entities' behalf in activities that are incompatible with their official Federal positions.
3. NAF personnel must not engage in any criminal, infamous, dishonest, immoral, notoriously disgraceful, or other conduct prejudicial to their command or the United States Government. They specifically must not engage in any conduct or action that might result in or appear to be:
  - a. Using their official office for private gain.
  - b. Preferentially treating any person or firm.
  - c. Impeding government efficiency or economy.
  - d. Losing impartiality.
  - e. Making government decisions outside official channels.

- f. Impairing public confidence in the government's integrity in general and the NAFI programs in particular.
4. NAF personnel must scrupulously adhere to Department of Homeland Security and Coast Guard policies of equal opportunity regardless of race, color, religion, sex, sexual orientation, national origin, age, physical or mental disability, marital status, or political affiliation. NAF personnel must not commit any acts of sexual harassment. The Civil Rights Act of 1964, Title VII, defines sexual harassment as "unwelcome sexual advances, requests for sexual favors, and other verbal or physical conduct of a sexual nature" constitute sexual harassment when:
    - a. Submission to such conduct is made either explicitly or implicitly a term of an individual's employment.
    - b. Supervisors and managers use submitting to or rejecting such conduct as the basis for employment decisions affecting the individual involved.
    - c. Such conduct unreasonably interferes with an individual's work performance or creates an intimidating, hostile, or offensive working environment.
  5. NAF personnel must not solicit, accept, or agree to accept any money, gift, entertainment, favor, hospitality, transportation, loan, tangible item of monetary value, or any intangible benefit such as passes, discounts, and promotional vendor training that directly or indirectly may cost the vendor money either from or on behalf of any source that:
    - a. Is engaged in or seeks procurement, business, or financial transactions of any sort with the Coast Guard.
    - b. Conducts operations or activities regulated by the Coast Guard.
    - c. Has an interest that may be substantially affected by the performance or nonperformance of the official duties of the NAF personnel involved.
      - (1) "Gift" means nearly anything of monetary value except items that clearly are not gifts, such as publicly available discounts and commercial loans or certain inconsequential items, such as coffee, donuts, greeting cards, and certificates.
      - (2) The prohibition against outside gifts contains certain exceptions. For example, with some limitations, employees may accept:
        - (a) Unsolicited gifts with a market value of \$20 or less per occasion, totaling up to \$50 per calendar year from one single source.
        - (b) Gifts motivated by a family relationship or personal friendship.
        - (c) Free attendance at certain widely attended gatherings, such as conferences and receptions, when the event sponsor pays for the employee to attend the event.

6. If a NAF employee's immediate family or household members receive money, gifts, gratuities, favors, entertainment, etc., the Coast Guard considers this action the same as if the NAF employee had received the item(s) directly.
7. An employee offered a gift or gratuity he or she cannot accept under these guidelines must take these actions:
  - a. Return any tangible items to or pay the donor the market value. An employee who cannot ascertain an item's actual market value may estimate market value by determining the retail cost of similar items of like value.
  - b. If it is not practical to return a tangible item because it is perishable, at the discretion of the employee's supervisor or an agency ethics official, the employee may give the item to an appropriate charity, share it with co-workers in his or her office, or destroy it.
  - c. For any entertainment, favor, service, benefit, or other intangible item, the recipient will reimburse the donor the market value. Subsequent employee reciprocation does not constitute reimbursement.
8. Except for voluntary gifts or contributions of nominal value on special occasions such as marriage, transfer, illness, or retirement, NAF personnel must not:
  - a. Solicit a contribution from Coast Guard personnel for a gift to an official superior.
  - b. Make a donation as a gift to an official superior.
  - c. Accept a gift from any Coast Guard personnel subordinate receiving less pay than themselves unless:
    - (1) The employees are not in a subordinate-official superior relationship.
    - (2) The employees share a personal relationship that would justify the gift.
9. This rule does not prohibit informal office parties celebrating a co-worker's birthday, promotion, or similar occasion. Such a party is authorized provided the nominal contributions are voluntary.
10. NAF personnel must not directly or indirectly use or allow others to use government personnel, facilities, or property, such as stationery, typing assistance, photocopying, and vehicle services for unofficial purposes. NAF personnel must protect and conserve government property, including equipment, supplies, and other property entrusted to them.

11. The Coast Guard expects NAF employees to meet all their financial obligations, especially those imposed by law, such as Federal, state, or local taxes. NAF personnel must not:
  - a. Borrow money from subordinates.
  - b. Have subordinates endorse, co-make, or guarantee a note given as security for a personal loan.
  - c. Lend money to fellow employees for monetary profit or other gain.
12. NAF employees must not prematurely release to any individual, any individual business concern, its employees, or its representatives any information about proposed procurements or purchases by any government procuring activity. Procurement offices will release such information to all potential contractors as nearly simultaneously as possible only through designated channels so one potential source of supply will not have an advantage over another. Procurement offices will disseminate such information under authorized procedures and only as part of appropriately discharging their official duties. All NAF employees engaged in procurement and related activities are individually responsible for protecting the government's interests. Unauthorized personnel must not make any commitment or promise about awarding contracts and will make no representation that could be construed as a commitment, including signing any document as the government's agent or representative.
13. NAF personnel must not use their civilian or military titles or positions in connection with any commercial enterprise or to endorse any commercial product.
14. NAF personnel must not engage in any outside employment or other activity, compensated or not, that:
  - a. Interferes or is incompatible with performing their official duties.
  - b. Reasonably may be expected to discredit the Coast Guard or the Federal government.
  - c. Otherwise contradicts the policy stated above, including such acts as accepting a fee, compensation, gift, honorarium, expense reimbursement, or any other valuable item under circumstances that might result in or indicate a conflict of interest.
15. While on government-owned, controlled, or leased property or otherwise on duty, personnel must not participate in any illegal gambling activity, including a lottery or pool, a game for money or property, or selling a number slip or ticket for personal gain. However, the local CGX facilities may sell state-approved lottery tickets in accordance with the Randolph-Sheppard Act. 20 U.S.C. § 107a (a) (5).
16. NAF personnel must not solicit, accept, or agree to accept anything of value other than their official compensation in return for performing or refraining from performing their duties or any other official act.

17. Statute 5 USC 7102 establishes NAF employees' individual and collective rights to petition Congress or any of its Members or furnish information to any Congressional committee or Member. This statute protects letters, petitions, and other communications to Congress. While the Coast Guard programs would prefer employees try to resolve any problem or grievance locally, supervisors and managers must not restrain or coerce any employees exercising their rights to correspond with a Member of Congress.
18. Unless addressed in a negotiated agreement, all supervisors of NAF personnel will establish local work rules. These differ from disciplinary actions and standards of conduct because they inform employees what is expected of them at each location, whose standards, dress codes, and requirements may differ. Typical sample work rules appear below. Supervisors must give a copy of their work rules to their employees and to the Personnel Assistant in the CSC, who will advise if any are inappropriate or may violate an employee's rights. Supervisors must ensure employees sign a statement acknowledging receipt of the organization's work rules and have this statement forwarded for inclusion in the employee's OPF. Typical items addressed in work rules would include, but are not limited to the following:
  - a. Employees must be at their appointed workplaces ready to work at the regular starting time and must work at such workplace until the scheduled regular quitting time.
  - b. Employees must not conduct any personal business during working hours. This includes the use of personal cell phones or other electronic communication devices while on duty. Employees may use cell phones during lunch or break periods. Unless otherwise authorized, employees may only use personal cell phones for an emergency. Other use, including text messaging, is prohibited during the work-day unless authorized by supervisory personnel. Employees may request authorization from supervisors to use cell phones during the workday for the purpose of making calls to latch-key children, baby sitters, day care providers, teachers, doctors, and family members to inform them of schedule changes and other essential business. To avoid situations that are disruptive to the public or fellow employees, cell phone ringers should be turned off or placed in the silent or vibrate mode while at work. Employees may give out their work telephone number so they may be reached in true emergencies.
  - c. Where prescribed, an employee must wear the safety articles and use protective equipment provided at all times and immediately report any injury or accident.
  - d. An employee must wear clothing appropriate to the position he or she holds. Jeans are appropriate to wear in a warehouse but not in positions involving public contact.
  - e. An employee may not neglect his or her own job, duties, and responsibilities or refuse to perform assigned work.
  - f. An employee may not use official telephones for personal calls.

## 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.

C. Noncompetitive Personnel Hiring Actions. Management may fill positions noncompetitively by any of the methods listed below:

1. Reemployment from a reemployment priority list resulting after a Reduction in Force (RIF).
2. Promotion to a grade previously held permanently from which the employee was separated or demoted for other than performance or conduct reasons, for example, due to a RIF action.
3. Transferring an employee from a position in any Coast Guard NAF activity into one of the same grade or pay band at another NAF activity with a break in service of no more than three full work days.
4. Reassigning an employee to another position comparable in grade, salary, wage category or pay band, and employment category. The employee must possess documented skills applicable to the new position that clearly demonstrates his or her qualifications.
5. Reinstating a former non-probationary Coast Guard NAF employee whose separation was voluntary or resulted from a RIF to a position comparable in grade, salary, wage category or pay band, provided the employee is reinstated within one year after the date of separation.
6. Re-employing a former NAF employee subject to this regulation who has reemployment rights after military service.
7. Promoting an employee if the initial action was competitive and the vacancy announcement stated the position might become permanent and had known promotion potential.
8. Promoting an employee in a position upgraded with new position classification standards or a new position guide or to correct the classification of his or her duties or responsibilities without significantly changing them.
9. Promoting an employee serving in a trainee, under study, or apprentice position.
10. Promoting an employee demoted without personal cause within one year of the demotion.
11. Change on status of position due to an increase or decrease in hours that continued over a period of 90 calendar days per Paragraph I.10.k.(2) in this chapter.
12. Promoting employees in positions meriting reclassification to a higher grade or pay band after adding duties and responsibilities if these requirements are satisfied:
  - a. The selecting official does not supervise employees at the same grade or pay band performing duties identical to those the employees performed before the duties and responsibilities were added.

- b. The employee continues to perform the same basic function(s) as in the former position and these duties are administratively absorbed into the new position.
  - c. Adding the duties and responsibilities does not adversely affect another encumbered position.
  - d. The employee meets all the position's qualification requirements.
13. In emergencies due to extended absences or where delay in filling a position would cause serious disruption to the work, action may be taken to fill a position noncompetitively for a period not longer than 30 days. Such an emergency temporary promotion must be fully justified and have the approval of the commanding officer documented in the Official Personnel File (OPF). By the end of the 30-day period, the appointment must be terminated. In unusual circumstances, the commanding officer may approve extension not to exceed 30 additional days. During periods of mobilization or national emergencies, positions may be filled without regard to other requirements in this chapter.
14. Temporary appointments of less than one year.
15. Changing the same position from intermittent to a part-time or full-time status or the same position from a part-time to a full-time status.
- D. Competitive Personnel Actions. Competitive procedures apply to these types of personnel actions:
1. Time-limited promotions of more than 120 days to higher graded positions (prior service during the preceding 12 months under noncompetitive time-limited promotions and noncompetitive details to higher graded positions count toward the 120 day total). A temporary promotion may be made permanent without further competition if it originally was made under competitive procedures and management personnel informed all potential candidates it might lead to a permanent promotion.
  2. Details for more than 120 days to a higher-graded position or one with more promotion potential.
  3. Temporary appointments for a period greater than one year. Management may extend a temporary appointment for an additional year up to 24 months.
  4. Converting a temporary to a permanent appointment unless the initial vacancy was announced as having potential for permanent status.
  5. A term appointment for between one and four years if the need for an employee's services is temporary. Reasons for making a term appointment include: project work, extraordinary workload, scheduled abolishment, reorganization, contracting out the function, uncertainty of future funding, or the need to maintain permanent positions for employees who otherwise would be displaced from other parts of the organization.

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.**

**CHAPTER 4. SALARY AND WAGES**

- A. Scope. This chapter applies to all NAF employees, including off-duty military personnel.
- B. Policy. The NAF employees to whom this chapter applies receive equal pay for substantially equal work within their geographic area of employment.
1. The pay band system emphasizes pay for job performance, increased proficiency, extraordinary qualifications, and assumption of greater responsibilities.
  2. In all cases, the pay rate is at least the current highest applicable Federal, state, or municipal minimum wage.
  3. Paragraph L.1. of this chapter specifies that officers and chief warrant officers may be paid only on a fee basis for employment.
  4. The Office of Personnel Management (OPM) administers overtime pay, minimum wages, equal pay, and child labor under the Fair Labor Standards Act (FLSA). An employee alleging FLSA violations has the right to file a complaint directly with the Department of Labor (DoL), Wage and Hour Division. The addresses for the regional offices of the DoL may be obtained from the CSC.
  5. In the locality where employed, off-duty enlisted personnel receive the same pay rate effective for other NAF employees performing comparable work.
  6. An employee's wages and accumulated leave may be withheld to satisfy obligations to the NAF activity.
- C. Responsibilities.
1. CSC will:
    - a. Develop and establish the policies, regulations, and procedures for the Coast Guard NAFI position and pay management program.
    - b. Resolve problems concerning the developing and application of wage and salary schedules.
    - c. Review and evaluate the program to ensure compliance with prescribed regulations, standards, instructions, pay rates, and program goals.
    - d. When designated to participate in wage surveys will:
      - (1) Fully support the wage survey and execute Department of Defense (DoD) Wage Fixing Authority instructions.

- (2) Provide administrative, technical, and logistical support to conduct wage surveys, including assisting designated hosts.
- (3) Authorize NAF employee representatives to participate without loss of pay or charges to leave in hearings the Local Wage Survey Committee conducts. However, absences of employees appearing for personal reasons need to be charged to annual leave or leave without pay (LWOP), as appropriate.
- (4) Assure employees participating as data collectors receive their basic pay rate for all time spent performing that duty and reimbursement for necessary travel costs.

2. Commanding officers of NAF employees will:

- a. Implement position classification, position management, and pay entitlement regulations, standards, procedures, and instructions.
- b. Assign duties and responsibilities to employees under their direction to ensure efficient, timely mission accomplishment.
- c. Review duty assignments to determine whether officially approved job descriptions and standard position guides are current; if not, initiate required changes.
- d. Assure employees are scheduled to work at least the minimum hours specified on the Notification of Personnel Action, Standard Form 50 (SF-50).

D. Basic Requirements for Pay.

1. Chapter 2 of this Manual requires an employee to meet all requirements for appointment to a particular position before he or she receives any compensation.
2. Before any employee can receive any pay, he or she must comply with current CSC payroll timekeeping documentation requirements, e.g. time and attendance reports and supporting documents to his/her supervisor, e.g., required leave statements or evidence of court or military service with time and attendance reports when this regulation or local policy require.

E. Prevailing Rate System (Crafts and Trades). The prevailing rate system includes all trades, crafts, and labor positions, which are paid on a locality rate basis. The Department of Defense (DoD) conducts all Federal Wage System (FWS) wage surveys and sets the rates of pay on each regular FWS wage schedule. CSC HR staff will distribute new wage schedules to the units when they are issued.

1. Identification.

- a. Prevailing Rate System employees have the following coding and grade structure:

CODE	TYPE OF POSITION IN TRADE, CRAFT, AND LABOR OCCUPATIONS	GRADES
NA	Non-supervisory	1-15
NL	Leader	1-15
NS	Supervisory	1-19

- b. Prevailing rate positions are identified with series codes, titles, and grades.
2. Position Evaluation. CSC HR evaluates positions in accordance with DoD job grading standards, Coast Guard job grading standards, and OPM job classification standards, whichever apply.
3. Within-Grade Increases.
- a. All prevailing rate employees, regardless of category, are entitled to within-grade increases.
- b. An eligible employee, including off-duty military, who has not reached the top step of his or her grade will advance successively to the next higher rate of his or her grade at the beginning of the next pay period provided that the employee:
- (1) Has successfully completed the prescribed waiting period.
  - (2) Has not received an equivalent increase for any reason during the waiting period.
  - (3) Performs his or her duties satisfactorily or better.
4. Creditable Service for Within-Grade Increases.
- a. Creditable service for a prevailing rate employee is continuous full-time, part-time, temporary, regular, and intermittent service in any Federal Government branch (executive, legislative, or judicial), in the Government of the District of Columbia, or a DoD or Department of Homeland Security (DHS) NAF activity.
- b. All service in a pay status is creditable, including periods of sick, annual, or other paid leave, advanced sick leave, and advanced annual leave. A limited amount of leave without pay is creditable, as indicated in Paragraph 5.a. (2), column (1) below.
5. Waiting Periods.
- a. For all employees other than intermittent on call employees, the waiting periods for advancement to the second, third, fourth, and fifth steps in all grades are:
- (1) Step 2: 26 calendar weeks of creditable service in step 1.

- (2) Step 3: 78 calendar weeks of creditable service in step 2.
  - (3) Steps 4 and 5: 104 weeks of creditable service in steps 3 and 4.
  - b. For intermittent employees on call, the waiting periods for advancement to the second, third, fourth, and fifth steps in all grades are:
    - (1) Step 2: 130 days of creditable service in a pay status in step 1 over a period of no less than 26 calendar weeks.
    - (2) Step 3: 390 days of creditable service in a pay status in step 2 over a period of no less than 78 calendar weeks.
    - (3) Step 4: 520 days of creditable service in a pay status in step 3 over a period of no less than 104 calendar weeks.
    - (4) Step 5: 520 days of creditable service in a pay status in step 4 over a period of no less than 104 calendar weeks.
  - c. Any day on which a part-time service is performed constitutes a full day.
  - d. A new waiting period begins:
    - (1) On initial appointment, raise, or promotion to a position subject to this regulation's provisions.
    - (2) After either a break in service or a non-pay status lasting longer than 52 calendar weeks.
    - (3) On the date the employee receives an equivalent increase.
  - e. Effective Date.
    - (1) The effective date of a within-grade increase for an eligible employee is the beginning of the first pay period after he or she completes the required waiting period.
    - (2) If the effective dates of a within-grade increase and a personnel action are the same, the CSC HR staff will process the actions in that order to give the employee the greater benefit.
6. Acceptable Level of Competence (Prevailing Rate Employees).
- a. At least 60 days before the date on which an employee completes the waiting period, the immediate supervisor will inform the employee of any unacceptable factor.

- b. If the second-line supervisor agrees the employee's work is unacceptable, the supervisor must inform the employee in writing by the end of the waiting period, of:
  - (1) The negative determination and its basis.
  - (2) The employee's right to secure reconsideration of the negative determination.
  - (3) The requirement that the employee must present their request for reconsideration within 15 calendar days, either personally or in writing.
  - (4) The name and address of the person to whom to send the request.
- c. The employee has the right to contest the negative determination personally or in writing and may have a representative of his or her own choosing in presenting the request.
- d. The command establishes a reconsideration file containing all pertinent documents and only those made available to the employee or his or her representative.
- e. If the reconsidering official changes a negative determination, the increase's effective date is the date the increase otherwise would have become effective.
- f. If the reconsidering official upholds a negative determination, his or her notice of the decision will inform the employee of the basis for the decision and the decision is final and will not be reconsidered further. The first-line and second-line supervisors will review the employee's level of competence by the end of 52 calendar weeks. If the employee merits an increase, it will be effective the beginning of the first pay period after their review.

F. Determining Prevailing Rate Positions' Pay Rates.

- 1. New appointments will be made at the minimum rate for the appropriate grade, except as follows: if a person is employed because his or her position converted from appropriated to nonappropriated funds, the employee's salary may not exceed his or her previous rate when the move is to an equivalent position.
- 2. On re-employment in a prevailing rate position, the command may fix the entrance salary rate at any rate for the appropriate grade that does not exceed the rate paid in the previous position. However, if the highest previous rate falls between two grade rates, the employee may receive the higher rate.
- 3. On promotion, a prevailing rate employee is entitled to earn the new grade's scheduled rate that exceeds the previous pay rate by at least the percentage difference between the fourth and fifth step-rates of the grade from which promoted.

4. In exceptional cases, commanding officers may request the establishment of special rates or rate ranges for specialized prevailing rate occupations critical to the mission of a NAF activity. The request will be forwarded through the chain of command to CSC. Requests may be made only when the following conditions are present:
  - a. Private sector employers offer significantly higher pay rates for an occupation or occupational specialization and grade than does the Federal Government in that competitive labor market.
  - b. The area or location involved is exceedingly remote.
5. The CSC HR may place a NAF employee (NA, NL, NS) who voluntarily changes to a lower grade anywhere within the grade that does not exceed his or her previous pay rate in the higher grade. Commands are not obliged to match previous pay rates on a voluntary change to a lower grade.

G. Pay Banding System.

1. The pay band system contains six pay levels of pay designated NF-1 through NF-6. Each level contains position groups of comparable skill and responsibility. For comparison purposes, the NF levels equate to General Schedule grades as follows:

NF Level	Equivalent GS Grades
1	GS-1 through GS-3
2	GS-4
3	GS-5 through GS-8
4	GS-9 through GS-12
5	GS-13 through GS-15
6	Senior Executive Service (SES)

2. Entry-level employees' pay rates should be consistent with outside private industry practices and normally fall at the bottom to low end of the appropriate pay band level.
3. Factors to consider in determining in-hire pay rates may include previous pay rates, scarcity of applicants, and qualifications.
4. Rehired or reinstated employees' initial rate is determined by considering their highest previous rate, NAF experience, and performance.

H. Pay Band Employees' Salary Adjustments.

1. Performance Percentage Increase. A commanding officer may give a pay band employee performing at a satisfactory, proficient, or higher level a performance percentage increase at any time; however it is most common for this type of increase to be given incident to

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 ( $\$7.25 \times 30$ ). 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 ( $\$308.00 \times 25 \text{ percent} = \$77.00$ ). 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 5. POSITION CLASSIFICATION AND APPEALS**

- A. Purpose. This chapter provides Coast Guard NAF policy, responsibilities, and requirements to support and maintain the NAF Civilian Personnel Position Classification Program and Appeal System.
- B. Policy. NAF position classifications comply with the intent of Public Law 92-392 (PL 92-392), Office of Personnel Management (OPM) Job Grading Systems and the NAF Standard Position Guide (SPG). Employee appeals are processed in accordance with these guidelines. The NAF position classification program:
1. Supports the principle of equal pay for substantially equal work through proper and timely position classification.
  2. Advises managers on how to make the best use of funds and personnel through position classification specialists.
  3. Allows supervisors to actively participate in the classification process.
  4. Promotes the most economical, mission-fulfilling, efficient position structuring, staffing, and grading pattern.
  5. Requires the classification process to keep administrative costs to a minimum.
  6. Disregards race, color, sex, religion, marital status, age, national origin, or disability in classifying positions.
- C. Authorities and Responsibilities.
1. Authority to Classify Positions. The Office of Civilian Personnel (CG-121) has authority to classify positions and has re-delegated it to CSC for NAF positions.
  2. CSC HR will ensure commands with NAF employees:
    - a. Clearly understand the classification program to produce complete and accurate position descriptions.
    - b. Have the opportunity to express their views on how the program supports command objectives and mission requirements.
  3. Command Responsibilities. Each command that establishes or abolishes duties for NAF positions must:
    - a. Establish, maintain, and structure these positions according to approved mission needs and position staffing requirements.

- b. Strive to achieve the best balance of economy, efficiency, skill use, and employee motivation and development when assigning duties and responsibilities to these positions.
- c. Consider the impact on each and all positions before assigning duties to any position that will result in a higher grade or pay band.
- d. Advise CSC HR, when appropriate, as promptly as possible of proposed organizational and structural position changes, including charts and other relevant materials.
- e. Prepare clearly defined proposed position descriptions (PD) and draft standard position guides (SPG) for subordinate positions or use standard position descriptions when feasible to reduce administrative costs.
- f. Fill out individual personnel action requests using a Request for Personnel Action, Standard Form 52 (SF-52) when requesting classification or reclassification.

D. Classifying Positions. The methods used to classify NAF positions apply to two major pay-setting systems: prevailing rate positions (crafts and trades (NA, NL, and NS)) and pay band (NF) positions.

1. Prevailing Rate Positions. The DoD Wage Fixing Authority develops and establishes NAF regular wage rate schedules for NA, NL, and NS positions according to the provisions of Title 5, United States Code, Part 5343(c) (5 USC 5343c) and procedures outlined in Title 5, Code of Federal Regulations, Part 532 (5 CFR 532). Basic methods to grade NAF crafts and trades positions (NA, NL and NS) are in 5 CFR 532 and 512.
2. Pay Band Positions. The NAF pay band system consists of six occupational levels in broad compensation bands that are evaluated on the characteristics of work performed for each separate level and cross-compared with point factors in the job grading standards.

E. The Position Description (Crafts and Trades). The position description is defined as:

1. A clear, concise statement of the kind of work to be done; the knowledge, skills, and abilities required; its difficulty; and the type and extent of supervision and guidance the incumbent receives. The immediate supervisor is responsible for the PD's accuracy.

F. The Standard Position Guide (Pay Band).

1. Definition.
  - a. Standard position guides are very brief, usually one or two paragraphs and not modified. The descriptions do not try to address all job aspects but generally fit all similar NAF positions. An SPG is not an accurate position description unless attached to it is a completed task statement that describes in detail a job's unique duties and assignments. If an SPG matching a position's general duties is not

available, a draft task statement must be submitted to CSC HR for unique positions only, describing in detail the new position's duties and responsibilities, recommended title, and pay band level. If no suitable SPG already exists, CSC HR will classify the draft and if approved, issue a new SPG.

## 2. Task Statement.

- a. A task statement describes a position's duties in more detail than does the SPG. The task statement may vary based on the position's duties and responsibilities. For example, besides operating the cash register, a cashier may be required to assist in pricing merchandise and stocking shelves.
- b. Supervisors should discuss individual task statements with their employees and issue a copy to them.
- c. The CSC HR must attach the task statement to the SPG and put it in the employee's Official Personnel Folder,
- d. The supervisor must refer to the task statement during the performance appraisal cycle.

## G. Classification Procedures.

### 1. Classifying Crafts and Trades Positions.

- a. The immediate supervisor must:
  - (1) Describe the position's duties and responsibilities in the traditional format. As noted previously, the immediate supervisor prepares the PD since he or she is the most knowledgeable about the work performed. The NAF Standard Position Guide contains prewritten PDs helpful as a guide in preparing a job description or usable as the actual position description.
  - (2) Complete a Position Description, Optional Form 8 (OF-8), as a cover sheet; attach it to the narrative description and rout it through the chain of command to the CSC HR.
  - (3) Complete a Request for Personnel Action, Standard Form 52 (SF-52), and submit it through the chain of command to CSC HR.

### 2. Classifying Pay Band Positions.

- a. The NAF Standard Position Guide contains copies of all standard position guides used to classify pay band positions.
- b. The standard position guide simplifies classification actions. A supervisor writes a task statement, reviews the standard position guides, and selects the position that best

reflects the position's new or revised duties. In other words, the supervisor now "classifies" the position by selecting a pre-written standard position guide. The task statement needs an appropriately signed OF-8 cover sheet attached to authorize the classification action that is processed through the chain of command and forwarded to the CSC HR. CSC HR will review the requested classification to ensure it meets classification guidelines.

3. Approval for Crafts and Trades and Pay Band Positions. Commands must submit all requests for new or upgraded positions to CSC HR. The request must include an updated organizational chart listing established positions, number of employees in each, and their employment category, e.g., full-time, part-time, or intermittent in each position.

#### H. Classification Review.

1. A review of a position's duties and responsibilities is a crucial factor in keeping descriptions up-to-date. Job changes take many forms and occur for various reasons. Paragraph I of this Chapter provides more guidance in this area. A PD must be reviewed, and revised, if needed, in the following circumstances:
  - a. The job content changes.
  - b. The organizational structure changes.
  - c. At the beginning of the annual appraisal cycle.
  - d. The employee or his or her supervisor requests a review.
  - e. The sole employee in that job leaves.
  - f. The command has continuous recruitment and/or retention problems.
2. Supervisor's Role in Classification Reviews:
  - a. The supervisor may request a classification review of a job when its duties, responsibilities and/or employment conditions have changed significantly.
  - b. Supervisors should neither encourage nor discourage employee requests for a classification review, but make sure employees know they can ask for one. The best course of action is to avoid the need for an employee-requested classification review by keeping PD's and SPG's current, describing and defining the work actually performed, rewriting PD's and SPG's when appropriate and having CSC HR review a position after major changes have occurred.
3. The Classification Specialist's Duties:
  - a. Obtains the facts about a position, primarily by an audit or phone interview or, when clearly presented, evaluating the narrative description of the duties and

- responsibilities provided by the supervisor. Although an employee may know a job well and provide important information for a job description, he or she may have a tendency to inflate the job for personal reasons. Therefore, it is the supervisor's responsibility to ensure PDs and task statements represent a job completely and accurately.
- b. Studies the above facts critically.
  - c. Determines the category, series, and grade or pay band in the applicable classification standards or guides.
  - d. Understands the function of the organization where the position is located.
  - e. Understands the reason the position exists, such as the command's intent in assigning the position.
  - f. Compares the position's relationship to others in the organization and at other units.
  - g. Reviews any other significant characteristics contributing to its value.
- I. When New Position Descriptions Are and Are Not Required.
1. A new PD or SPG is required in these circumstances:
    - a. A new position is established that was not previously described and classified.
    - b. An existing position's duties and responsibilities change sufficiently so they constitute a "different" job more or less difficult than the former PD or SPG reflected and the grade or pay band would change.
    - c. A position transfers without any change in duties and responsibilities to another organizational element due to reorganization.
  2. A new PD or SPG is not required in these circumstances:
    - a. An employee is recruited, promoted, or reassigned to a previously classified, vacant position.
    - b. Adding employees to identical, already-filled positions, such as increasing staffing.
- J. Appealing Position Classifications.
1. Crafts and Trades Positions.
    - a. Within 10 calendar days, once the unit is notified by the CSC HR, a command must give employees adversely affected by a classification action at least 30 calendar days' written advance notice before a grade or salary reduction is effective.

- b. Employees may appeal their job title, series, and grade level but should resolve classification questions by discussing them with their supervisors before filing an appeal to the CSC Director of HR and Administration.
  - c. Employees have a reasonable amount of official time to present an appeal, the right to choose their own representative, and the right of freedom from restraint, interference, coercion, discrimination or reprisal. An employee's representative does not have the right to be present while the Coast Guard or OPM audits his/her job.
  - d. An employee who does not receive a decision within 60 calendar days after filing an appeal to the CSC Director of HR and Administration may appeal directly to the OPM.
2. Pay Band Positions. Employees may only grieve the assignment of their position to a particular band based on the procedures outlined in Chapter 10 of this Manual.
- K. Appeal Contents (Crafts and Trades Positions Only). An employee appealing a classification action involving a Crafts and Trades position must do so in writing and provide the following information:
1. Name and mailing address.
  2. Official organization and address.
  3. Name and address of the chosen representative, if applicable.
  4. Exact location of the appellant's job in the organizational structure.
  5. Present title and grade or pay band.
  6. Requested title, grade, pay band, and/or series.
  7. A description of the work performed or a statement the official position description is complete and accurate or that a task statement is inaccurate.
  8. A statement of any facts that may affect the appeal.
  9. A copy of the local appeal decision.
- L. Effective Date of Appeal Decision.
1. The effective date of an appeal decision is either:
    - a. Stated in the appeal decision letter.
    - b. The first pay period after the date of the appeal decision letter, if the decision affects pay.

2. A job-grading change resulting from an appeal decision that wholly or partly reverses a demotion or loss in compensation is retroactive to the date of the adverse action if:
  - a. The employee (crafts and trades positions only) initially or subsequently appealed to OPM within 15 calendar days after the classification decision's effective date.
  - b. The decision is based on existing duties and responsibilities at the time of the demotion or compensation loss.
3. A decision raising the grade level of an initially demoted job retroactively restores the grade or pay band level immediately preceding the demotion.
4. If the appeal decision results in demotion or compensation loss, the effective date is the first day of the first pay period after the 30-day advance notice period expires.

M. Matters Not Admitted Under The Classification Appeal Procedures. The following matters will not be accepted under the classification appeal procedures:

1. Any matter that has been or is being appealed to OPM.
2. Any matter that has been or is being grieved through the employee grievances procedures in Chapter 10 of this Manual.
3. The accuracy of job descriptions.
4. Classification standards and officially approved wage and salary schedules issued by OPM or DoD.



## 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.

- b. After an illness by the end of the leave year ending two years after the date the employee is judged recovered and able to return to duty.
  - c. After correcting an administrative error by the end of the leave year ending two years after the date restored.
9. Separate Leave Carry-Over Account. Annual leave restored under any provision in Paragraph C.7 of this chapter, must be credited to a separate leave account and used within the specified time limit. The amount of restored leave does not affect an employee's normal maximum permissible carry-over of annual leave into a new leave year. The employee will forfeit any unused restored leave at the end of the two-year restoration period with no further right to restoration. If the employee does not use the restored leave and separates from active service before the specified time limit expires, they are entitled to a lump sum payment for the unused leave per Paragraph C.12. of this chapter.
10. Procedure to Restore Excess Annual Leave.
- a. If an operational exigency occurs that will prevent an employee from using scheduled annual leave, his or her supervisor will prepare a request to CSC HR staff to determine whether the affected employee is entitled to carry over excess annual leave into the next leave year. The request must:
    - (1) Describe the exigency or operational need involved.
    - (2) Explain why canceling scheduled annual leave was the only alternative.
    - (3) Document the dates and amount of previously scheduled approved annual leave affected, such as with a copy of an approved leave schedule or Request for Leave or Approved Absence, (OPM 71).
  - b. If illness, injury, or any other medical condition occurs at the end of the leave year causes an employee to forfeit previously scheduled and approved annual leave, the employee may request to carry over the excess annual leave into the next year. The employee's supervisor should prepare the request and forward it to the CSC HR no later than 30 days after the leave year ends. The request must:
    - (1) Contain the date the illness, injury, or other medical condition causing absence on sick leave began and expected duration of the employee's current absence.
    - (2) Explain why the employee will forfeit annual leave and why rescheduling is impossible.
    - (3) Document the dates and amount of previously scheduled and approved annual leave with a copy of an approved leave schedule or OPM 71.

- c. If an administrative error resulting in forfeiture of annual leave is discovered, the discovering office or person shall prepare a request to restore annual leave and send the request to CSC HR staff within 30 days of discovering the administrative error. The request will:

- (1) Describe the administrative error that resulted in forfeiting annual leave.
- (2) State the amount of leave forfeited.
- (3) State the lump sum amount due a former employee who forfeited annual leave due to administrative error.

11. Lump Sum Payment for Annual Leave. Only employees who separate from NAF service or enter active duty in the Armed Forces may receive payment for accrued annual leave in a lump sum. An individual will not receive annual leave payment while identified as a “current employee.” A deceased employee’s beneficiary can receive a lump sum payment.

12. Refunding Lump Sum Leave Payment. If a command reemploys a separated NAF employee before the period covered by the lump sum payment ends, the employee must refund the employing command an amount equal to the leave payment covering the period between the reemployment date and the end of the period covered by the lump sum payment. The command then re-credits to the employee a corresponding amount of annual leave up to the maximum amount the employee was permitted to carry over into the leave year of separation. However, the employee need not refund any payment for restored annual leave included in the lump sum payment because restored annual leave may not be re-credited to an employee.

13. Transferring Leave Balance.

- a. If a Coast Guard NAF employee transfers to another Coast Guard NAF, his or her annual leave transfers without limit. The employee receives the full amount of leave, even if he or she earns higher pay from the gaining employment system. The employee may not cash in any portion of the accumulated leave balance.
- b. If an employee is transferring from or to a DoD NAF, the employee’s annual leave credit and the funds to cover its cost may be transferred from the losing to the gaining employer if the two employers agree, and the employee elects such a transfer of credit.

14. Transferring Funds. Under portability, when an employee moves from a Coast Guard APF position to a NAF position and vice versa, funds are not transferred between systems.

15. Abusing Annual Leave. If an employee appears to be using annual leave improperly, e.g., chronically using emergency annual 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.

D. Voluntary Leave Transfer.

1. The voluntary leave transfer program allows employees to donate annual leave to another employee who would otherwise suffer a substantial loss of income (i.e., a financial hardship) due to insufficient leave available to cover an absence from work. The absence must result from a medical emergency directly affecting the employee or their family member, thereby requiring the employee's absence from work to care for the family member. The absence must result in, or be expected to result in; at least 24 hours of leave without pay in order for employees to qualify as a leave recipient.
2. Employees who have exhausted or are about to exhaust their entire annual and sick leave for a medical emergency may make a written request to the CSC through their commands to become a leave recipient using an Application to Become a Leave Recipient Under the Voluntary Leave Transfer Program (OPM 630). If the employee is not able to make the request on his or her own behalf, a third party may submit the OPM 630.
3. The CSC will review the potential leave recipient's request and determine if the applicant qualifies for receipt of donated leave.
4. Employees not utilizing their own accrued leave, i.e. using donated leave, are not considered in an active pay status and are subject to the leave without pay (LWOP) provisions in Paragraph F of this chapter.
5. Employees do not continue to accrue leave while using donated leave.
6. Transferred annual leave may accumulate up to the six month maximum. The recipient may substitute it retroactively for any LWOP period.
7. The recipient may only use the donated leave for the documented medical emergency. Once the employee is no longer affected by the medical emergency, they are no longer eligible to receive or use donated leave.
8. If the leave recipient has any transferred leave remaining to his or her credit when the medical emergency concludes, the CSC will transfer leave back to the donors on a pro-rated basis. A leave donor can chose either of these options:
  - a. Credit such leave to his or her annual leave account.
  - b. Donate all or part of such leave to another leave recipient.
9. An employee may request that his or her accrued annual leave be transferred from his or her account to the annual leave account of a specified leave recipient by submitting a Request to Donate Annual Leave to Leave Recipient (OPM 631-A). This leave converts to sick leave if the employee suffers illness or annual leave if the employee cares for a

family member. Leave transferred will be converted to a dollar value based on the donor's hourly rate. The dollar amount will then be divided by the recipient's hourly rate to determine the number of converted hours. Thus, if the leave donor's salary is \$8.00 per hour and they transfer ten hours, then the recipient receives an equivalent of \$80 in leave. If the recipient's salary is \$10.00 per hour then they receive eight hours of leave.

10. Limitations regarding the donation of leave are:

- a. Only annual leave can be donated.
- b. Only half the amount of annual leave accrued each year can be donated.
- c. A leave donor projected to have annual leave otherwise subject to forfeiture at the end of the leave year may donate a maximum of the number of hours remaining in the leave year as of the donation date for which the leave donor is scheduled to work and receive pay.
- d. The leave donor cannot donate leave to his or her supervisor.

E. Sick Leave.

1. Accruing Sick Leave. Permanent full-time, part-time, and temporary full-time and part-time employees with appointments for more than 90 days are eligible for sick leave benefits. Sick leave is earned and accrues as follows:
  - a. Employees accrue sick leave at the rate of five percent of total hours in a pay status up to four hours per bi-weekly pay period.
  - b. Sick leave not used during the year in which earned accumulates with no limit on the amount and is available for use in succeeding years.
2. Proper use of Sick Leave. A supervisor or manager may grant sick leave for these absences:
  - a. The employee cannot perform his or her duties due to incapacitating sickness, injury, and/or confinement due to pregnancy, emotional stress, or mental illness.
  - b. Personal medical, dental, or optical examination or treatment.
  - c. In certain circumstances involving a contagious disease.
3. Improper use of Sick Leave. An employee may not use sick leave in these circumstances:

- 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.

3. Employee Responsibilities.

- a. The employee should provide 30 days advance notice if the leave is "foreseeable."
- b. The employee must notify his or her immediate supervisor of the intent to invoke FMLA leave and submit a written request and a completed Certification of Health Care Provider (Form WH-380-E for employee and Form WH-380-F for family member) before FMLA leave is approved.
- c. The request must state, "I invoke my entitlement under the Family and Medical Leave Act" and the reason for the request.
- d. The employee will either pay his or her share of NAF insurance and retirement plan costs during the FMLA leave or establish a payment plan before beginning FMLA leave. The payment plan will become effective when the employee returns to a pay status.

4. Command Responsibilities.

- a. A completed OPM 71 and appropriate supporting documents must be forwarded to the CSC HR staff for review.
- b. The CSC HR staff will notify the employee of the status of their FMLA leave request by using the Employer Response to Employee Request for FMLA Form WH-381.
- c. The command cannot require the employee to substitute accrued leave for FMLA leave.
- d. When the employee returns from FMLA leave, the command will restore the employee to either the employee's original position or one of equivalent pay, benefits, and responsibilities.
- e. Using FMLA leave will not cause the employee to lose an employment benefit that accrued before the FMLA leave started.
- f. CSC HR will maintain the following information in the employee's miscellaneous folder:
  - (1) The employee's basic pay rate.
  - (2) The occupational series of the employee's position.
  - (3) The number of hours of FMLA leave taken.
  - (4) Whether the leave was family or medical leave.
  - (5) The effective FMLA leave dates.

5. Relation to Other Leave.
  - a. The employee is entitled to 12 weeks of unpaid, job-protected leave in a 12-month period. The 12-month period begins upon commencement of the FMLA leave. An employee may, however, elect to take paid leave available under other leave policies concurrently with FMLA leave in order to be paid for the time off. The employee may not retroactively substitute paid time off for FMLA leave.
  - b. An employee may exhaust their sick leave before requesting FMLA leave but they are not required to. An employee who invokes FMLA leave after their sick leave has potential for 12 weeks absence from the workplace. Supervisors have discretion in approving or disapproving most other forms of leave. FMLA leave, on the other hand, is an employee entitlement. If supported by certification of a health care provider, it may not be denied.
  - c. Employees who exhaust their sick leave before invoking FMLA may request LWOP in accordance with Paragraph F of this chapter.
  - d. An employee is entitled to a maximum of 12 weeks of FMLA to care for a family member with a serious health condition. If an employee has previously used 13 days of sick leave in a leave year for family care purposes, the 13 days must be subtracted from the 12-week sick leave entitlement.
6. Certifying fitness for duty. If an employee has taken FMLA leave due to his or her own serious health condition, the health care provider must complete the return to work medical certification certifying the employee's fitness for duty before he or she can resume work. The certification must include the employee's range of capabilities, e.g., light duty, full duty, no lifting, etc., and a return to duty date.
7. Military Family Leave Entitlements. Eligible employees with a spouse, son, daughter, or parent on active duty or called to active duty status in the National Guard or Reserves in support of a contingency operation may use their 12-week FMLA leave entitlement to address certain qualifying exigencies. Qualifying exigencies may include attending certain military events, arranging for alternative childcare, addressing certain financial and legal arrangements, attending certain counseling sessions, and attending post-deployment reintegration briefings.
8. FMLA Leave to Care for a Covered Service Member. FMLA also includes a special leave entitlement that permits eligible employees to take up to 26 weeks of leave to care for a covered service member during a single 12-month period. A covered service member is a current member of the Armed Forces, including a member of the National Guard or Reserves, who has a serious injury or illness incurred in the line of duty on active duty that may render the service member medically unfit to perform his or her duties for which the service member is undergoing medical treatment, recuperation, or therapy; or is in outpatient status; or is on the temporary disability retired list.

## H. Absence for Parental and Family Responsibilities.

1. General. Because personal life affects job performance, an employee's family responsibilities should be a valid consideration in weighing leave requests. Supervisors are encouraged to weigh carefully expectant or newborn parents' needs and responsibilities and balance those needs against their organization's work requirements. The law and regulations do not recognize a separate leave category for parental and family absences. Absences for such reasons must be charged to the appropriate leave category. Accordingly, this section supplements but does not supersede this chapter's sections discussing the type of leave applied to such absences.
2. Responsibilities.
  - a. Employee Responsibilities.
    - (1) Employees who expect to use leave for family reasons should request it far enough in advance to enable their supervisor to adjust workloads.
    - (2) As with any medical condition, if a question exists about a pregnant employee's ability to perform the job, she should give the supervisor a physician's written statement specifying any job-related restrictions.
    - (3) If an employee plans not to return to work after a maternity absence, she should offer her resignation effective when the period of incapacity or approved sick leave expires, if her sick leave expires before the end of the incapacity.
  - b. Employer Responsibilities.
    - (1) A command will reasonably consider requests for leave due to parental and family responsibilities.
    - (2) If an employee submits a request supported by a medical statement to temporarily modify duties or a temporary reassignment for health reasons, the supervisor will reasonably attempt to grant the request.
    - (3) When an employee returns to work after an approved maternity leave, the command must return her to her former or a similar position with no loss in grade, pay band level, or pay. This obligation does not apply if termination is otherwise required, as in cases of expired appointment, reduction-in-force, separation for cause, or other reasons unrelated to absence while on maternity leave.
3. Rest Periods. If a medical authority recommends, the immediate supervisor may treat brief, recurring absences for rest for pregnancy reasons during the employee's tour of duty as excused absences if they do not disrupt work operations.

4. Granting Leave. Parental and family leave may consist of a combination of approved sick leave, annual leave, compensatory time off, or LWOP, as appropriate. Childbirth or pregnancy complications are temporary disabilities for the mother. For leave purposes the immediate supervisor must treat them the same as any other physical condition that incapacitates an employee.
  - a. Sick Leave. The immediate supervisor will grant an employee her accrued sick leave for maternity if she presents a statement from her physician certifying she is incapacitated for duty. The medical certificate should indicate the expected delivery date; the date she should cease working; any performance restrictions, for example, required rest periods; and the probable date she can return to work. Sick leave is not appropriate for fathers or the period immediately after the arrival of an adopted child.
  - b. Annual Leave. The immediate supervisor will grant annual leave for parental or family reasons under Paragraph G.1. of this chapter. A supervisor may grant an employee annual leave while incapacitated or to cover the time to care for the newborn, the mother, or an adopted child.
  - c. Other Leave. A supervisor may grant an employee who intends to return to duty LWOP for parental or family responsibilities under Paragraphs G. of this chapter, or compensatory time off under Paragraph L of this chapter.
5. Temporary Employees. A supervisor may grant a temporary employee serving under a limited appointment for a specific period use of accrued sick and annual leave for parental and family responsibilities if the leave would not extend beyond when the employee's appointment expires.

I. Court Leave.

1. Definition. Court leave is an authorized absence from work without charge to leave or loss of compensation when:
  - a. Serving as a juror in United States, state, District of Columbia, and United States territorial courts, including the Commonwealth of Puerto Rico.
  - b. Summoned to appear as an official witness in a judicial proceeding on behalf of a state or local government or a private party when the United States, the District of Columbia, a state, or a local government is a party. Paragraph I.3. of this chapter has further guidance for other witness services.
    - (1) A summons includes a subpoena or official written request or invitation issued by the court or authority responsible for conducting the judicial proceedings. An employee who simply volunteers or is a defendant is not entitled to court leave.
    - (2) A judicial proceeding means any action, suit, or other judicial proceeding, including any condemnation, preliminary, informational, or other court

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 8-1

<b>DEPARTMENT OF HOMELAND SECURITY                      U.S. Coast Guard                      INTERMITTENT (WAE) EMPLOYEE PERFORMANCE EVALUATION</b>		
Employee	Employee ID	
Position Title and Grade or Pay Band		
Duty Location	Rating Period From: _____ To: _____	
	Rating	Comments
Met Acceptable Level of Performance		
Did Not Meet Acceptable Level of Performance		
RATING JUSTIFICATION (SUPERVISOR MUST BRIEFLY EXPLAIN OR JUSTIFY PERFORMANCE CASH AWARD, PERCENTAGE INCREASE).		
Evaluation Date	Rater (print name)	Rater signature
Signature		Date
<b>NOTE:</b> EMPLOYEE'S SIGNATURE DOES NOT CONSTITUTE AGREEMENT WITH SUPERVISOR'S RATING. IF EMPLOYEE REFUSES TO SIGN EVALUATION THE SUPERVISOR WILL SO STATE IN THE EMPLOYEE SIGNATURE BLOCK.		
<b>PRIVACY ACT STATEMENT</b>		
<b>Authority:</b>	49 U.S.C § 114(n).	
<b>Principle Purpose:</b>	This information will be used to document your performance evaluation and to certify that the rating official has discussed your performance appraisal with you. .	
<b>Routine Uses:</b>	This information may be shared in response to a request for discovery or for appearance of a witness, information that is relevant to the subject matter involved in a pending judicial or administrative proceeding.	
<b>Disclosure:</b>	Voluntary.	

## CHAPTER 9. DISCIPLINARY AND ADVERSE ACTIONS

- A. General Policy. The primary objective of discipline is to correct an employee's conduct and in some cases performance, while maintaining all employees' high productivity, discipline, and morale. Accordingly, Coast Guard NAFIs impose the minimum remedy that reasonably can be expected to meet these objectives. Only if previous disciplinary action has failed to correct an offender or an employee has committed a particularly serious first offense may a supervisor initiate removal. Supervisors will act without regard to race, religion, sex, sexual orientation, color, national origin, age, political affiliation, physical or mental disability, or marital status when initiating disciplinary actions.
- B. Coverage.
1. Covered Actions. Letters of reprimand, suspensions, reductions in grade or pay band level, and removals based on unacceptable conduct and/or in some instances of performance deficiencies, if caused more by misconduct than from a lack of skill or ability. For example, if a motor vehicle operator has a job requiring certification (a driver's license), he or she cannot operate a government vehicle without a license, which is a performance requirement.
  2. Excluded Employees. While the disciplinary actions in this chapter apply to permanent and seasonal full-time and part-time employees, all employees are expected to meet the CSC performance standards. Temporary, intermittent and probationary employees may have disciplinary action taken against them; however, they may be removed at any time in accordance with Chapter 18 of this Manual.
- C. Definitions.
1. Active Duty Status. Any pay status, including authorized overtime, holiday pay, and other forms of premium pay.
  2. Bargaining Unit Employee. An employee included in an appropriate bargaining unit for which a labor organization has been granted exclusive recognition.
  3. Day. Calendar day.
  4. Disciplinary Action. A letter of reprimand, suspension, reduction in grade or pay band level, or removal.
  5. Fact-finder. An individual appointed by the initiating official to conduct an investigation into an issue(s) relating to the misconduct of the employee. The fact-finder must be a person who has not been involved in the matter and who does not occupy a position directly subordinate or accountable to any official who recommended, advised, made a decision on, or who otherwise is or was involved in the matter.
  6. Deciding Official. An individual delegated authority to take an action under this chapter.

7. Official Case File. A separate file from the employee's official personnel file (OPF) containing all disciplinary action documents.
  8. Preponderance of the Evidence. That degree of relevant evidence a reasonable person, considering the record as a whole, would accept as sufficient to support a conclusion the matter asserted more likely is true than not true. Grievable adverse actions must be supported by the preponderance of the evidence.
- D. Staff Support. Supervisors initiating disciplinary actions and separations must coordinate with the CSC HR staff to ensure contemplated actions conform to this Manual's policies and procedures. The CSC HR staff must review the material on which the action is based and review letters proposing and effecting such actions to ensure they inform the employee of rights of representation, reply, and explain grievance procedures.
- E. Relationship to CG SUPRT. CG SUPRT, the Coast Guard's employee assistance program, supplements but does not replace discipline as a tool for dealing with a problem employee. Discipline seeks to correct the offender's conduct and maintain other employees' discipline and morale. CG SUPRT seeks to correct unsatisfactory performance or conduct before disciplinary action becomes necessary. There is a distinction between offering a problem employee assistance through counseling and taking disciplinary action. In some instances, it will be appropriate and necessary for a supervisor to take both actions if an employee has committed an offense that arose from a personal problem.
- F. Relationship to Equal Employment Opportunity Complaints. A supervisor who discovers an employee alleged in writing he or she suffered discrimination based on race, color, sex, sexual orientation, religion, physical or mental disability, age, or national origin should consult the local Civil Rights Counselor, if necessary by telephone to minimize delays, before issuing a final decision on a removal action in accordance with Chapter 17 of this Manual. This consultation, however, will not serve to delay management's decision on the action. When deciding the proposed action, the deciding official shall consider any information about discrimination allegations submitted in the employee's or employee's representative's reply. These allegations will be included in the case file. Employees cannot file both a grievance and an EEO complaint on the same issue; EEO complaints will be handled in accordance with Chapter 17 of this Manual.
- G. Preliminary Investigations.
1. Purpose. The preliminary investigation of relevant facts may provide the necessary information to proceed with a specific disciplinary action or eliminate the need for any action.
  2. Gathering Information.

- a. The supervisor or appointed fact-finder shall assemble any and all information available that would clarify the issues, including documents such as leave records, time cards, office records, disciplinary records, and other pertinent evidence.
  - b. The supervisor or fact-finder may interview previous supervisors, witnesses, and ask an employee to submit relevant evidence, such as medical documents, repair bills, bills for professional services, etc., subject to supervisor verification. Supervisors or fact-finders will obtain written statements as necessary, and in serious incidents of misconduct or performance deficiencies, affidavits.
3. Fact-finding Discussions. Before taking a disciplinary action, the supervisor or fact-finder should hold documented fact-finding discussions with the employee, if available, to determine his or her side of the story. Supervisors or fact-finders can use the Nonappropriated Fund Employee Discussion Documentation Sheet, Form CG-1227A (Exhibit 9-1) to assist in acquiring relevant information during these discussions. Supervisors or fact-finders should not inform the employee of the particular disciplinary action contemplated until they have gathered all the facts and deciding officials have thoroughly considered them.
4. Employee's Right to Union Representation. Bargaining unit employees have the right to request assistance from union representatives during investigatory interviews if the meeting purpose is for management to interview the bargaining unit employee in connection with an investigation and the employee reasonably believes disciplinary action may result from the meeting.
- a. The employee may request union representation before, or at any time during, an interview. The employee must request a union, not a personal, representative. When representation is requested the supervisor must either:
    - (1) Grant the request and delay questioning until the representative arrives.
    - (2) Deny the request and end the interview immediately.
  - b. If the supervisor denies the request for union representation and continues the interview, the employee has the legal right to refuse to answer questions.
  - c. If an employee requests union representation while a supervisor is explaining acceptable standards of conduct or performance to correct minor conduct or performance problems, but the supervisor does not believe disciplinary action will result, the employee is not entitled to union representation. Questionable circumstances should be directed to the CSC HR staff.
- H. Determining Appropriate Action. After completing the preliminary investigation, the supervisor must determine any appropriate corrective action. If the misconduct warrants corrective action, the supervisor must refer to the Schedule of Offenses and Remedies (Exhibit 9-2) which specifies the general range of remedies for specific offenses. The most

appropriate remedy is the least serious action that will correct the problem. Also in selecting the remedy, the supervisor must consider any existing relevant factors in accordance with Paragraph Q. of this chapter. The supervisor must include in the official case file any relevant factors considered. Relevant factors are not required for letters of reprimand. COMDTINST 4600.14 (series) provides specific guidance on disciplinary actions for late payments or abuse of Government Travel Charge Cards (GTCCs). All disciplinary actions must be coordinated with the CSC HR before action may be taken.

- I. Disciplinary Actions. Before taking disciplinary action, the supervisor or appropriate designee, will conduct a preliminary investigation and determine appropriate action. The preponderance of the evidence must support disciplinary actions. Disciplinary actions include letters of reprimand, suspensions, grade or pay band level reductions, and removals. Although these actions usually are progressive, a first incident of misconduct or performance deficiency may be so serious it warrants severe action, including removal from employment. Disciplinary actions become a matter of record in an employee's OPF.
  1. Letter of Reprimand. Before issuing a letter of reprimand, the least severe disciplinary action, the supervisor will conduct a preliminary investigation and determine appropriate action. The Letter of Reprimand must be written by the CSC HR and requires this information:
    - a. The specific charge(s) of misconduct or performance deficiencies. An example of a charge is "using obscene language to another employee".
    - b. A warning that future instances of misconduct or performance deficiencies may lead to more severe disciplinary action, up to and including removal from employment.
    - c. Notice that the reprimand will be filed in the employee's OPF for at least one year and up to two years.
    - d. Notice that the employee has a right to file a grievance under either administrative or negotiated grievance procedures, including the time for filing (deadlines may differ between negotiated and/or administrative procedures, as appropriate).
  2. Suspension.
    - a. A supervisor may suspend an employee if a previous action failed to correct a minor incident(s) of misconduct or for a first serious offense. The employee is removed from work status for a specified period of time to impose a financial penalty and give an employee forced time off to think about the misconduct and the importance of keeping his or her job. In most circumstances, the employee should be given seven calendar days advance written notice of the suspension.
    - b. To effect the suspension, the command will submit a Request for Personnel Action, SF-52 which becomes a permanent part of the employee's OPF.

- c. The CSC HR staff will complete the SF-50 and issue a Notice of Suspension with this information:
- (1) The action is a suspension.
  - (2) The suspension's inclusive dates and length.
  - (3) The specific charge(s) of employee misconduct.
  - (4) A warning that future instances of misconduct may lead to more severe disciplinary action, up to and including removal from employment.
  - (5) The employee's right to review the official case file material that supports the reasons given in the notice, including the name and telephone number of the person to contact to arrange a review of the material.
  - (6) Notice that the employee has a right to file a grievance under administrative or negotiated grievance procedures, including applicable deadlines, as appropriate.

3. Reduction in Grade or Pay Band Level.

- a. An employee may be reduced in grade or pay band level for a first offense of serious misconduct, performance deficiency, or if previous disciplinary action did not correct the situation. Generally, a supervisor takes these actions if he or she expects the employee will be able to perform successfully at the new grade or pay band level. Before reducing an employee's grade or pay band level, the supervisor or appropriate designee will conduct a preliminary investigation and determine appropriate action.
- b. The SF-50, completed as normally required, is the official notice of reduction in grade or pay band level. The supervisor will issue a letter of reduction in grade or pay band level with this information:
- (1) The action is a reduction in grade or pay band level, as applicable.
  - (2) The effective date of the action.
  - (3) The new job title, series, grade or pay band level, and salary if applicable.
  - (4) Specific charge(s) of employee misconduct or performance deficiencies.
  - (5) A warning that future instances of misconduct or performance deficiencies may lead to more severe disciplinary action, up to and including removal from employment.

(6) The employee's right to review the official case file material relied on to support the charge(s), including the name and telephone number of the person to contact to arrange a review the material.

(7) Notice the employee has a right to file a grievance under administrative or negotiated grievance procedures, including any applicable deadlines.

c. Employees will be given seven calendar days advance notice of these actions.

4. Removals.

a. In the most severe of disciplinary actions, a supervisor may remove an employee for a first serious offense of misconduct, performance deficiency, or if previous disciplinary actions did not correct the situation. Before removing an employee, the supervisor or appropriate designee will conduct a preliminary investigation and determine appropriate action.

b. The SF-50, completed as normally required, is the official notice of removal. CSC HR will issue a Notice of Removal with this information:

(1) The action is a removal.

(2) The action's effective date.

(3) Specific charge(s) of employee misconduct or performance deficiencies.

(4) The employee's right to review the official case file material relied on to support the charge(s), including the name and telephone number of the person to contact to arrange a review of the material.

(5) Notice the employee has a right to file a grievance under administrative or negotiated grievance procedures, including any applicable deadlines.

c. The supervisor will work with CSC HR staff during the development of the termination notification to review the basis for the termination in order to determine whether the employee is to be paid through the end of the day or up to one week after the delivery of the termination notice. Some circumstances, such as theft, may warrant pay through the end of the day only.

J. Official Time.

1. An employee who is otherwise in a work status is entitled to a reasonable amount of official time to review the material management relied on to make its decision. The supervisor will determine the amount of official time to grant individually. In so determining, the supervisor or manager should consider the charges' gravity and complexity, the amount of legal or regulatory research involved, and the employee's

knowledge of disciplinary proceedings and research abilities. Supervisors should avoid granting more official time than is absolutely necessary.

2. Supervisors should grant an employee official time only if he or she so requests and should deny the request only if it clearly is unreasonable.

K. Rejecting Representation.

1. Reasons to Reject a Representative. A supervisor can reject an employee's chosen representative under these circumstances:
  - a. Conflict of interest, such as a supervisor or management official serving as a union representative.
  - b. Conflict of position, such as a PA or EEO specialist serving as an employee's representative in a case involving a personnel action or EEO matter the employing personnel or EEO office controls, has participated in, or in any way has been involved.
  - c. A cost to the Government.
  - d. A priority work assignment precluding the representative's release.
  - e. A bargaining agreement governs representation for employees in an exclusive bargaining unit and the unit employee's chosen representative violates the agreement's provisions.
2. Procedures to Reject an Employee's Chosen Representative. The written rejection letter should contain the following:
  - a. The reason(s) for the rejection.
  - b. The employee's right to have the rejection reviewed and, if upheld on review, select another representative.
  - c. The date by when the employee must request the review.
  - d. Any changes to the applicable deadlines for filing the grievance.

L. Considering Medical Conditions.

1. Employee's Responsibility.
  - a. If the employee wishes the initiating official to consider any medical condition contributing to misconduct, the official will give the employee a reasonable time to furnish medical documentation in response to a Letter of Requirement in accordance

with Paragraph P of this chapter. Terminations will not be delayed awaiting medical documentation, but the medical documentation will be considered if submitted during the grievance process. Supervisors are not required to make reasonable accommodations for the misconduct committed by employees with a disability, but may consider the medical condition as a mitigating factor in disciplinary actions. Because the employee bears the burden of proof to demonstrate that the medical condition exists, that proof reasonably includes the cost of any necessary medical examination. Supervisors cannot require a medical exam, but may request the employee obtain an additional exam to clarify medical documentation presented. The supervisor and Coast Guard medical personnel, if available, may assist the employee by identifying in writing the necessary, relevant medical documentation. In most cases, a copy of the employee's physician's or hospital records will contain the necessary information.

- b. Though the medical use of marijuana is allowed by several states, the Federal Controlled Substances Act, 21 USC § 801 et seq., prohibits the possession of marijuana. Because marijuana remains an illegal drug under federal law, there is no exception for medical marijuana use.
2. Management's Responsibility. After the deciding official reviews the medical documentation supplied, he or she may request a medical examination. If an employee submits acceptable medical documentation to support his or her medical condition, management may have an affirmative obligation to reasonably accommodate a qualified disabled employee.
- M. Official Case File. The CSC HR staff will compile an official case file on the action. The record must contain copies of the written notice of action, any written decision on the grievance, and any supporting material, including relevant factors, used to support the decision. The file may include witnesses' statements, affidavits, documents, previous disciplinary action(s) considered in making the decision, and complete investigative reports or extracts. The CSC HR must destroy reprimand case files two years after the case is closed. Suspension, reduction in grade or pay band level, and removal case files will be destroyed four years after the case is closed. Official case files must be separately maintained from the OPF by the CSC.
- N. Delivering Disciplinary Action Correspondence. When disciplinary action correspondence is to be completed in person, the delivering official will annotate on the document: the date, time, and place delivered, any unusual circumstances, and obtain a written receipt. If an employee refuses to sign, the delivering official must annotate the employee's refusal on the document and return the correspondences to the supervisor or, if an employee is unable to meet with the supervisor, the supervisor must send the correspondence by certified mail with return receipt requested, to the employee's last known home address.
- O. Employee's Voluntary Action. An employee confronted by a supervisor with a potential disciplinary situation may volunteer to accept a lower grade, pay band level, reassignment, or resign in lieu of a disciplinary action. However, the supervisor must not coerce the employee

into doing so. CSC HR may inform an employee a removal action is contemplated and if he or she resigns before that action occurs, the OPF will not contain such records. Supervisors may not inform the employee he or she must resign or face a removal action, because doing so is coercion, and must be avoided.

P. Leave Abuse Problems.

1. General.

- a. If an employee is absent without permission, that employee must appear as absent without leave (AWOL) on his or her time card. If the employee returns to work, his or her supervisor should hold a fact-finding discussion with the employee. An AWOL charge supports attendance abuse charges. A supervisor may determine the loss of pay is sufficient motivation to prevent such absences in the future.
- b. Because leave without pay (LWOP) is an approved absence, supervisors may not attempt to initiate a disciplinary action for an instance of LWOP.

2. Letters of Requirement.

- a. CSC HR may issue a letter of requirement to an employee whose use of leave, including unpaid, for medical reasons is excessive or reflects a questionable pattern. In this letter, a supervisor may impose requirements on an employee that do not apply to the rest of the workforce. Specifically, the supervisor will require the employee to submit a medical certificate for every absence, no matter how short, due to medical reasons. The letter must perform these functions:
  - (1) Define an acceptable medical certificate, e.g., state the nature of the illness, dates incapacitated, and seen by the physician, and contain the physician's signature.
  - (2) Advise the employee of the deadline by which he or she must provide acceptable documentation for each instance of illness.
  - (3) Impose specific reporting requirements on the employee, for example, by what time and to whom, including an alternate reporting official.
- b. The letter will advise the employee he or she will appear in an AWOL status until he or she provides acceptable medical documentation. While AWOL in and of itself is not a disciplinary action, it may furnish a basis for disciplinary action. A supervisor may change AWOL to an approved leave category only if the employee submits acceptable documentation within the deadline or the approving authority determines circumstances prevented the employee from doing so. The letter must warn the employee failure to follow the prescribed procedures might result in disciplinary action.

- c. A supervisor may also warn the employee about his or her use of annual leave for unplanned absences due to emergencies in a Letter of Requirement. If the employee's use of unplanned leave becomes excessive or is questionable, the supervisor may require the employee to submit documentation, e.g., repair bills, professional receipts for the emergency for the time and date in question.
- d. The supervisor will review a Letter of Requirement after a reasonable period of time, normally at least six months after the date issued. The Letter of Requirement will remain in effect until such time as the employee has demonstrated appropriate use of leave, the expiration of one year, or until replaced by a more serious disciplinary action.

Q. Relevant Factors. Supervisors must demonstrate the remedy is reasonable by showing they considered all these applicable factors. Some may not be relevant; some may or may not weigh in the employee's favor. When applicable, initiating officials must apply the following factors in suspending, reducing in grade or pay band level, and removing employees:

1. The nature and seriousness of the offense; how it related to the employee's duties, position, and responsibilities, including whether the offense was intentional, technical, inadvertent or was committed maliciously or for gain; or was repeated frequently.
2. The employee's job level; type of employment, including supervisory or fiduciary role; contacts with the public, and prominence of the position.
3. The employee's past disciplinary record.
4. The employee's past work record, including length of service, performance on the job, ability to get along with fellow workers, and dependability.
5. How the offense affected the employee's ability to perform satisfactorily and the supervisor's confidence in the employee's ability to perform assigned duties.
6. Consistency of the remedy with those imposed on other employees for the same or similar offenses.
7. Consistency of the remedy with any applicable agency table of remedies.
8. The notoriety of the offense or its impact on the agency's reputation.
9. How clearly the employee was on notice of any rules he or she violated in committing the offense or had been warned about the conduct in question.
10. The potential for the employee's rehabilitation.

11. Mitigating circumstances surrounding the offense, such as unusual job tensions, personality problems, mental impairment, harassment or bad faith, malice, or provocation on the part of others involved in the matter.
12. Whether alternate sanctions are adequate and effective to deter the employee or others from such conduct in the future.

Exhibit 9-1

<b>DEPARTMENT OF HOMELAND SECURITY U.S. Coast Guard NONAPPROPRIATED EMPLOYEE DISCUSSION DOCUMENTATION SHEET</b>	
Employee's Name	Discussion Date
1. <u>DESCRIBE THE INCIDENT.</u> (Briefly describe the employee's erroneous conduct or omission; where and when it occurred; how it violated regulations, standards, etc.; and who was involved; list witnesses.)	
2. <u>DESCRIBE THE ACCEPTABLE STANDARDS OF CONDUCT OR PERFORMANCE.</u> (Attach any written guidance given the employee.)	
3. <u>DESCRIBE THE EMPLOYEE'S EXPLANATION OF THE INCIDENT.</u> (Include any mitigating or aggravating factors.)	
4. <u>DESCRIBE YOUR RESPONSE TO THE EMPLOYEE.</u>	
If additional space is needed to complete required information, attach extra sheets.	
SUPERVISOR'S SIGNATURE	DATE
EMPLOYEE SIGNATURE	DATE
<b>PRIVACY ACT STATEMENT</b>	
<b>Authority:</b>	49 U.S.C § 114(n).
<b>Principle Purpose:</b>	This information will be used to document a fact-finding discussion of any incident(s) related to your performance with you.
<b>Routine Uses:</b>	This information may be shared in response to a request for discovery or for appearance of a witness, information that is relevant to the subject matter involved in a pending judicial or administrative proceeding.
<b>Disclosure:</b>	Voluntary.

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		

<b>NATURE OF OFFENSE</b>	<b>1<sup>ST</sup> OFFENSE</b>	<b>2<sup>ND</sup> OFFENSE</b>	<b>3<sup>RD</sup> OFFENSE</b>
13. Failure without sufficient excuse or reason to honor valid debts or legal obligations.	Letter of reprimand	10-day suspension	Removal
14. Borrowing money from or obtaining subordinates' co-signatures.	Letter of reprimand	Five-day suspension	Removal
15. Sleeping on duty.			
a. The employee does not endanger other persons' or property's safety.	Letter of reprimand to one-day suspension	10-day suspension	Removal
b. The employee endangers other persons' or property's safety.	10-day suspension to removal	Removal	
16. Negligent or careless work performance that wastes public funds or resources.	Letter of reprimand to removal	10-day suspension to removal	Removal
17. Negligent or careless work performance that injures or endangers the employee or others.	10-day suspension to removal	Removal	
18. Disorderly conduct or threatening another on the job or NAF premises.	Letter of reprimand to five-day suspension	10-day suspension	Removal
19. Fighting, attempting to inflict, or inflicting bodily injury to another on the job or NAF premises.	Five-day suspension	10-day suspension to removal	Removal
20. Disreputable conduct, using insulting, abusive, or obscene language to or about others while on the job or NAF property.	Letter of reprimand to five-day suspension	10-day suspension to removal	Removal
21. Creating a disturbance on or off the job that impairs efficiency or reflects unfavorably on NAF.	Letter of reprimand to five-day suspension	10-day suspension to removal	Removal

<b>NATURE OF OFFENSE</b>	<b>1<sup>ST</sup> OFFENSE</b>	<b>2<sup>ND</sup> OFFENSE</b>	<b>3<sup>RD</sup> OFFENSE</b>
22. Acts of sexual harassment, including deliberate or repeated unsolicited or unwelcome verbal comments, gestures, or physical contact of a sexual nature.	10-day suspension to removal	Removal	
23. Making disparaging references, expressing a stereotyped view, or associating undesirable characteristics with a person's race, color, religion, sex, national origin, age, or disability.	10-day suspension to removal	Removal	
24. Failure or refusal to correct a discriminatory practice or to rectify a situation that contravenes the agency's policy of assuring equal opportunity in NAF programs.	10-day suspension to removal	Removal	
25. Making false or unfounded statements about other employees.	Letter of reprimand	Five-day suspension	30-day suspension to removal
26. Seriously or repeatedly violating traffic regulations while driving a government vehicle or one rented or leased for official purposes.	Five-day suspension	10-day suspension	Removal
27. Reckless driving or improper operation of any motor vehicle on NAF premises.	Letter of reprimand	Five-day suspension	30-day suspension
28. Willfully using or intentionally authorizing using government vehicles for unofficial purposes.	30- day suspension	Removal	
29. Unauthorized canvassing, soliciting, or peddling on NAF premises.	Letter of reprimand	Five-day suspension	Removal

<b>NATURE OF OFFENSE</b>	<b>1<sup>ST</sup> OFFENSE</b>	<b>2<sup>ND</sup> OFFENSE</b>	<b>3<sup>RD</sup> OFFENSE</b>
30. Concealing or covering up a recognized offense, including acts of sexual harassment or other types of prohibited discrimination, or a material fact for another employee, including a supervisor or subordinate, which if known would result in disciplinary action being assessed against the employee.	10-day suspension to removal	Removal	
31. Failure to assess a penalty when the facts are known and disciplinary action is warranted, including acts of prohibited sexual harassment or other types of prohibited discrimination.	Letter of reprimand to five-day suspension	10-day suspension	Removal
32. Falsifying attendance record for oneself or another employee.	Five-day suspension to removal	Removal	
33. Falsifying, misstating, exaggerating, or concealing material in connection with employment, promotion, any record, investigation, or other proper proceeding.	15-day suspension to removal	Removal	
34. Intentionally falsifying, misstating, or concealing material fact or refusing to testify in connection with employment or any investigation or inquiry.	10-day suspension to removal	Removal	
35. Actual or attempted theft or unauthorized removal of government or personal property.	10-day suspension to removal	Removal	
36. Misuse of government property or leased services, including misusing computers.	10-day suspension to removal	Removal	
37. Generally criminal, infamous, immoral, perverted, or notoriously disgraceful misconduct.	30-day suspension to removal	Removal	

NATURE OF OFFENSE	1 <sup>ST</sup> OFFENSE	2 <sup>ND</sup> OFFENSE	3 <sup>RD</sup> OFFENSE
38. Forging or falsifying official government records or documents.	10-day suspension to removal	Removal	
39. Gross negligence.	30-day suspension to removal	Removal	
40. Violating confidential wage data obtained during wage survey of private companies.	15-day suspension to removal	Removal	
41. Abusing NAF privileges.	15-day suspension and six-month loss of privileges to removal	Removal	
42. Conducting, assisting, or participating in any strike against the Government of the United States or any of its agencies.	Removal		
43. Conducting, assisting, or participating in activities concerned with a labor organization's internal management, including holding a membership meeting, soliciting membership, and distributing literature during working hours.	Letter of reprimand to 10-day suspension	10- to 30-day suspension	30-day suspension to removal

## CHAPTER 10. EMPLOYEE GRIEVANCES

- A. Purpose. This chapter establishes the procedures to process grievances under which covered employees may seek redress of employment concerns and dissatisfactions. Where a negotiated procedure exists, it will be the exclusive procedure available to employees in the bargaining unit for resolving grievances falling within its coverage.
- B. Policy. CSC's goal is to treat employees fairly and resolve employee dissatisfactions promptly, equitably, and at the lowest possible level at the command. Despite the initial attempt to resolve a grievance, management recognizes an employee may desire to seek resolution at a higher level. This chapter prescribes the procedures for pursuing and handling grievances. The Coast Guard NAFIs adhere to a policy of considering such matters objectively and resolving them promptly. These procedures are designed to achieve these objectives.
- C. Definitions.
1. Bargaining Unit Employee. An employee included in an appropriate bargaining unit for which a labor organization has been granted exclusive recognition.
  2. Day. A calendar day.
  3. Deciding Official. Supervisors in the line of authority over the grievant have the responsibility to decide informal and formal grievances. Informal grievance-deciding officials must be at a higher administrative level than the official who initiated the subject action. Formal grievances are then presented to the next level supervisor in the chain of command.
  4. Employee. A non-bargaining unit employee, an employee in a bargaining unit that does not have a negotiated contract in effect, or any former Coast Guard NAF employee for whom a personal remedy can be provided.
  5. Fact Finder. An individual that the formal grievance-deciding official appoints to investigate an issue(s) raised in a grievance. The fact finder must be a person who is uninvolved in the subject issue and who holds a position equal to any official who recommended, advised, decided, or otherwise is or was involved in the contended matter. The fact finder may be an employee within the Coast Guard command, another Coast Guard command, or any other person competent to carry out the fact-finding investigation.
  6. Grievance. An employee's or group of employees' written request for personal relief in a matter of concern or dissatisfaction about their employment subject to a supervisor's control.
  7. Hearing Examiner. A person the formal grievance-deciding official authorizes to conduct a hearing on an issue(s) raised in a grievance. The hearing examiner must have been trained to conduct hearings, be uninvolved in the contended matter, and occupy a position

equal to an official who recommended, advised, decided, or otherwise was involved in the contended matter.

8. Personal Relief. A specific remedy directly benefiting the grievant(s). It may not include a request for disciplinary or other action affecting another employee or individual.
9. Employee Scope. These policies and procedures extend to present non-bargaining unit employees except for probationary, intermittent, and temporary employees who are not entitled to grievance rights.

D. Subject Scope.

1. Generally, an employee can contest any matter of personal concern or dissatisfaction subject to the supervisor's control.
2. This chapter does not apply to these matters:
  - a. The content of published Department of Homeland Security and Coast Guard regulations and policies unless the complainant questions the interpretation of the policy or that local requirement varies with such policy requirement. In this case, the proponent of the regulation or policy may be requested to provide the official interpretation and decision.
  - b. Non-selection for appointment or promotion from a group of properly ranked, certified candidates or failure to receive a noncompetitive action.
  - c. Grievances covered by a negotiated agreement.
  - d. An action that ended a temporary promotion and returned the employee to the position from which promoted or an equivalent position.
  - e. A supervisor's determination of objectives and performance standards for an employee's position.
  - f. Granting or not granting a performance, incentive, honorary, or any other discretionary award. Adopting or not adopting a suggestion or invention.
  - g. Separation during probationary period or separation from a temporary or intermittent appointment provided all procedural requirements pertaining to such separation have been met.
  - h. A position classification or job grading decision processed in accordance with Chapter 5 of this Manual, except for the assignment of a pay band position to a particular band.

- i. A decision appealable under law or regulation through other authority, such as the Federal Labor Relations Authority (FLRA) or Equal Employment Opportunity Commission (EEOC). Examples are:
    - (1) Labor organization complaints.
    - (2) An unfair labor practice complaint processed under the FLRA.
    - (3) Allegations of violations of the Fair Labor Standards Act.
    - (4) Allegations of discrimination due to age, race, color, religion, sex, sexual orientation, national origin, or disability.
  - j. Personnel actions voluntarily requested by the employee.
  - k. Wage or salary rates or schedules established by appropriate authority.
  - l. Separation of off duty military personnel upon withdrawal of their commanding officer's permission to work.
  - m. Reassignment to a position at the same rate of pay and appointment category.
  - n. Separation for disqualification as provided in Chapter 19 of this Manual.
  - o. Separation for abandonment of position.
  - p. Any issue previously decided in an earlier grievance by the employee.
  - q. Allegations of mismanagement when no form of personal relief to the employee is appropriate.
- E. Right to Present. An employee is entitled to present a grievance through the procedures contained in this chapter.
- 1. Access to Advice. An employee presenting a grievance is entitled to communicate with, and seek advice from the CSC HR staff. The appropriate designee may counsel and advise the employee on procedural aspects and employee rights in submitting and processing grievances. The appropriate designee must inform the employee in writing of his or her right to file a grievance, or an EEO complaint if the employee believes their EEO rights have been violated. However, an employee may not file a grievance and an EEO complaint on the same issue.
  - 2. Representation, Freedom from Restraint, Official Time. In presenting a grievance, an employee has the right to have a representative of his or her own choice accompany, represent, and advise the employee. The grievant must designate the chosen representative in writing and provide written notice of any subsequent change.

Information related to the grievance will not be released to the representative until authorization to do so is received by the grievance deciding official. The employee and his or her representative, if chosen, have these rights:

- a. Freedom from restraint, interference, coercion, discrimination, or reprisal.
  - b. A reasonable amount of official time, as determined by grievance-deciding officials, to present the grievance (meet with the hearing examiner or management officials considering grievance) if otherwise in an active duty status.
3. Rejecting a Representative. The informal grievance-deciding official may disallow an employee's chosen representative on the basis of:
- a. Priority needs of the command.
  - b. Costs to the command.
  - c. Conflict of interest or conflict of position.
4. Challenging the Decision. The employee may challenge the decision to his/her next level supervisor by letter within five calendar days after the notification of the rejection of a representative. Within ten calendar days after receiving the challenge from the grievant, the next level supervisor must respond to the grievant. This decision is final.
- F. Informal Procedures. An employee must complete the informal procedures before the next level supervisor will accept a grievance for formal processing procedures. Grievances that involve annual performance ratings must be presented directly as formal grievances within 15 calendar days of receiving the rating.
1. Time Limits. An employee must contest a particular act within 15 calendar days after the act or event occurred, or the date the employee reasonably could have been expected to become aware of the act or occurrence. The informal grievance-deciding official can extend these deadlines if the grievant or supervisor can show circumstances beyond their control, e.g., illnesses, absences, complex issues, or workload, delayed their actions.
  2. Requirements.
    - a. Prior to initiation of a grievance, an employee should discuss the dispute with his or her supervisor in an attempt to resolve the problem. If the matter cannot be resolved, the employee may initiate an informal grievance by presenting a written statement to the next level of supervisor above his or her immediate supervisor. When presenting a grievance, the employee must so inform the informal grievance-deciding official, clearly stating he or she is invoking the grievance procedure and not merely discussing an item for clarification or presenting a problem the employee does not intend to contest.

- b. A properly presented informal grievance must:
- (1) Be written.
  - (2) Be filed by the deadline.
  - (3) Contain sufficient detail to identify and clarify the basis of the grievance.
  - (4) Specify the corrective action sought and relief directly affecting the grievant.
  - (5) If chosen, contain the employee representative's name, telephone number, e-mail address, and location.
  - (6) Contain the employee's or chosen representative's signature.
3. Acceptance, Rejection, and Remand. The informal grievance-deciding official determines whether to accept fully or partly reject any grievance presented in accordance with Paragraph F.2. of this chapter. If that official does not have the authority to resolve the matter, he or she must contact the CSC HR staff for procedural guidance. In deciding to accept or reject a grievance, the informal grievance-deciding official must determine whether the grievance meets the requirements in Paragraph F.2.6. of this chapter. If the grievance does not clearly describe the issues or relief sought, the informal grievance-deciding official may remand the grievance to the grievant for clarification or additional information. The grievant must clarify those matters within five calendar days. If the informal grievance-deciding official rejects all or part of the grievance, the employee may contest that decision in writing within five calendar days to the formal grievance-deciding official. The formal grievance-deciding official's decision on the rejected issue(s) is final and not subject to further review.
4. Informal Grievance Decision. The informal grievance-deciding official will investigate the grievance as appropriate, which may include meeting with the grievant and his or her representative. Processing grievances promptly should be a priority. The informal grievance-deciding official must develop a grievance file and provide the grievant a written decision within 15 calendar days of receiving the employee's written grievance. If the informal deciding official is unable to reply within 15 calendar days, he or she must inform the grievant why he or she needs additional time and indicate when the employee can expect the response. If the informal grievance-deciding official does not reply or requests a delay, the grievant may file a formal grievance. The written decision must include these elements:
- a. The date of the informal grievance and the date received.
  - b. A statement of the issue(s) the presented in the employee's grievance and the requested relief.
  - c. The findings and conclusions on the contested issue(s).

- d. The decision(s) on the contested issue(s). If the informal grievance-deciding official grants the relief the employee requested or an alternate solution satisfactorily resolves the grievance, the decision should include a statement to that effect. If the grievance is not resolved, the decision should state any attempts made to obtain a satisfactory resolution.
- e. A statement advising the employee how to submit a formal grievance, including the name and location of the formal grievance deciding official and the deadline by when the employee must submit the written grievance.

G. Formal Grievance Procedures. An employee whose grievance is not resolved informally may file a grievance with the formal grievance-deciding official within five calendar days after receiving the informal grievance decision. Normally, the formal grievance-deciding official is the next level supervisor. For CGX employees, all formal grievances above the director level will be decided by the CSC Director of Administration and Human Resources. Commanding officers are always the formal deciding official on removals and suspensions of 15 or more days for NAFI employees.

- 1. Format. A properly presented formal grievance must:
  - a. Be written.
  - b. Be presented within five calendar days after the informal grievance decision.
  - c. Contain sufficient detail to identify and clarify the basis of the grievance and address only issues raised at the informal step.
  - d. Specify relief applying only to the grievant as the corrective action sought.
  - e. State why the adjustment proposed at the informal step, if any, was unacceptable.
  - f. If chosen, contain the employee's representative's name, telephone number, e-mail address, location, and signature.
- 2. Formal Grievance-Deciding Official's Action. If an employee files a formal grievance, the formal grievance-deciding official must request the grievance file from the informal grievance-deciding official. The formal deciding official may use any of these procedures in issuing a final decision:
  - a. Personally review the grievance file; informally investigate the grievance, which may include meeting with the grievant and his or her representative; and issue the final decision.
  - b. Appoint a fact finder to investigate and report findings, conclusions, and recommendations for resolving the grievance. When employing a fact finder, the

- deciding official immediately sends a copy of the fact-finding report and any other relevant material to the grievant for review and comment. After examining the fact finder's report and the grievant's response, the formal grievance-deciding official issues the final decision.
- c. In unusual situations, the formal deciding official may appoint a grievance hearing examiner to conduct a hearing. The grievance hearing examiner prepares report findings, conclusions, and recommendations for resolving the grievance. The formal grievance-deciding official issues the final decision based on the grievance file and hearing examiner's report.
3. Formal Grievance Decision. The formal grievance-deciding official must provide the grievant a written decision within 90 days after the date the employee filed the formal grievance. The written decision must include:
- a. The formal grievance's date and date received.
  - b. The issue(s) the employee's grievance presented and requested relief.
  - c. Finding(s) and conclusion(s) on the contested issue(s).
  - d. The decision(s) on the contested issue(s). If the formal grievance-deciding official grants the employee's requested relief or an alternate solution satisfactorily resolves the grievance, the decision should so state. If the grievance is not resolved, the decision should state any attempts made to obtain a satisfactory resolution.
  - e. The decision is final and the formal grievance-deciding official will not further consider the contested matter.

#### H. Discrimination Allegations.

1. If an employee alleges discrimination based on race, color, national origin, sex, sexual orientation, age, religion, or physical or mental disability at any stage of the grievance procedure, the grievance-deciding official must inform the grievant in writing that introduction of the allegation will terminate the grievance. The grievant must be given the opportunity to either withdraw the allegation and continue under the administrative grievance procedure or proceed under the discrimination complaint procedure, commencing with the counseling stage. The grievance-deciding official must document the grievant's decision and include it in the case file. If the grievant chooses to pursue the discrimination complaint, the grievance-deciding official cancels the grievance, and notifies the grievant. The CSR HR staff will maintain the grievance file separately.
  2. Chapter 17 of this Manual contains information on processing a NAF employee's allegation of discrimination based on sexual orientation.
- I. Combining Grievances. If two or more NAF employees have identical grievances, such as the dissatisfaction expressed and relief requested are the same, the grievance-deciding

official may join the grievances for processing as a group grievance. The grievance-deciding official will notify the employees and require them to designate a representative for the group.

J. Canceling a Grievance. A grievance may be canceled by:

1. The Employee. An employee may cancel a grievance at any stage of the process but having done so, may not reactivate the grievance.
2. Terminating Employment. If an employee's Coast Guard employment terminates, the grievance-deciding official cancels the grievance unless the employee requested a remedy that would result in personal relief after termination.
3. Death. An employee's death automatically terminates a grievance unless the adjustment sought involves pay to the deceased's beneficiaries.
4. Management. The informal grievance-deciding official cancels a grievance if the employee does not furnish required information or duly advance the grievance on time. The informal grievance-deciding official must notify the employee in writing of the reasons for canceling the grievance and the employee's right to protest the cancellation in writing to the next level supervisor within five calendar days of receiving the notice. If the formal grievance-deciding official initially decides to cancel the grievance, the decision is final and not subject to further review.

K. Grievance File. When a grievance is submitted, the receiving official starts a grievance file that becomes the grievance proceedings' official file. The supervisor must maintain a grievance file and destroy it three years after the case is closed. The grievance file contains copies of all documents pertinent to the grievance processing, including:

1. The employee's written grievance.
2. Any available documentation of informal and formal grievance processing through the steps.
3. Available documentation of the grievance-deciding official's efforts to communicate with the grievant and resolve the grievance equitably for both management and the grievant.
4. Written designation of the grievance hearing examiner or a copy of the grievant's hearing examiner designation notice.
5. Records or copies of available documents related to the grievance.
6. Witnesses' affidavits, depositions, or signed written statements.
7. The fact finder's reports of personal interviews or group meetings.

8. The transcript or written summary of any hearing held.
  9. Any written exceptions to the transcript or summary.
  10. Any written comments the employee, his or her representative, or the management representative made on reviewing the grievance file.
  11. A copy of the grievance decision.
  12. Any correspondence or documents about rejecting an employee's representative, the grievant's challenge of the rejection, and the decision on the challenge.
- L. Obtaining a Hearing Examiner. Commanding officers may request a hearing examiner from these sources:
1. On written or telephonic request, the Office of Civilian Personnel (CG-121) can assist with finding an Administrative Law Judge (ALJ).
  2. The CSC will assist if Commandant (CG-121) cannot provide an ALJ.
- M. Grievance Hearings. A grievance-deciding official schedules hearings only when required under these circumstances.
1. Scheduling. If a hearing examiner holds a hearing, he or she schedules it at a time that will ensure meeting deadlines. An employee may request for good cause and a hearing examiner postpone a scheduled hearing; such postponement extends the 90-day limit.
  2. Site. Normally the hearing site is the grievant's place of employment except when the parties agree otherwise.
  3. Hearing Record. The hearing examiner consults with the formal grievance-deciding official and then determines whether to have a verbatim transcript or summary made of the hearing proceedings. The deciding official arranges for such administrative support as required for a proper hearing.
  4. Witnesses. Both parties are entitled to produce witnesses. The hearing examiner determines whether to call a witness to testify after considering the requests made by the grievant and the NAFI. NAFIs make their employees available as witnesses when the hearing examiner so requests unless it is administratively impractical to do so. In this case, the NAFI will notify the hearing examiner in writing of the reasons for declining to make a witness available. If they otherwise would be in a duty status, employees are in a duty status while available as witnesses.
  5. Travel Expenses. Unless otherwise agreed, management does not pay travel and a related cost for the grievant's witnesses or participants at the hearing.

6. Closing the Record. The hearing examiner determines whether to permit post-hearing briefs; and if so, adds the time granted for submitting post-hearing briefs to the 90-day time limit. The parties may verbally summarize testimony for the record at the hearing conclusion, unless the examiner specifies otherwise.
7. Second Hearings. A hearing examiner holds only one hearing in connection with a grievance.

## CHAPTER 11. INCENTIVE AWARDS

- A. Purpose. This chapter describes the criteria and nomination procedures for awards available to NAF employees. If otherwise qualified, NAF employees are authorized awards in accordance with the Coast Guard Civilian Awards Manual, COMDTINST M12451.1 (series), and the Medals and Awards Manual, COMDTINST M1650.25 (series).
- B. Policy. It is the policy of the Commandant to:
1. Motivate all Coast Guard employees to increase their creativity and productivity by recognizing job performance, excellence, exceptional achievement, and cost-saving ideas benefiting commands, the Coast Guard, the Department of Homeland Security, and the Federal Government.
  2. Appropriately recognize and reward individuals and groups on the basis of merit for significant special acts, services, or other personal contributions substantially exceeding normal job standards and expectations.
  3. Assure incentive awards under this chapter are used only for their intended purpose, to recognize and reward an employee or group of employees for beneficial contributions above or beyond normal job requirements.
- C. Types of Awards. The available awards range from a letter of appreciation to a cash or honorary award. The proper award to recommend depends on the accomplishment, its magnitude, and its duration. Commands should consider the awards program a flexible tool they can adapt to meet management needs.
- D. Coverage. This chapter applies to Coast Guard NAF employees.
- E. Grievances. The granting of a cash, honorary, or informal recognition award, or time-off without charge to leave or loss of pay is not grievable. Supervisors nominating employees for awards may discuss reviewing or approving officials' denials through normal administrative channels.
- F. Confidentiality. Nominating supervisors, reviewing officials, and approving officials must not discuss award nominations with nominees until the award has been approved. Award nominations and supporting documentation must be treated as privileged information and shared only with those who need to know.
- G. Responsibilities.
1. Supervisors are responsible for implementing the Incentive Awards Program in their organization and actively support the program by:
    - a. Using incentive awards as an integral supervisory and management tool.

- b. Promptly acting on award recommendations.
  - c. Ensuring employees have equal opportunity to earn awards.
  - d. Considering relevant awards earned when evaluating employees for selection or promotion.
  - e. Justifying award nominations in writing.
  - f. Assuring funds are available to pay awards.
  - g. Assuring the appropriate level within the chain of command presents awards to recipients consistent with the type of award received.
  - h. Periodically reviewing program areas to reveal those showing superior quality, quantity, timeliness, and/or cost-saving results and identifying individuals and groups who produced those superior results and thus are eligible for incentive awards recognition.
2. Supervisors must provide positive leadership when administering the Incentive Awards program, including:
    - a. Knowing all available forms of recognition and advising supervisors on using each properly.
    - b. Providing employees and supervisors with orientation and training on the program.
    - c. Reviewing award nominations for compliance with appropriate laws and regulations and returning award nominations that do not comply with regulations and procedures to the nominating official.
3. Commands employing NAF civilians need to include the NAF awards expertise into local awards boards. This expertise needs to include:
    - a. Assuring the adequacy of NAF award nomination.
    - b. Developing, implementing, and monitoring local policies, procedures, and program operations associated with NAF personnel awards.
    - c. Coordinating program objectives, activities, and publicity.
    - d. Maintaining program data and records.
    - e. Arranging appropriate award payments and presentation ceremonies.

- H. Time-Off Award. Supervisors may recommend up to five days time off from duty in a given leave year as an incentive award for full-time employees. Part-time employees also can receive time off prorated depending on their normal tour of duty. For example, an employee scheduled 20 hours per week could receive a maximum amount of 20 hours of time off during the leave year.
1. Granting Time-Off Awards. A supervisor may grant a Time-Off Award without loss of pay or charge to leave to recognize superior accomplishment or other personal effort that contributes to a NAF unit's non-pay compensation program's quality, efficiency, or economy. A Time-Off Award recognizes these types of employee contributions:
    - a. Meaningfully contributing to a difficult or important project or assignment.
    - b. Displaying special initiative and skill in completing an assignment or project before its deadline.
    - c. Using initiative and creativity to improve a product, activity, program, or service through an action or suggestion.
    - d. Ensuring the unit's mission is accomplished during a difficult period by successfully completing additional work on a project assignment while performing the existing workload.
  2. Scheduling and Using Time-Off Awards. The recipient must take the time within 120 days after the award presentation at the command's convenience. Time-off awards do not convert to cash under any circumstances.
  3. Documenting Time-Off Awards. The supervisor must prepare an SF-52 and provide written justification for a Time-Off Award on Coast Guard Award Recommendation, Form (CG 1650) and include the following information:
    - a. The employee's name and position.
    - b. How the employee met the criteria.
    - c. The recommended number of hours of time off, justified by describing the benefits the unit realized from the employee's contribution.
    - d. Whether the employee previously received a Time-Off Award during the same leave year and, if so, the award date and number of hours granted.
    - e. The supervisor will retain a copy of the written justification and forward the original to the CSC HR.
    - f. The CSC will prepare an SF-50 and make the necessary payroll entries affected by the award.



- 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

employees can qualify for the Commander's Award for Civilian Service for demonstrated leadership, initiative, outstanding performance, courage, or patterns of excellence. Eligibility criteria are contained in Coast Guard Civilian Awards Manual, COMDTINST M12451.1 (series).

1. Commandant's Superior Achievement Award (Bronze Medal). This is the highest Coast Guard civilian award in recognition of exceptional achievements during a civilian employee's career. This Award is not intended as a retirement honor for long, faithful service, and is it not appropriate as a first-time award. Nominees previously must have received at least two of the following: Outstanding Performance Rating; Performance Award; Special Act or Service Award; any DOT, DHS, or Coast Guard honorary award; or Coast Guard nominee for any governmental or external awards listed in this chapter. Repeat awards are granted only in exceptional circumstances.
  - a. Nomination Procedures. Nominations must include the following:
    - (1) The nominee's name, title, series, and current position's grade or pay band level.
    - (2) A brief statement of current duties.
    - (3) A brief biographical sketch.
    - (4) A list of significant honors and awards earned.
    - (5) A proposed citation (25 words maximum) for use in the awards presentation and engraved inscription on the award plaque.
    - (6) A detailed description of achievement or service (two pages maximum) showing clearly how the nominee met the award criteria.
  - b. Review. Commands must review the nomination for procedural compliance and adequacy of documentation before submitting through chain of command.
2. Commandant's Distinguished Career Service Award. This is the highest award, equivalent to the Superior Achievement Award (Bronze Medal), granted to a very select group of employees at retirement.
  - a. Criteria. This award is for civilians whose long, exceptional careers have contributed significantly to the Coast Guard. The career achievements on which the nomination is based must be either uniquely important projects of national scope and significance or nationally recognized expertise in some phase of the Coast Guard's technical, professional, or administrative work. The award is appropriate for any grade, pay band level, or occupation. Requirements are:
    - (1) At least 20 years of creditable NAF service.

- (2) Receipt of two or more of the following:
  - (a) Outstanding performance ratings.
  - (b) Performance bonus award.
  - (c) Significant Special Act or Service awards.
  - (d) The Gold, Silver, or Bronze Medal awards or equivalent honorary recognition.
- b. Nomination Procedures. Nominations must include the following:
  - (1) The nominee's name, title, series, and current position's grade or pay band level.
  - (2) A brief statement of current duties.
  - (3) A brief biographical sketch, primarily a career history but it may contain personal information, if available and appropriate.
  - (4) A list of previous honors and awards.
  - (5) A narrative about the nominee's career achievements, two pages maximum and sufficiently specific so a disinterested reviewer would conclude the nominee in fact merits such recognition.
- c. Review. Commands must review the nomination for procedural compliance and adequacy of documentation before submitting through their chain of command.
3. Commander's Award for Civilian Service. This Coast Guard honorary award gives commanding officers the opportunity to recognize individuals or groups for their achievements and contributions to the Coast Guard. Employees who have established a pattern of excellence, recognized by previously receiving one or more honorary or monetary performance awards, qualify for this award. A Commander's Award recipient can earn the same award in the future if any later nomination is based on a different subsequent achievement or service. Retirement, separation, or lengthy service does not constitute a sufficient basis for conferring the Commander's Award.
  - a. Criteria. Civilian employees at all grades or pay band levels are eligible. Nominations must be based on one or more of the following attributes:
    - (1) Supervisory or non-supervisory duties outstandingly performed, setting an example of achievement for others to follow.
    - (2) Demonstrated initiative and skill in devising new or improved equipment, work methods, and procedures, resulting in considerable savings in personnel, time, space, materials, or other expense items, or improved work force safety or health.

- (3) Demonstrated leadership in performing duties, and improving productivity.
  - (4) Achievements or contributions supporting the Coast Guard's Equal Employment Opportunity Program.
  - (5) Professional or public relations service rendered, creating considerable favorable publicity for the Coast Guard.
  - (6) Demonstrated courage or competence in an emergency while performing assigned duties benefiting the Federal Government.
- b. Nomination procedures.
- (1) The employee's supervisor processes nominations through the chain of command. A proposed citation highlighting significant achievements must accompany the nomination.
  - (2) When the award certificate is completed and signed, the signer or designated official presents the certificate consistent with other ceremonies.
4. Commander's Award for Sustained Excellence in the Federal Service. Highest level award granted by the Area and District commanders, DOL, FORCECOM, and commanding officers of headquarters units to a select group of employees at retirement. This award is equivalent to the Commander's Award for Civilian Service.
- a. Criteria. This award is appropriately granted to employees whose careers reflect long and exceptional devotion to duty and significant contributions to the efficiency, economy, or other improvements in operations of the Coast Guard. A pattern of sustained high performance, career achievements, and indications of innovative leadership of highly successful programs or projects which have impacted the nominee's command are examples that would warrant this award.
- b. Nomination procedures.
- (3) The employee's supervisor processes nominations through the chain of command. A proposed citation highlighting significant achievements must accompany the nomination.
  - (4) When the award certificate is completed and signed, the signer or designated official presents the certificate consistent with other ceremonies.
5. Awards Supporting Equal Employment Opportunity (EEO). Superior achievements in EEO/Affirmative Action may be recognized by nominations for the following awards: Secretary's Award for Meritorious Achievement, Secretary's Award for Achievement in Diversity Management, Commandant's Superior Achievement Award (Bronze Medal),

and Commander's Award for Civilian Service. Eligibility criteria are contained in Coast Guard Civilian Awards Manual, COMDTINST M12451.1 (series).

6. Letter of Commendation. An immediate supervisor normally writes and presents Official Letters of Commendation to honor high quality performance of official duties, such as extra effort, consistent devotion to duty, or above-average accomplishment on a project or public relations assignment. Supervisors may also write commendation letters to an employee who temporarily worked on a project or an employee of another organizational element who made special contributions. The letter presented to the employee should state the reason for the commendation and a copy must be forwarded to CSC HR to become a permanent document in the employee's OPF.
  7. Letter of Appreciation. Normally a supervisor writes an informal Letter of Appreciation to one or several employees. Letters of Appreciation serve as morale builders, providing the supervisor and others with a means to express appreciation for an employee's efforts on a particular project or performance under adverse conditions.
- N. Department of Homeland Security Honorary Awards. Honorary awards are available to all Coast Guard employees through DHS. Supervisors must weigh carefully all individual achievements they believe deserve performance recognition and recommend the employee(s) for the highest award consistent with the award's criteria. While supervisors may recommend only one DHS award for an employee for a single achievement, if the recommended award is not approved, they should nominate the employee for the next successively lower award. An employee can qualify for an honorary award in addition to a cash award. Eligibility criteria are contained in Coast Guard Civilian Awards Manual, COMDTINST M12451.1 (series).
1. Secretary's Award for Outstanding Achievement (DHS Gold Medal). This award is granted by the Secretary in recognition of exceptionally outstanding leadership or service that is distinguished by achievements of national or international significance, reflecting great credit on the Department of Homeland Security and the Federal Government, by markedly improving the security of our homeland. This is the highest award granted by the Secretary.
  2. Secretary's Award for Meritorious Achievement (DHS Silver Medal). This is the second highest award granted by the Secretary. The Silver Medal recognizes exceptionally outstanding leadership or service that is distinguished by achievements of marked significance over time to the Department. This award recognizes a body of work characterized by superior performance related to significant accomplishments, business improvements or notable resourcefulness, diligence, and integrity that significantly improved the efficiency, effectiveness, or image of the Department in one or more program areas.
  3. Secretary's Award for Valor. This award is the highest Departmental recognition for extraordinary acts of valor occurring while on or off duty. The award is only to be given in extraordinary circumstances. The employee must have demonstrated extraordinary

courage in a highly dangerous, life-threatening situation or emergency under extreme stress and involving a specific act of valor, such as saving another person's life or property.

4. Secretary's Award for Outstanding Achievement in Diversity Management. This award recognizes an employee who has excelled in efforts to promote diversity at DHS through exceptional leadership, innovation, and perseverance. It may acknowledge individual efforts exclusively within DHS or with external partners who assist DHS in meeting our commitment to diversity.
  5. Secretary's Award for Excellence. This award recognizes outstanding achievement or innovation by a distinguished employee(s) engaged in work to further the mission of the Department.
  6. Secretary's Award for Volunteer Service. This award recognizes significant contributions by DHS employees who serve as volunteers with non-profit or community service programs or activities. The employees' contributions should be direct, sustained and have meaningful results for individuals or the larger public good.
  7. Secretary's Team DHS Excellence. This award recognizes outstanding team achievements by employees working in a group to advance the mission of the DHS. The nominees may be part of an ongoing working group or an ad hoc team. The work of the team may have resulted in superior performance, significant operational improvements, or notable innovation in support of DHS missions. Nominations that include multi-component teams partnering to achieve a notable Department-wide objective are particularly welcome.
  8. Nomination Procedures. Nominations for these awards are promulgated under separate cover.
- O. Presidential Retirement Letter. It is possible to request a Letter of Appreciation from the White House to NAF employees who are retiring with 35 years of Federal service (may include both military and civilian service time) and are U.S. citizens.
1. Supervisors must complete the following information in the request and submit it to the CSC HR for processing three months prior to retirement:
    - a. Name.
    - b. Organization assigned.
    - c. Total number of years of service.
    - d. Brief biography that includes all Federal service.
    - e. Presentation date.

- f. Work mailing address.
  - g. Home mailing address.
- P. Presidential Awards. Annual nomination solicitations outline more detailed selection criteria and documentation requirements for Presidential Awards, except those for which nominations may be submitted at any time. The Commandant, Secretary, and Director of the Office of Personnel Management must review nominations before the President approves them. However, nominators may nominate employees for these awards separately and employees can receive Coast Guard or Department of Homeland Security awards for the same achievements.
1. President's Award for Distinguished Civilian Service. This Presidential award is the highest honorary award granted under the Federal Incentive Awards Program in recognition of unusual benefits to the nation, and it is given to no more than five individuals each year. The awardee receives a gold medal, a lapel rosette made from the medal neck ribbon, and a citation signed by the President. The Director of the Office of Personnel Management requests nominations each year and advises the President in selecting persons to receive this award.
  2. Presidential Letter of Commendation. These letters of commendation can be authorized for inventions, suggestions, or special achievements beyond job requirements that have resulted in tangible benefits to the government of \$250,000 or more. All civilian and military personnel, including individuals, small working groups, teams or task forces are eligible for nomination.
  3. Presidential Management Improvement Awards. These are honorary awards granted by the President to individuals, small working groups and teams for accomplishments resulting in substantial tangible benefits to the government of \$250,000 or more, or for exceptional achievements in an area of high Presidential interest. Nominees must have received or have been recommended for a Presidential Letter of Commendation at the time of nomination. Military personnel are eligible for nomination. Requests for nominations usually occur annually in October.

**CHAPTER 12. REDUCTION IN FORCE (RIF)**

- A. Purpose. This chapter establishes procedures by which commands affect RIFs to increase operational efficiency, economy, or effectiveness by releasing an employee from his or her competitive level by separation, demotion, or reassignment requiring displacement. Reductions in force also occur when a command must release an employee from his or her competitive level due to lack of work or funds, reorganization, reclassification due to change in duties, or the need to make a place for a person exercising reemployment or restoration rights.
- B. Scope. This chapter applies to all permanent NAF full-time and part-time employees.
- C. Advance Planning and Information.
1. Careful planning is necessary to minimize employees' personal suffering and administrative problems caused by hasty action. Separations, demotions, and displacements are common RIF consequences. Good employer/employee relationships require commands to show concern for employees' problems, morale, and economic security. Supervisors must inform employees of RIF procedures and plans affecting them. Completely informing employees is an effective way to avoid harmful rumors and prevent unnecessary appeals and grievances.
  2. RIFs should be avoided whenever possible. Supervisors should examine alternate ways to adjust the workforce including managing recruitment and promotion, eliminating temporary positions, and reassigning employees occupying surplus positions.
  3. The command will simultaneously inform all affected employees of the impending RIF, including its causes, the number and kind of positions affected, and applicable RIF regulations. Employees may be informed by written notice, but a group meeting which encourages employees to ask questions is preferred. CSC will consult labor organizations with exclusive recognition about the RIF implementation before announcing it to employees.
- D. Definitions.
1. Commuting Area. A geographic area that usually includes any population center and the surrounding communities in which people live and reasonably travel back and forth to work, normally within a 50-mile radius of the work site.
  2. Competing Employee. An employee properly included on a retention register.
  3. Competitive Area. All NAF activities under a single command's jurisdiction. A satellite or branch activity located 10 or more miles from the command may constitute a separate competitive area.
  4. Competitive Level. All positions within the competitive area sufficiently alike in duties, responsibilities, requirements, pay grade or band, and appointment terms

(full-time or part-time) so that an incumbent in one position could move to another position in that level without changing appointment terms, requiring significant training, or unduly interrupting the work program. The job number from the employee's standard position guide or position description identifies the competitive level in Block 13 of the Position Description, Optional Form 8 (OF-8).

5. Function. A NAFI service or group of services, such as recreational lodging, all hands food and beverage operation, Exchange, etc.
6. Group. One of the two divisions on a retention register, listing employees in descending order of their retention scores. Group I employees have completed their probationary period. Group II employees are serving their probationary period.
7. RIF Notice. An advance notice advising an employee a RIF affecting him or her will occur.
8. Reorganization. Any action that may eliminate jobs, restructure positions, reduce working hours, change employment categories (full-time to part-time), or abolish or reduce a function or part of a function.
9. Retention Register. A list of employees within a competitive area in their own competitive level, in descending order of retention.
10. Retention Score. The number that establishes where an employee falls within a group on a retention register, produced by combining factors such as tenure (probationary and non-probationary service), length of Coast Guard NAF (or APF under portability) service, and performance. It reflects the employee's total Coast Guard NAF (or APF if covered under portability) service in permanent full-time and part-time positions on the basis of one point for each year of creditable service, with any additional months represented by decimals.
11. Transfer of Function (TOF). A TOF occurs when a function ceases in one competitive area and moves to one or more competitive areas that do not perform the function when transferred. The function must wholly cease in the old area(s) to meet this definition. If a single position continues to perform the function at a losing competitive area, the function has not ceased and the TOF has not occurred.

E. Policy.

1. Commands will institute a RIF only in these circumstances:
  - a. The commanding officer has determined the workforce must be reduced.
  - b. The CSC HR staff has identified in writing the full-time or part-time surplus positions by job title, position description number, grade or pay band, and organizational location.

- c. The CSC HR staff has established retention registers specifying the employees occupying positions targeted for RIF and registers for other competitive levels the RIF may affect.
2. The command will give each employee affected by the RIF a 30 calendar day advance written RIF notice issued by CSC HR.
3. The command will attempt to find positions for employees separated from their positions due to a RIF. If the command cannot place employees in other NAF positions in the competitive area, it will provide reasonable assistance in finding positions through contacts with local employers and employment offices.
4. Between the date the RIF notice is issued and the effective date of the last resulting personnel action, supervisors will not attempt to fill a position of any type included in the surplus positions' competitive level with an employee from a different competitive level or any other applicant.
5. Employees may file grievances on RIF actions only on the matters listed in Paragraph L.2 of this chapter.

F. Establishing a Retention Register.

1. The CSC HR staff will establish a retention register listing the employees who may be displaced for each competitive level in which targeted RIF positions have been identified and for each competitive level.
2. The following information is required to establish a retention register:
  - a. Position identifications, including titles, grades or pay band levels, series, standard position guides, and organizational locations.
  - b. Employees' names.
  - c. The employees' probationary or non-probationary status.
  - d. The employees' appointment terms (full-time or part-time). The CSC HR staff will establish separate registers for full-time and for part-time employees.
  - e. Performance ratings in effect at the time the CSC HR staff establishes the register.
  - f. Evidence of an employee's Exceeds or Exceptional performance rating, or any monetary award for sustained superior performance or special achievement within the most recent three years.
  - g. Employees' length of creditable service for RIF purposes.

3. The CSC HR staff will compute a retention score for each employee that is affected by the RIF. The retention score will determine each employee's standing on a retention register. In each group, employees will be ranked by their service date, reflecting their total NAF or APF service and any additional service credit for certain performance ratings. The employees' with the higher scores in the same group in the same register will rank higher than those with lower scores in that group and register. All Group I employees (completed probation) rank higher than Group II employees (serving probation) on the same register, regardless of their scores.
4. Employees will receive additional performance service credit based on the mathematical average of the value of the employee's three most recent ratings received before the RIF notice date. When computing the mathematical average, employees receive four additional years credit for an Exceptional rating and three additional years for an Exceeds rating and any sustained superior performance or special achievement award within the most recent three years. For example, an employee whose last three performance ratings included two Exceeds and one Exceptional rating would receive  $10 \text{ years} / 3 = 3.33$ .
5. The CSC HR staff will record the basis for breaking tied scores for each register. The following criteria will be applied in order listed to break all tied scores on a retention register:
  - a. Length of service in the current position.
  - b. Completion of at least one year of honorable military service.
6. If any employee claims that he or she is entitled to more credit points for service or performance than has been used to compute his or her retention score, he or she must supply evidence to support his or her claim before the RIF effective date. If the employee supplies such evidence, the CSC HR staff will re-compute his or her score and accordingly adjust his or her standing on the register. However, the CSC HR staff will not adjust a score on the basis of a performance rating authorized after the register has been established or delay computing a score pending a decision on a grievance of a performance rating.

G. Changes in Standing on a Retention Register. The order of standing on a retention register on the date a RIF notice(s) was issued will control employees' entitlements throughout the notice period. The CSC HR staff will adjust standings to reflect these changes if they occur during the notice period(s):

1. An employee completes probation.
2. The CSC HR staff corrects an error in service or performance credit used to compute the score.
3. Adding to the competitive level employees lower on the register than those scheduled for separation from their positions.

#### H. Effecting a RIF.

1. When the commanding officer has determined a RIF is necessary, the command will identify the surplus positions.
2. The CSC HR staff will establish retention registers.
3. The commanding officer will issue a 30 calendar day minimum advance notice of the RIF to each affected employee. The commanding officer can re-delegate issuance of RIF notices to the supervisor having an employee affected by the RIF.
4. Employees will be released in inverse order of their standing on the register. Supervisors will not separate any employee from his or her position or reduce the employee in grade or pay band level due to a RIF if an employee with lower standing on the register in the same competitive level remains employed. A command may retain out of order, for whatever period required up to 90 calendar days, an employee scheduled for separation from his or her position by a RIF when that employee is working on an essential project that can be completed within 90 calendar days, and the commanding officer determines another employee cannot assume the work
5. If a command retains any employee out of order in his or her competitive level for more than 30 calendar days, the command will notify in writing each employee scheduled for a RIF action with a higher standing on the register of the reasons for and expiration date of the temporary retention. Supervisors will inform employees they may use grievance procedures to object to the retention. RIFs will not be delayed pending a decision on any grievance or appeal.

#### I. RIF Notice and Notice Periods.

1. Employees must be given advance notice at least 30 full calendar days before the proposed action's effective date. In determining the 30 calendar days or any longer notice period, the command will count neither the notice receipt date nor the proposed action's effective date. Employees not in a duty status at the time of the RIF notice will be notified by means of certified mail, return receipt requested.
2. RIF required actions will become effective only after the 30 calendar day advance notice period.
3. The RIF notice must clearly and specifically inform an employee of the action to be taken and the reasons for the action. At a minimum the notice must include:
  - a. The proposed action's nature, such as separation, demotion, or reassignment.
  - b. The current position's title, grade or pay band, and its salary, competitive level, competitive area, RIF group, and retention score.

- c. When applicable, a statement of demotion or reassignment is in lieu of separation due to a RIF.
  - d. The proposed action's date.
  - e. The last day in a duty status in current position.
  - f. The reasons for the action.
  - g. Disposition of annual leave, such as use during the notice period, lump sum payment, or both.
  - h. Reasons for any time in a non-pay status during the notice period.
  - i. The location where the employee can obtain information about the RIF and inspect pertinent retention registers and records.
  - j. The time limit for initiating a grievance related to the RIF.
4. An employee who has received an advance notice of a RIF may resign without giving the customary advance resignation notice but that resignation must become effective earlier than the scheduled RIF action's effective date.

J. Placing Employees Affected by a RIF.

1. When a RIF action will force an employee from his or her position, the command will place him or her in another NAF position in the competitive area, reduce his or her hours, or separate that employee from the rolls.
2. A Group I (completed probation) employee forced to separate from his or her position by a RIF action is entitled to one offer of an available position, provided he or she is qualified and an employee in a lower group occupies the position. An employee is not entitled to the offer of a vacant position, although at its discretion commands can offer a vacant position, if the employee is qualified or can perform the new position's full duties within a 90-day trial period. The position may not carry a higher grade, pay band level, or representative pay rate. The command may put the employee in a higher grade or pay band position if it selected him or her under proper merit promotion procedures. Each offer will specify the proffered position's title, grade or pay band level, salary, location, and hours of duty. The employee may accept or reject the offer. If the employee fails to reply within five calendar days, the command will consider such failure a declination. No further offer is required.
3. An available position is one in the same competitive area for which the employee is qualified and meets all these conditions:
  - a. The position is in the same NF pay band or NA, NL, or NS grade.

- b. The position carries the same grade, pay band, or representative pay rate as the employee's present one.
  - c. The position will last at least three months.
  - d. An employee whom the affected employee is entitled to displace (with a lower retention score) occupies the position.
4. If possible, the available position will have the same grade, pay band level, representative rate of pay, and number of duty hours per week as the employee's current position. If such a position is not available, it is proper for the command to offer an available position at a lower grade, pay band level, or lower pay rate or with fewer weekly working hours. The command may properly offer a temporary position only if a permanent position is not available. The command may properly offer an employee who has served in a full-time position a regularly scheduled, part-time position only if a full-time position is not available. The command is not required to offer any employee an intermittent position.
  5. If the command cannot place an employee in a position under the provisions above and cannot make a better offer on the basis of group seniority, the employee is entitled to an offer of the last position from which he or she was promoted, provided an employee with a lower retention score than the separating employee occupies the position.
  6. In lieu of a required offer, the command can offer a vacant position or, if two or more positions exist, can offer any of them. The employee is not entitled to a position at a higher grade, pay band level, or representative rate of pay than the position he or she occupied when the retention register was established.
  7. Commands have the discretion to administratively reassign employees affected by a RIF action and others and in fact should administratively place as many employees as possible to reduce the number of separations and provide further career opportunities.

K. RIF Records.

1. The CSC HR staff will establish all records necessary to determine competing employees' retention standing and retain these records for two years after issuing the RIF notices. The records will include the following:
  - a. Identification of the surplus positions, including whether full-time or part-time.
  - b. Copies of the retention register.
  - c. Copies of all advance notices and any amendments.
  - d. Copies of all assignment offers, if any, replies, or statements it received no replies.

- e. The affected employees' organizational location.
- f. Copies of all official personnel actions taken as a result or in lieu of the RIF.

L. Reviewing RIF Actions.

1. At the request of an affected employee, the CSC HR staff will review a RIF action. The employee may request the review at any time between receiving the advance notice and 15 calendar days after the action's effective date.
2. The CSC HR staff will review a RIF action only for these issues:
  - a. Accuracy of computing the RIF score.
  - b. Whether the employee was properly notified and received notice of his or her release from the competitive level.
  - c. The adequacies of the RIF notice.
  - d. The length of the notice period.
  - e. Whether the command made an offer when an available position existed.
  - f. Failure to provide reasons for exceptions to retention order.
3. The CSC HR staff will not review a RIF action for these matters:
  - a. To determine if the RIF was necessary.
  - b. The type and number of jobs declared surplus.
  - c. The RIF's effective date.
  - d. The position offered the employee, if the command followed this chapter's provisions about making an offer.
4. If after review the employee is not satisfied with the explanation of the action taken, the employee will be advised of the procedures for initiating a formal grievance. The grievance must be presented within 15 calendar days after the effective date of the action and can only pertain to matters outlined in Paragraph L.2 of this chapter.

M. Reemployment Priority List. The CSC HR will retain employees' names for one year on a reemployment priority list by command. If a vacancy occurs in the former position's competitive level, the command will offer the position to listed employees in the order of their retention scores, beginning with the highest as long as there have been no performance issues since the RIF that warranted a letter of reprimand or suspension and their performance evaluation score is meets or achieves. The CSC HR staff will delete an employee separated

from a regular full-time position when he or she accepts or declines a regular full-time position with the same representative rate as the previous position. The CSC HR staff will follow an identical procedure in removing a former part-time employee from the list after offering a permanent full-time or part-time position. Appointment under this Paragraph is not subject to competitive procedures.

N. Special Instructions for Reducing Regularly Scheduled Duty Hours.

1. Change of Employment Category. The command will follow normal RIF and official notification procedures if reducing the regularly scheduled hours of duty per week changes the employment category as follows:
  - a. Permanent part-time changes to intermittent employment.
  - b. Permanent full-time changes to permanent part-time or intermittent employment.
2. Reducing Hours. The unit will not follow RIF procedures if it reduces the regularly scheduled weekly duty hours to a weekly schedule of fewer hours than specified for the position when appointed but does not change the initial condition of employment category.
  - a. At least 14 calendar days before the reduction's effective date, the command will give the employee a written notice advising it will reduce the regularly scheduled duty hours. A decision notice is not required.
  - b. The written notice must contain the following information:
    - (1) The effective date of the reduction in duty hours.
    - (2) The number of regularly scheduled hours each week the employee will work after the reduction's effective date.
    - (3) A statement that the employee will continue to serve in the position with the reduced number of hours unless the employee chooses to resign.
    - (4) If the employee retains his or her existing pay rate, a statement that the reduced duty hours will not affect the current hourly rate.

- O. Dissolving a NAF Activity. If a commanding officer decides to dissolve a NAF activity and abolish all its functions and positions, the command will follow the usual RIF procedures, except the command will give each employee 60 calendar days notice prior to separating employees in inverse order of their standing on a retention register. The command may retain employees required to close out the command up to 30 calendar days after the 60 calendar days expire. The command will select such employees based on their standing on a retention register.

**CHAPTER 13. EMPLOYEE DEVELOPMENT**

- A. General Policy. This chapter governs the professional development, education, and training of eligible employees. The Coast Guard supports both career-related and job-related professional development activities by providing civilian employees training and development opportunities to improve performance of official duties; accommodate present and future workforce needs; and encourage employee self-development efforts regardless of race, religion, color, sex, sexual orientation, national origin, age, disability, or other factors unrelated to the need for training.
- B. Funding. Commanding officers plan, program, and budget NAF employee training. When determining appropriate funding sources, these officials must consider factors such as command and control, mission relevance, and nature of the training and follow these funding guidelines:
1. Command and Control Training. Command and Control Training course may be funded by APF. The fact that APF could be used does not mean that either the APF fund money will be available or that NAF money can't be used in the absence of APF.
  2. Additional Job-Related Training. Nonappropriated funds must be used for job-related training in CGX activities and Category C MWR Activities. Because of the nature of APF support provided to Category A and B MWR Activities, training any employee may be authorized using APF.
- C. Reviewing Training Requests. Supervisors must carefully scrutinize all training requests to ensure the courses' overall content and objectives relate to employees' current assignments or likely career progression. In addition, training approving officials will consider all requests in relation to their overall training needs, priorities, availability of funds, and ability to incorporate the training into the Coast Guard missions and programs.
- D. Selecting Employees for Training. Supervisors nominate employees for training as a supervisory responsibility. The organizational unit conducting or arranging the training gives final approval to an employee attending a particular course. When considering training employees in a given occupational level through either government or non-government facilities, supervisors must weigh these factors in selecting employees for training:
1. The employee's need for training.
  2. The training's potential to increase the employee's opportunity for advancement.
  3. The extent to which the training may improve knowledge, skills, abilities, or performance.
  4. The employee's ability to pass on the training to others.

- E. CSC Responsibilities. The CSC develops NAF-wide training policy, program guidance, and evaluations and administers certain Coast Guard leadership training programs.
- F. Command Responsibilities. Within the policy and guidelines provided by CSC, the command:
  - 1. Plans, administers, and coordinates the training program with budget and other management officials as appropriate.
  - 2. Prepares training activity plans, plans supervisory training, and other centrally conducted programs.
  - 3. Ensures compliance with mandatory training (MT) requirements.
  - 4. Provides needed training support including establishing and maintaining necessary records, preparing required reports, etc.
- G. Supervisors. Supervisors will oversee employees' training for increased efficiency, including:
  - 1. Assessing training needs by identifying the knowledge, skills, and abilities required of their subordinates.
  - 2. Assisting employees to prepare for additional duties and responsibilities.
  - 3. Encouraging employees to improve their performance through systematic, continuous self-development.
  - 4. Providing planned, systematic training for subordinates; conducting on-the-job training for employees; and assuring training costs are necessary and reasonable.
  - 5. Evaluating the training provided to their employees by noting improvements in performance based on training received.
  - 6. Discussing training needs during employees' performance evaluations and following up periodically.
- H. Employees. Employees must take these actions:
  - 1. Identify their own training needs and objectively relate them to current job requirements and career development plans.
  - 2. Work with their supervisor in preparing individual development plans (IDPs), when used.
  - 3. Actively participate in assigned training programs.

4. Evaluate training by frankly commenting to their supervisors on the value of training received and its relevance to job functions.
- I. Self-Development. Supervisors may assist employees who wish to pursue non-job-related, occupational-oriented self-development. Assistance includes adjusting work schedules, granting leave without pay or annual leave for educational purposes, or attending general career counseling programs or activities. Supervisors will encourage self-development activities consistent with mission goals and work requirements.
- J. Counseling Employees. Supervisors must provide job-related training and development counseling to their employees to help them attain full competence in performing official duties. Appropriate CSC HR staff will be available to provide career counseling on the knowledge, skills, and abilities required to perform official duties in a future assignment.
- K. Informing Employees of Training Opportunities. The CSC HR staff shall ensure that all relevant announcements of opportunities and available programs are brought to the attention of the appropriate NAF employees.
- L. Permanent Record of Training. CSC HR shall maintain employees' training and self-development activities in the OPF.
- M. Funding College and University Training. When funding is available it is Coast Guard NAF policy to financially support tuition for one course per semester for approved training courses at colleges and universities for students taking job-related training during non-duty hours. Coast Guard Nonappropriated Fund Tuition Assistance Program, PSCINST 12900.1(series) provides details on the program.
- N. Continued Service Agreement.
  1. Non-Government Training. Employees scheduled to attend non-government training longer than 80 hours for a single program and for which the Coast Guard pays all or part of the non-salary costs must sign a continued service agreement, printed on the reverse of the Authorization, Agreement and Certification of Training, SF-182, before attending such training.
  2. Authorization, Agreement and Certification of Training SF-182. Section G on the reverse of Copy 1 of SF-182 should be used to execute the written continued service agreement before the employee starts training. Failure to sign an agreement when required does not relieve the employee of the obligation to continue in service for the required length of time.
  3. Computing Length of Continued Service.
    - a. The required service period is three times the training's duration when nonappropriated funds pay both salary and training costs.

- b. The required service period is one month or the duration of the training period, whichever is greater, when the government and/or nonappropriated funds pay all or part of the training cost excluding salary.
    - c. The employee's continued service begins on the first complete workday after the training covered by the agreement ends and does not include any service in a non-pay status, except at the Coast Guard's convenience.
  4. Voluntary Separations. Employees who voluntarily separate from NAF employment before their continued service period expires are required to repay the Coast Guard for the additional training expenses incurred proportionate to the remaining continued service period. The CSC HR staff shall notify employees in writing of the repayment amount before separation.
  5. Recovering Funds. Employees who fail to fulfill a continued service agreement must repay the government and/or the NAF activity a maximum sum equal to the percent of the additional expenses proportional to the percent of the agreement not completed. For example, if an employee has one year of a three-year obligation remaining, the repayment amount shall equal a maximum of one-third of the entire training cost. If the CSC HR staff cannot obtain repayment directly from the employee, the CSC will act to recover the funds from any pay or other monies due the employee.
- O. Paying Employees.
  1. Under title 5 CFR 410.402, an agency may not use its funds, appropriated or otherwise available for the payment of premium pay to an employee engaged in training. Supervisors should ensure that training of non-exempt staff occurs during regular working hours.
  2. Under 5 CFR 551.423, time spent in training during regular working hours shall be considered hours of work for the purpose of computing overtime. Time spent in training outside regular working hours shall be considered hours of work for the purpose of computing overtime if:
    - a. The employee is directed to participate in the training.
    - b. The purpose of the training is to improve the employee's performance of the duties and responsibilities of his or her current position or continued retention in his or her current position will be adversely affected by non enrollment in such training.
- P. Protecting Government Interests. Supervisors at all levels shall protect the Coast Guard's interests if an employee fails to complete government or non-government training partially or fully paid by Coast Guard funds. The employee must fully reimburse the government or NAFI if the failure is due to the employee's negligence or willful misconduct. The employee is not obligated for reimbursement if failure is due to reasons beyond the employee's control, such as illness or recall by proper authority.

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 14. LABOR-MANAGEMENT RELATIONS

### A. General.

1. This chapter discusses the basic elements of the labor relations program stipulated in the Federal Service Labor-Management Relations Statute, Title 5, United States Code, Chapter 71 (5 USC 71), "Labor Management Relations."
2. All employees are protected in exercising their right to freely form and join any lawful employee organization (union) without fear of penalty or reprisal or to refrain from joining any such activity. The Coast Guard will not interfere, restrain, coerce, or discriminate to encourage or discourage membership in any employee organization.

### B. Definitions.

1. Bargaining Unit. Normally a group of non-supervisory employees appropriate for the purpose of representation in dealing with management under exclusive recognition.
2. Exclusive Recognition. The right of a union chosen and elected by a majority of the unit's employees to represent all the unit's employees, even if they are not union members.
3. Labor-Management Partnership. A relationship between a labor organization and an agency (command, installation, activity, or other organizational element that recognizes the labor organization) designed to involve employees and union representatives in identifying problems and crafting solutions to better serve the agency's customers and carry out its mission. Although partnerships have no prescribed format or structure, local management is delegated responsibility to develop labor-management partnerships fostering cooperation, consensual methods of dispute resolution, and continual improvements in organizational performance. Units must coordinate formal written partnership agreements with the CSC.
4. Labor Organization. A lawful organization of any kind, commonly known as a union, in which employees participate and that exists wholly or partly to deal with management on grievances, personnel policies and practices, or other matters affecting the union members' working conditions.
5. Union Agreement (also known as a contract). A written document formalizing matters agreed to during collective bargaining negotiations between management and an exclusively recognized union. Such an agreement's provisions have the full force and affect of regulation within the unit(s) to which applicable. Supervisors must determine whether their subordinates are in the bargaining unit and if so, must obtain a copy of the local contract, become familiar with its requirements, and ensure compliance with the contractual provisions in daily organizational management.

6. Union Steward. A union official, usually located in a particular organization, whose duties are to assist in settling employee grievances and ensuring the union agreement's provisions are kept. The steward also engages in certain internal union activities, such as membership solicitation, during non-duty hours.

C. Membership.

1. Any employee may join an employee organization; however, these individuals may not act as a representative or participate in managing any employee organization holding exclusive recognition:
  - a. Management officials and supervisors.
  - b. Employees engaged in civilian personnel administration in other than a solely clerical capacity.
  - c. An employee who acts in a confidential capacity for a person who formulates or effectuates management policies in labor-management relations.
  - d. Any other employee whose activities as an officer or agent of a labor organization would conflict or appear to conflict with the proper exercise of or be incompatible with his or her official duties or responsibilities.
2. Professional employees join an exclusive unit with non-professionals only if a majority of the professionals vote for inclusion. Professional employees may choose to have or reject having their own unit.
3. If any employee in a bargaining unit with exclusive recognition becomes a supervisor within the meaning of 5 USC 7103(a)(10) or management official within the meaning of 5 USC 7103(a)(11), he or she automatically is excluded from the bargaining unit. The new supervisor or manager may retain his or her union membership, but may not actively participate in union affairs.

D. Supervisory Responsibilities. Labor-management supervisory responsibilities include:

1. Maintaining a working knowledge and understanding of the Coast Guard's policy on labor-management relations.
2. Maintaining strict neutrality while labor organizations seek recognition. Supervisors are to conduct themselves at all times in a manner neither displaying nor conveying a personal opinion on Federal unions.
3. Neither discouraging nor encouraging membership in a labor organization.

4. Within the bounds of their authority, demonstrating an affirmative willingness to cooperate with labor organizations either seeking or granted recognition for the organizational segment under their jurisdiction.
5. Consulting with a labor organization granted exclusive recognition on employment practices, policies, and working conditions and establishing, changing, and implementing personnel practices and policies.
6. Encouraging labor-management partnerships by forming labor-management committees or councils at appropriate levels.
7. Involving employees and their union representatives as full partners with management representatives to identify problems and craft solutions to better serve the agency's customers and mission.
8. Learning the identities of the labor officials and representatives for those organizations having exclusive recognition in their area of jurisdiction.
9. Understanding and complying with the provisions of an approved negotiated agreement (contract).
10. Maintaining contact with the personnel management staff at CSC to obtain advice and guidance and informing the CSC HR Program Analyst of labor relations activity.



**CHAPTER 15. UNEMPLOYMENT COMPENSATION**

- A. Purpose. This chapter establishes NAF policy and procedure regarding the Unemployment Compensation for Federal Employees (UCFE) Program. The UCFE program provides unemployment compensation (UC) benefits to former NAF employees who qualify.
- B. Background. Chapter 85 of Title 5 of the U. S. Code (5 USC) codifies unemployment compensation benefits provided under Public Laws 83-767 and 96-499, as amended. Under its own unemployment insurance law, each state administers these unemployment benefits to an unemployed Federal civilian employee, including NAF employees, based on an employee's service and wages.
- C. Unemployment Compensation Benefit Criteria. Individual states establish the basic provisions under which civilian employees may qualify or be disqualified for unemployment compensation.
1. Qualifying Criteria. State unemployment insurance laws are not uniform and eligibility and disqualification provisions may vary. However, most state unemployment insurance laws require civilian employees to meet basic criteria to qualify for unemployment benefits:
    - a. Be unemployed or employed less than full time and earn less than an amount state law specifies.
    - b. Register for work at a local employment service office and file a claim at the state employment security agency's local claims office.
    - c. Have been employed a specified time or have earned a specified amount of wages, or both, within a base period (usually one year) as stipulated in state law.
    - d. Be able to work.
    - e. Be available for work.
    - f. Report to the local employment service and claims office as directed.
  2. Disqualifying Criteria. The three most common reasons for disqualification of benefits are:
    - a. Discharge for Misconduct. An employee removed for poor performance or judgment may qualify for benefits. However, an employee who intentionally or deliberately disregards certain standards of conduct or behavior may be denied benefits. Fighting, insubordination, stealing, committing illegal acts on government property, etc., are often legitimate grounds for misconduct-based disqualifications, depending on the state. Documentation must clearly show that the worker's conduct was completely unacceptable; the employee knew or must have known it was punishable by termination, and the employer followed customary disciplinary procedures.

- b. Voluntary resignation. Employees who voluntarily resign without good cause usually are disqualified from unemployment compensation. While “voluntariness” is seldom an issue, “cause” arises frequently. “Good cause” or an equivalent term, such as “just cause,” generally mean a real, substantial, compelling reason related to the job and not purely personal to the employee that would lead a reasonable person to quit under similar circumstances. States vary to some degree in the kinds of reasons they accept as good cause, but they generally assume the employee did have a good reason to leave. Typically the employer must prove otherwise.
- c. Refusal to accept a suitable position without good cause based on individual state determinations.

D. Notice of Personnel Action, Standard Form 50 (SF-50).

- 1. The SF-50’s “remarks” section must contain the factual reasons for the separation, resignation, or command’s findings why the action occurred. The information provided must be sufficiently detailed and cite the employee’s reasons, or provide the facts in enough detail to enable the state to determine benefit eligibility.
- 2. The SF-50 must also note and state the date the Notice to Federal Employee about Unemployment Insurance, Standard Form 8, was issued to the employee.

E. Notice to Federal Employee about Unemployment Insurance, Standard F-8. On or before the last day of employment the CSC HR staff must furnish each employee a completed SF-8 and advise them on its use.

- 1. Intermittent Employees. Intermittent on call employees must only be issued an SF-8 the first time in each calendar year that they revert to nonpay status. An SF-8 is not required for subsequent nonpay status periods in the same year.
- 2. Appointment Expired. An SF-8 must be issued to temporary when their appointment expires or the first instance of nonpay status occurs.
- 3. Employee in Nonpay Status. An SF-8 must be issued for the following nonpay conditions:
  - a. When the individual is placed in a forced nonpay status, e.g., RIF, suspension pending results of an investigation, disciplinary suspension, expected to last for seven or more consecutive calendar days.
  - b. When granting leave without pay (LWOP) at the employee’s request for personal reasons, e.g., travel, education, sickness after exhausting sick leave, and the LWOP will last seven or more consecutive calendar days.

F. Request for Wage and Separation Information—UCFE, ES-931, and Request for Separation Information for Additional Claim—UCFE, ES-931-A. State agencies must mail these forms

to CSC's third party administrator (TPA) but occasionally they arrive at the command. Commands must forward them to the CSC HR staff immediately upon receipt. The CSC HR staff will forward it to the TPA.

1. National Archives and Records Administration, National Personnel Records Center (Records Center). If the documents necessary to comply with a state agency's request are transferred to the Records Center, the CSC HR must obtain the necessary information from the Records Center.
  2. Control Records. CSC HR must maintain a control record of all information sent to the TPA, information requests received, and the responses to those requests. CSC HR may maintain this record as a log, as copies of requests and responses, or in any other acceptable manner so the TPA can identify the number of outstanding requests and date received.
  3. Privacy Act. The individual's signed "Authorization for Release of Information" on Form ES-931 establishes legal authority under the Privacy Act for the CSC HR staff to report wage and employment data requested on the form.
  4. Errors. If within one year after the CSC HR staff returns a completed Form ES-931 or ES-931-A to a state employment security agency and discovers an entry (ies) is erroneous, he or she must send a correction promptly to the state security agency, either by letter or sending a corrected copy of the form on file with an explanatory letter.
  5. Appealed Personnel Actions. When an appeal results in the reinstatement of an employee, CSC HR must promptly notify the state employment security agency in writing of the decision. CSC HR maintains a copy of the written reply.
- G. Computing Basic Benefits. The amount an individual receives for a compensable week of unemployment, known as the weekly benefit amount, varies by state. Benefits typically continue for 26 weeks. Most states impose an initial waiting period, typically one week, before benefits begin. States use certain common criteria to compute basic benefits.
1. The Federal Unemployment Tax Act (FUTA) requires states to extend paying benefits for 13 weeks if a state's unemployment reaches above prescribed levels.
  2. Under certain circumstances, state laws may augment weekly benefits with dependents' allowances.
- H. Unemployment Compensation Benefit Claim Procedures.
1. The CSC HR must send the TPA a copy of all removal letters and supporting documentation, e.g., written warnings, employee correspondence, and time sheets.
  2. An employee in a nonpay status or former employee seeking unemployment compensation benefits must go promptly to his/her state employment security agency's

employment service office to file a claim for unemployment benefits and register for work. States administer claims on an interstate basis so if the individual's final employment was in another state, the state where the former employee registered must honor the claim. Employees must provide copies of the SF-8 and SF-50 to the state employment service office.

3. State employment agencies will determine entitlement to compensation and the benefits payable under state unemployment insurance laws. To do this, the state employment security agency will send Form ES-931 to the TPA. If a claimant files an additional claim after a subsequent period of reemployment with a command, the state will send Form ES-931-A. The TPA will request more information from the CSC HR staff.
  4. If CSC HR receives an ES-931 or ES-931-A, CSC must forward it to the TPA. If the state employment agency does not receive the form by the due date, it may pay the person benefits 12 days after the claim filing date based on other evidence of employment, e.g., SF-50, Withholding Tax Statement (W-2), or official pay statement, and completion of an affidavit. States typically do not consider an SF-8 alone credible evidence.
- I. Coast Guard Payment of Benefits. Each command must absorb the cost of paying unemployment benefits to its NAF employees. The U. S. Department of Labor (DoL) sends CSC a quarterly summary report of former employees receiving unemployment compensation benefits by state. CSC verifies the Department of Labor billing against the state billing and the payroll system and then bills each command for its portion of the Department of Labor bill. The command reimburses the CSC. To ensure commands pay these costs only when appropriate, CSC HR must:
1. Ensure state unemployment compensation agencies receive timely, accurate, complete wage and separation information on the ES-931 form.
  2. Challenge or appeal any unjustified claims, e.g., former employees removed for misconduct, resigned voluntarily, or refused suitable job offers, through the unemployment claims hearing process.
- J. Employee Unemployment Compensation Benefit Records. CSC HR must maintain an employee relations file, as necessary, if the OPF does not contain sufficient information about the reasons for separation. This file must be maintained apart from the employee's personnel records for two years after the effective date of the action. Since the states use this file's documentation to determine eligibility for unemployment compensation benefits, CSC HR must provide a copy of this file to the employee. The Office of Personnel Management's (OPM's) General Personnel Resources (OPM/GOVT-1) Privacy Act system of records and SORN DHS/USCG-018, Exchange System and Morale, Well-Being, and Recreation System Files System of Records govern these files; they are subject to OPM's Privacy Act Regulations in 5 CFR 297.

- K. Appeals. CSC's TPA reviews any state determinations they receive, initiates appeals, and makes arrangements to ensure attendance at any hearings on benefit claims.
1. Notices of Determination. The state employment security agency sends Notices of Determination to the TPA, identified on the SF-8, and includes information on appeal rights and deadlines. If the TPA receives a hearing notice, it notifies the CSC HR of the date and time and arranges for representation. The representative assigned to the case reviews the issues and documentation and determines if a witness from the activity is required. State employment security agencies generally allow initial administrative and subsequent court appeals of its determinations.
  2. Reviewing Appeals. Within the procedures provided by the state, CSC shall appeal any determinations they believe are incorrect and:
    - a. The state decision challenges the employing agency's statement of facts about the separation or nonpay status.
    - b. The state employment security agency appears to have misinterpreted management's statement of facts.
    - c. The command believes the determination does not comply with state unemployment insurance law or the UCFE Program provisions.
- L. Penalties for Fraud. A claimant who knowingly makes a false statement, misrepresents a fact, fails to disclose a material fact, or receives an improper unemployment compensation payment must repay the amount to the state employment security agency or Department of Labor. These agencies may recover such payments from future benefits or any other Federal unemployment compensation payable to the person within two years after the date of the finding and also may levy fines and/or imprisonment



**CHAPTER 16. LONGSHORE AND HARBOR WORKERS' COMPENSATION ACT****A. Introduction.**

1. This chapter contains the sum of the regulations and requirements established by the Longshore and Harbor Workers' Compensation Act (the Act), as amended.
2. This chapter highlights and simplifies often used sections of the Act; it is not a legal interpretation.
3. The Coast Guard NAF Workers' Compensation Procedures Guide contains procedures, requirements, and forms. The CSC shall ensure each command with NAF employees has a copy of this guide. Commands must strictly follow the provisions of this guide as failure to do so may result in fines or penalties against the Coast Guard.

**B. Responsibilities.**

1. CSC is responsible for the NAF Workers' Compensation Program policy and administers claims, including providing advice, forms, and taking other required actions to ensure compliance with legal obligations. A TPA administrator may administer and process claims.
2. As Program Manager, CSC assesses costs to each command and approves claims settlements.

**C. Coverage.**

1. The Longshore and Harbor Workers' Compensation Act defines injury as "accidental injury or death arising out of and in the course of employment, and such occupational diseases or infections as arise naturally out of such employment or naturally or unavoidably result from such accidental injury and includes any injury caused by the willful act of a third person directed against the employee because of employment."
2. The only exception to this definition denies compensation if the injury resulted solely from the employee's intoxication or willful intent to injure him or herself or another. The employer bears the burden of proof when using these two reasons to controvert a claim.

- D. Liability. The employer is liable for paying compensation, medical benefits, and death benefits due an injured employee through the third-party claim administrator. The Act further states compensation is payable to an injured employee regardless of who is at fault, except as specified in Paragraph C.2 of this chapter.

E. Exclusive Remedy. The benefits provided under workers compensation are the sole remedy available to injured employees or anyone otherwise entitled to recover damages caused by an injury or death.

F. Compensation under the Act.

1. Except for medical payments, no compensation is payable during the first three days of disability. However, if the injury results in disability lasting 14 or more days, compensation is effective from the first day.
2. The Act establishes a maximum and minimum compensation rate.
  - a. The maximum rate of compensation is 200 percent of the applicable national average weekly wage as determined by the Department of Labor (DoL).
  - b. The minimum compensation rate is 50 percent of the national average weekly wage or the actual weekly wage, if less.
  - c. The DoL publishes the new national average weekly wage rates effective 1 October annually. The rates are listed on the DoL's website at [www.dol.gov/owcp/dlhwc](http://www.dol.gov/owcp/dlhwc).

G. Medical Services and Supplies.

1. Through the third-party claims administrator, the employer must pay any and all medical, surgical, and other care or treatment, for such period as the nature of injury or the process of recovery may require.
2. The employee has the right to their own choice of physician. In an emergency, the employer may select a physician; however, the employee may select another when he or she is capable.
3. After the employee has selected a physician, the employer must approve any change in physician. Authorization for change in physician will be granted when the initial choice of physician was not a specialist and treatment from a specialist is necessary.
4. The attending physician must file reports with the DoL and the third-party claim administrator within 10 days of treatment.
5. If a claimant receiving compensation "unreasonably refuses" to submit to medical or surgical treatment or an examination by a physician the third-party claims administrator selects, the employer may suspend paying compensation while the employee refuses.
6. If a medical question or dispute arises, DoL has the authority to have a physician of its choice examine the claimant.

7. While the Act currently does not establish fee schedules, all fees charged for medical services are limited to the lesser of the DoL Office of Workers Compensation Program fee schedule or the prevailing community rates.

#### H. Total Disability.

1. Temporary Total Disability. Temporary total disability occurs when a job-related injury that temporarily totally disables an employee from earning wages. Through the third-party claims administrator, the employer must begin payments within 14 days of the first day of lost time and continue paying all periods of temporary total disability for all medically supported and causally related periods of lost time.
2. Permanent Total Disability. Permanent total disability occurs when a job-related injury totally disables an employee from earning wages for life or until alternative employment can be found.
  - a. In the absence of conclusive proof to the contrary, the Act considers losing both hands, arms, feet, legs, or eyes, or any two of them, e.g., one leg and one eye, as permanent total disability.
  - b. In all other cases, the facts determine permanent total disability. Since disability involves both medical and economic factors, the Act requires the employer to also consider the employee's age, experience, education, and work history and the availability of work he or she is physically able to perform.
3. Compensation for Disability.
  - a. The employer pays compensation for disability at the rate of 66 2/3 percent of the employee's average weekly wage for the 52 weeks prior to the date of injury, with a maximum and minimum rate set by law.
  - b. Permanent total disability rates are subject to an annual cost of living increase.

#### I. Partial Disability.

1. Temporary Partial Disability.
  - a. Temporary partial disability occurs when an injury causes a partial reduction in wage-earning capability for a temporary period. The employer through the third party claims administrator pays the employee 66 2/3 percent of the difference between his or her pre-injury average weekly wages and present earnings.
  - b. The maximum duration of temporary partial disability payments is five years.

- c. The employer must pay all periods of temporary partial disability that are medically supported and causally related to the original work injury regardless of when they occur.

2. Permanent Partial Disability.

- a. Permanent partial disability occurs if an injury results in loss or loss of use of one of the body's members. For example, the employee's loss or loss of use of an arm, leg, hand, foot, eye, finger, toe, or ear and/or disfigurement would qualify as a permanent partial disability under the Act.
- b. The employer compensates an employee who has sustained a permanent partial disability of an extremity for a specified number of weeks according to the Act for the specific loss.
- c. The employee receives  $66 \frac{2}{3}$  percent of his or her average weekly wages for the specified number of weeks according to the Act.

J. Special Fund Relief.

1. The Act establishes an incentive for employers to hire employees having pre-existing physical impairments. If any employee who has pre existing permanent partial disability is injured, the employer's responsibility for permanent total and permanent partial disability is limited if the alleged new disability is due to a combination of the injury and preexisting factors.
2. CSC HR may apply to the Special Fund for relief for compensation payments after 104 weeks of compensation payments have been made, if an employee with a pre-existing condition or a permanent partial injury sustains a new injury and the resulting disability is materially and substantially greater than the disability resulting solely from the new injury.
3. Under the Act, three conditions must be met before relief is available to the employer:
  - a. The claimant must have had a preexisting, permanent partial disability.
  - b. The preexisting disability must contribute to the permanent partial disability or the permanent total disability.
  - c. The employer must provide medical documentation supporting that they knew that the preexisting permanent or partial disability existed before the new injury.
4. CSC HR must request from the DoL for relief through the third-party claim administrator on or before an informal conference that will consider the permanency of the claimant's condition.

K. Settling Claims.

1. The parties may settle a compensation claim if both agree to the settlement and the DoL determines the settlement is in the injured employee's best interest. The third party claims administrator must submit the settlement application to the DoL, who has 30 days to approve or disapprove it.
2. If both parties to a settlement have counsel, DoL considers the settlement approved 30 days after a complete application is submitted unless the DoL disapproves it.
3. If the DoL District Director disapproves the proposed settlement because it is not in the employee's best interest, either party may appeal.
4. The third-party claims administrator acts on the employer's behalf in settling claims.

L. Employee Wage Report. The employer may inform a disabled employee to report to the employer any employment or self-employment earnings at least semi-annually on a DoL form LS-200. Failure to report any or all earnings will cause forfeiture of the right to compensation for that period. The third-party claims administrator will advise the CSC HR of any wages reported.

M. Compensation for Death.

1. Death benefits are paid to specific survivors and/or dependents of persons who die due to a work-related injury.
2. If an employee receiving scheduled permanent partial disability dies from causes unrelated to his or her work injury, his or her dependents receive the balance of the employee's award.
3. The Act provides payment of reasonable funeral expenses up to \$3,000 and death benefits to the deceased's surviving spouse or child(ren). Dependency must meet the Internal Revenue Code definition.
4. The employer may pay benefits to other dependents if no spouse or child(ren) survive. Dependency must meet the Internal Revenue Code definition.

N. Notice of Claim. The employee must notify the employer within 30 days of the date injured. The command must designate the agents or other responsible officials who receive the notice; these may include first-line supervisors and the CSC.

O. Paying Compensation. If CSC HR controverts the employee's or dependent's right to compensation, the third-party claims administrator must file the prescribed form on or before the 14th day after the employer had knowledge of the alleged injury or death. The DoL may penalize the employer for failing to file by specific deadlines.

- P. Agreement to Waive Compensation. An employee cannot waive his or her right to compensation under the Act.
- Q. Presumptions. In any claim for compensation the Act presumes, in the absence of evidence to the contrary, that:
1. The claim falls within the Act's purview.
  2. The employee gave sufficient notice of the claim.
  3. Neither the injured employee's intoxication alone nor his or her willful intention to injure or kill another caused the injury.
- R. Reports.
1. The command must report to CSC within six days, CSC HR in turn must report any injury resulting in losing one or more shifts of work to the DoL and third-party claims administrator within 10 days of the date of injury, alleged injury, or employer's knowledge of such injury. Failure to submit any required report can result in penalties up to \$10,000 for each occurrence.
  2. The U. S. Coast Guard Nonappropriated Fund Workers' Compensation Procedures Guide contains detailed instructions on filing claims and complete addresses for the DoL and third-party claims administrator for specific areas.
- S. Statute of Limitations.
1. An employee or dependent must file a claim with the appropriate DoL official within one year after the injury or death or one year from the date the employee or dependent became aware or should have become aware of the relationship between the injury or death and employment.
  2. If a command has received notice and subsequently fails to file a report as required, the one-year statute of limitations does not begin to run against the employee or dependent until the employer has filed the report.
- T. False Statements. Any claimant or claimant's representative who knowingly and willfully makes a false statement to obtain a benefit or payment under the Act is guilty of a felony; the punishment for conviction is a fine of up to \$10,000, five years imprisonment, or both.
- U. Third-Party Liability. If an employee is injured due to a third party's negligence, the employee need not choose between compensation or civil action but may choose either or both. However, the employee must pursue his or her rights against the third party within six months of accepting an award for compensation or his or her rights revert to the employer.

V. Compensation Notice. Every command shall conspicuously post a printed notice stating the employer has secured workers' compensation coverage under the Act. Notice to Employees, Form LS-242, meets this requirement; the U. S. Coast Guard Nonappropriated Fund Workers' Compensation Procedures Guide contains this form.

W. Discrimination.

1. A command may not discriminate against an employee who claims or attempts to claim compensation from the Coast Guard. If the employee proves the command discriminated against him or her on this basis, the command is liable for a penalty and must reinstate the employee and compensate him or her for wages lost due to discrimination.
2. Discharging or refusing to employ a person convicted of filing a fraudulent claim for compensation does not violate the Act.
3. In any case arising under this paragraph, the employee bears the burden of proof.



**CHAPTER 17. EQUAL EMPLOYMENT OPPORTUNITY (EEO)**

- A. Policy. The Coast Guard mandates that all members, active and reserve military, civilian (APF and NAF) and Auxiliary members be treated fairly and with respect. Everyone should be provided the opportunity to work and achieve their full potential, thereby enhancing unit cohesiveness, military readiness, and mission accomplishment. The Coast Guard prohibits any form of discrimination that violates law or policy in any action affecting Coast Guard personnel, those seeking employment with the Coast Guard, or those receiving benefits from any Coast Guard sponsored program.
- B. Purpose. The purpose of the Coast Guard EEO program is to proactively pursue a qualified, diverse workforce through the use of enhanced recruiting and ensuring the workforce is free of discrimination and harassment. This chapter provides policies and guidance aimed at providing equal opportunity and promoting an environment where all Coast Guard NAF personnel can reach their full potential.
- C. EEO Program.
1. The Coast Guard EEO Program is published in the Coast Guard Civil Rights Manual, COMDTINST M5350.4 (series), which stipulates that the following six essential elements are necessary to achieve a model EEO program:
    - a. Demonstrated command leadership responsibilities.
    - b. Integration of EEO obligations into the agency's strategic mission.
    - c. Management and program accountability.
    - d. Proactive prevention of unlawful discrimination.
    - e. Efficiency.
    - f. Responsiveness and legal compliance.
  2. To be successful, the EEO program requires visible leadership and commitment; program implementation within the chain of command; clear articulation of, and adherence to, program standards; and personal accountability.
  3. The principle of equal employment opportunity shall apply with respect to all elements of an employment relationship, including, but not limited to:
    - a. Recruitment, including advertising or solicitation for employment.
    - b. Job selection, hiring, and placement.
    - c. Evaluation of work performance.

- d. Administration of all forms of pay and other compensation.
  - e. Selection for training and other professional development opportunities.
4. In addition, the commands must provide reasonable accommodations for applicants and/or employees with disabilities in an effort to enable them to successfully perform essential functions of the job or benefit from training.
- D. Equal Employment Opportunity Commission (EEOC) Management Directive 715 (MD 715). EEOC MD 715 explains the six EEO program elements. The major components of EEO/EO programs are an annual self-assessment and a strategic plan of action designed to correct noted program deficiencies and remove workforce barriers to free and open workplace competition. This Directive applies to NAF programs and requires commands to take appropriate steps to ensure that all employment decisions are free from discrimination. The CSC completes the MD 715 tables for the NAF workforce.
- E. Prohibited Conduct. Every NAF employee deserves to be treated with dignity and respect and work in an environment free of discrimination or harassment. In accordance with the Coast Guard Civil Rights Manual, COMDTINST M5350.4 (series), and the Commandant's Anti-Discrimination and Anti-Harassment policy statement, the Coast Guard will not tolerate harassment or discrimination based on any prohibited EEO/EO bases against any employee or applicant for employment at any time.
1. The Coast Guard will not tolerate any individual from creating a hostile or intimidating work environment. Personnel policies and practices are to be conducted in a work environment that is fair, free from discrimination and free from harassment based on race, religion, color, creed, national origin, sex, age, disabling condition, protected genetic information, marital or parental status, political affiliation, or sexual orientation.
  2. Discrimination is defined as treating an individual or group unfairly over another according to factors unrelated to their ability or potential such as race, color, religion, sex, national origin, age, or disability. These categories are referred to as protected classifications because they are singled out for protection by EEO laws.
  3. Prohibited harassment is defined as including, but not limited to, unwelcome conduct, whether verbal, nonverbal, or physical conduct that has the purpose or effect of unreasonably interfering with an individual's work performance or creating an intimidating, offensive, or hostile environment on the basis of an individual's protected status. Among the types of unwelcome conduct prohibited are epithets, slurs, stereotyping, intimidating acts, and the circulation or posting of written or graphic materials that show hostility toward individuals because of their protected status. Acts of physical violence and actual, implied, or veiled threats of violence are forms of prohibited harassment. Any form or manner of threatening or provoking remarks or threatening gestures in the workplace is also prohibited.

4. Sexual harassment is a form of prohibited harassment. Sexual harassment is defined as unwelcome sexual advances, requests for sexual favors, and other verbal or physical conduct of a sexual nature when:
    - a. Submission to such conduct is made either implicitly or explicitly a term or condition of employment.
    - b. Submission to or rejection of such conduct is used as a basis for employment decisions.
    - c. Such conduct has the purpose or effect of unreasonably interfering with an individual's work performance or creating an intimidating, hostile, or offensive working environment.
    - d. This definition also encompasses unwelcome display or communication of sexually offensive materials.
  5. Retaliatory action of any type exercised by any employee(s) against another employee or applicant for employment because the individual filed a charge, testified, assisted, or participated in any manner in a hearing, proceeding, or investigation of employment discrimination is prohibited.
- F. Supervisor Responsibilities. When violations of policies regarding civil rights, equal opportunity, discrimination, and harassment occur, all employees have the right to seek timely and fair resolution of their concerns or complaints as well as the right to be protected from reprisal for seeking redress of their grievances. Supervisors must lead by example and monitor the workplace to ensure that the environment is free from discrimination, hostility, intimidation, reprisal, and harassment. Supervisors are responsible for:
1. Taking prompt, positive action to eliminate discrimination, including being alert for any reprisals in the aftermath of discrimination complaints. When informal or formal discrimination complaints arise, make a special effort to avoid being defensive and try to see the other person's point of view.
  2. Attempting to resolve complaints at the lowest level.
  3. Personally and actively promoting the spirit and the letter of the policies, regulations, and laws that frame the Civil Rights, EO, and EEO programs.
  4. Identifying and eliminating barriers to a diverse workforce and discrimination-free work environment.
  5. Focusing on proactive, purposeful steps to building a healthy, dynamic, inclusive culture and climate in his/her unit.

- a. Continually review records to see if female and minority group staffing compares with the local population ratios and whether such employees disproportionately occupy relatively low-paid jobs.
  - b. If the staffing pattern is imbalanced, develop an action plan to improve the situation by positive counseling and actions. Encouraging women and minority employees to develop their skills, determine career objectives, and apply for higher-level jobs.
6. Avoiding preference when considering employees for training, details, or promotion and avoiding preference based on fraternal activities or common outside interests.
  7. Selecting employees solely based on merit and fitness.
  8. Distributing work equally among employees.
  9. Granting privileges impartially.
  10. Administering disciplinary measures fairly and equitably.
  11. Publicizing on bulletin boards and other locations:
    - a. Notice of the Coast Guard's discrimination complaint program and the necessity of contacting an EO Counselor within 45 days of the action giving rise to the complaint.
    - b. The EO Counselors' names, addresses, business telephone numbers, and photographs.
- G. Defense Equal Opportunity Management Institute (DEOMI) Organizational Climate Survey (DEOCS). DEOMI has developed a DEOMI DEOCS, a tool to aid commands in improving the unit's civil rights climate and organizational effectiveness. These surveys are required annually and administered at the request of the CO/OIC. The DEOCS assesses factors surrounding the command's civil rights climate, such as sexual harassment, prohibited discrimination, differential command behavior to minorities, positive equal opportunity behaviors, religious discrimination, racist behavior, overall equal opportunity climate, age discrimination, disability discrimination, work group cohesion and effectiveness, leadership cohesion, job satisfaction, trust in the organization, and organizational commitment. The CSC will initiate the DEOCS for CGX employees. Non-CGX employees will participate in their command's DEOCS.
- H. Discrimination Complaints. The Commandant has provided the following procedures in the Coast Guard Civil Rights Manual, COMDTINST M5350.4 (series), for processing individual complaints of discrimination.
1. If the aggrieved person is covered by a collective bargaining agreement that permits allegations of discrimination to be raised in a negotiated grievance procedure, he or she may choose between the negotiated procedure and the following procedures, but may not resort to both.

2. The aggrieved person contacts the EEO counselor within 45 calendar days of the alleged discriminatory act, the effective date of an alleged discriminatory personnel action, or the date the aggrieved person knew or reasonably should have known of the discriminatory event or personnel action.
  3. The counselor has 30 calendar days to attempt to resolve the matter informally with the management official authorized to effect or direct remedial action.
  4. The counselor issues a Notice of Right to File a Formal Complaint if the issue is not resolved. If counseling is not completed within 30 days, the counselor obtains written permission from the affected person to extend counseling up to 60 more days.
  5. The complainant may file a formal complaint with the servicing Regional Civil Rights Managers office within 15 calendar days after receiving the Notice of Right to File.
  6. The Regional Civil Rights Officer will accept or recommend the dismissal of all or a portion of the allegations of a complaint.
  7. If the complaint is accepted, the Coast Guard assigns an investigator. On completing the investigation, the investigator gives the complainant a copy of the Report of Investigation (ROI) and notice. The complainant has these choices:
    - a. A right to a hearing by an EEOC Administrative Law Judge (ALJ).
    - b. A DHS decision without a hearing. If the complainant elects a DHS decision without a hearing, the DHS Office for Civil Rights and Civil Liberties makes the final agency decision. The employee has a right to appeal to the EEOC Office of Review and Appeals within 30 calendar days after receiving the DHS's final decision.
    - c. Proceed to District Court after 180 days have passed since filing the formal complaint.
- I. Alternative Dispute Resolution (ADR). Every attempt should be made to resolve complaints at the lowest level. When attempts at resolution fail, ADR is encouraged.
1. Mediation is a form of ADR that is offered as an alternative to the traditional investigative or litigation process. Mediation is an essential aspect of the informal and formal complaint processes and is the preferred alternative method for resolving discrimination allegations.
  2. During mediation a neutral third party assists the parties to reach a voluntary, negotiated resolution of a charge of discrimination. Mediation gives the parties the opportunity to discuss the issues raised in the charge, clear up misunderstandings, determine the underlying interests or concerns, find areas of agreement, and ultimately, incorporate those areas of agreements into resolutions.

3. The decision to mediate is completely voluntary.
- J. Confidentiality. Confidentiality of any claim of violation must be maintained throughout the complaint process to the extent practical and appropriate under the circumstances. The complainant's identity and relevant information should only be shared with the command officials and employees who have a need to know in order to investigate or resolve the complaint. Confidential information must not be discussed in open areas.

## CHAPTER 18. PERSONNEL RECORDS, FILES, AND REPORTS

- A. Introduction. This chapter sets forth basic policies governing the creation, development, maintenance, processing, use, dissemination, and safeguarding of personnel records that the OPM requires agencies to maintain. Data contained or extracted in personnel records must be safeguarded. Subject data is to be protected in accordance with the Privacy Act of 1974, as amended.
- B. OPF. CSC HR shall maintain the OPF for all Coast Guard NAF employees in accordance with OPM's Guide to Personnel Recordkeeping Operations Manual.
1. On each NAF employee's initial appointment, the CSC HR will establish an OPF and maintain in it all official personnel documents effected during the employee's service, as prescribed in this chapter.
  2. Because NAF employees' OPF specifications are similar to those of APF employees, CSC HR will mark the outside of the folder in one-half inch letters "NONAPPROPRIATED FUND EMPLOYEE." A label will be affixed to each folder showing the employee's name, birth date, and social security number.
- C. OPF Documents.
1. Long-term documents. Long-term documents are records kept for the life of the folder, usually 115 years from the employee's date of birth. These documents are filed in chronological order on the right side of the personnel folder.
  2. Temporary Documents. Temporary documents are documents not kept for the life of the personnel folder. These documents are filed on the left side of the folder.
  3. Prohibited Documents. Prohibited documents are records that must never be placed in a personnel folder. The prohibition may come from statutes, such as the Privacy Act, or from regulation such as Title 29, Code of Federal Regulations. Examples of prohibited documents are as follows:
    - a. Investigative records or reports.
    - b. Indebtedness letters.
    - c. Garnishment letters.
    - d. Grievance files and correspondence.
    - e. Appeal files and correspondence.
    - f. Reconsideration files and correspondence.

- g. Reference or recommendation letters.
- h. Correspondence from a member of the public complaining about an employee.
- i. Photographs.
- j. Copies of speeches and publications.

D. Medical Records. For the purpose of the OPF, medical records on employee are defined as those related to occupational illnesses, accidents, injuries, exposures, and other medical or health maintenance matters.

1. Medical information must not be kept in the OPF. A separate medical record must be set up for any medical information pertaining to an employee.
2. A label shall be affixed to each folder showing the employee's name and employee number.

E. Safeguarding Personnel Records.

1. Only the employee's name, position, title, grade or pay band, salary, and duty station can be released to the public, except when:
  - a. Law, Executive Order, or regulation in the interest of national security prohibits releasing the information.
  - b. The responsible official believes the recipient will use such information for purposes that violate the regulatory prohibition against NAF employees' political activity.
2. In addition to information listed in Paragraph E.1., a prospective employer may be given the following information about a former employee:
  - a. The employee's type of appointment: regular, temporary, term, conditional, permanent, or intermittent.
  - b. Whether the employee has completed his or her probationary period.
  - c. Length of Coast Guard NAF service.
  - d. The date and reason for separation.
3. CSC HR may give police or court officials the information listed in Paragraphs E.1. and E.2. above, and an employee's home address, under some circumstances. Such officials must furnish an appropriate request stating an indictment has been returned or a

complaint, information, accusation, or other writ involving nonsupport or a criminal offense has been filed against the employee and the address is needed to serve a summons, warrant, subpoena, or other legal process.

4. A current or former employee will be permitted access to the information in his or her OPF only in the presence of an official responsible for the OPF's physical custody.
  5. CSC HR staff will retain control of OPFs in a locked cabinet at all times.
  6. Before releasing an OPF to the National Records Center or another appointing office, CSC HR shall review the OPF to ensure:
    - a. That all outstanding permanent records are arranged in chronological order and securely fastened on the right side.
    - b. That all temporary records on the OPF's left side are removed and destroyed, except in a transfer of function. If sending an OPF to another Coast Guard employing office, temporary records may remain in the folder.
    - c. That all unauthorized and exact duplicates of records in the OPF are removed.
  7. When an employee transfers to an APF position or to another Federal agency, the CSC HR will send the employee's OPF promptly on receiving a Request for Official Personnel Record, SF-127.
- F. Retention of Personnel Records. The National Archives and Records Administration (NARA) regulations in Title 36, Code of Federal Regulations, include procedures for determining how long agencies must keep records and when they may dispose of records. NARA issues General Records Schedules (GRS) to cover records common to a number of agencies and provides authority to dispose of such records. GRS 1 covers civilian personnel records, GRS 2 Payrolling and Pay Processing Records, and GRS 20, Electronic Records. GRS are available on line at <http://www.archives.gov/records-mgmt/grs/>). All other records, not covered by a GRS, are authorized for disposal by Information and Life Cycle Management Manual, COMDTINST M5212.12 (series).
- G. Records Disposal. The CSC HR shall maintain personnel records up to 30 days after separation, termination, or retirement, and then send to: National Personnel Records Center, GSA (Civilian Personnel Records, Nonappropriated Fund Section).



## 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:

- (1) Result in damage or loss of property or funds.
  - (2) Be detrimental to the unit's interest.
  - (3) Injure the employee, his or her fellow workers, or the general public.
- c. The supervisor will notify the employee on an SF-50 and advise him or her that adverse action procedures covered in Chapter 9 of this Manual do not apply and the separation cannot be appealed through the administrative grievance procedures contained in Chapter 10 of this Manual.
  - d. All separation notices must be issued before the end of the employee's tour of duty on the last day of the probationary period. If the one-year date falls outside the employee's tour of duty (such as a weekend), the effective date is the last workday preceding the one-year expiration date.
6. When an appropriate medical authority determines an employee has become physically or mentally incapable of performing his or her assigned duties, the employer should make every effort to reasonably accommodate the individual and explore possible solutions to the employee's problem. Possible courses of action include reassigning at the same or lower level, sick leave, leave without pay, or disability, if eligible. If none of these actions are appropriate, the employee will be separated as disqualified, using Chapter 9 adverse action procedures in separating permanent employees. If the employee claims a "disabling condition," supervisors must contact CSC HR for further guidance.
  7. Employees may be separated as disqualified if they:
    - a. Are barred by the commanding officer from the assigned unit.
    - b. Lose possession/entitlement for 30 calendar days or more to licenses or certificates necessary to perform their job due to administrative or legal actions.
    - c. Refuses or repeatedly fail to submit to required physical examinations.
    - d. Become ineligible for continued employment due to marriage to another employee, which creates an employee/supervisory relationship. Before effecting separation, make every effort to reassign the employee.
    - e. Become ineligible for continued employment by operation of laws, treaties, or international agreement.
  8. Separation of regular employees for cause will be effected in accordance with procedures in Chapter 9 of this Manual.
  9. Off-duty military employees must be separated from employment upon written request of the military member's commanding officer.

10. An employee may be separated when they fail/cannot return to duty after expiration of an authorized period of LWOP. The effective date will be the day after the expiration of the authorized LWOP. Advance notice is not required.

F. Processing Procedures.

1. All separation actions will be documented on a SF-52 and forwarded to the CSC HR staff for processing. CSC HR shall ensure that the SF-50 is properly delivered to the affected command, the affected employee, and processed and filed in the CSC personnel records.
2. Supervisors will also complete the supervisor's section of the NAF Employee Separation Checklist (Exhibit 19-1) and forward to CSC HR. CSC HR will complete the remainder of the checklist and file in the employee's OPF.

**Exhibit 19-1  
US Coast Guard NAF Employee Separation Checklist  
To be completed by the Supervisor and CSC HR**

Employee Name:	Position:
Last day of work:	Location:
Forwarding address:	Supervisor:

Type of Separation:

<p><u>Involuntary:</u></p> <p><input type="checkbox"/> Disciplinary*</p> <p><input type="checkbox"/> RIF</p> <p><input type="checkbox"/> Death</p>	<p><u>Voluntary:</u></p> <p><input type="checkbox"/> Resignation</p> <p><input type="checkbox"/> Retirement**</p> <p><input type="checkbox"/> Other _____</p>
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\*Contact CSC HR before a disciplinary separation      \*\*Contact CSC HR **90** days before retirement effective date

**Supervisor Responsibilities:**

	N/A	Initials	Date
1. Request letter of resignation (if voluntary)	<input type="checkbox"/>	<input type="text"/>	<input type="text"/>
2. Forward SF-52 with resignation or term letter to CSC HR	<input type="checkbox"/>	<input type="text"/>	<input type="text"/>
3. Retirement: complete bio and submit with award request	<input type="checkbox"/>	<input type="text"/>	<input type="text"/>
4. Collect all US Coast Guard property:			
▪ Keys	<input type="checkbox"/>	<input type="text"/>	<input type="text"/>
▪ Uniforms	<input type="checkbox"/>	<input type="text"/>	<input type="text"/>
▪ Access card	<input type="checkbox"/>	<input type="text"/>	<input type="text"/>
▪ Travel card	<input type="checkbox"/>	<input type="text"/>	<input type="text"/>
▪ Cell phone & other communication devices	<input type="checkbox"/>	<input type="text"/>	<input type="text"/>
5. Complete final timecard	<input type="checkbox"/>	<input type="text"/>	<input type="text"/>
6. Remove signature authority from bank, ATM, etc.	<input type="checkbox"/>	<input type="text"/>	<input type="text"/>
7. Balance cash counts required of ATM and Safe	<input type="checkbox"/>	<input type="text"/>	<input type="text"/>
8. Change locks, alarm codes, etc.	<input type="checkbox"/>	<input type="text"/>	<input type="text"/>
9. Sign-off property list	<input type="checkbox"/>	<input type="text"/>	<input type="text"/>
10. Clear outstanding balances on lay-away, mutual asst.	<input type="checkbox"/>	<input type="text"/>	<input type="text"/>
11. Notify IT to remove access to computer systems	<input type="checkbox"/>	<input type="text"/>	<input type="text"/>
12. Conduct exit interview	<input type="checkbox"/>	<input type="text"/>	<input type="text"/>
13. Coordinate presentation of retirement/other awards	<input type="checkbox"/>	<input type="text"/>	<input type="text"/>
14. Obtain forwarding address	<input type="checkbox"/>	<input type="text"/>	<input type="text"/>
15. Provide contact information to CSC HR regarding benefits	<input type="checkbox"/>	<input type="text"/>	<input type="text"/>
16. Forward Separation Checklist to CSC PA	<input type="checkbox"/>	<input type="text"/>	<input type="text"/>

Completed by (Supervisor) \_\_\_\_\_ Date \_\_\_\_\_

**CSC HR Responsibilities:**

17. Prepare SF-50 for payroll	<input type="checkbox"/>	<input type="text"/>	<input type="text"/>
18. Coordinate retirement award device(s)	<input type="checkbox"/>	<input type="text"/>	<input type="text"/>
19. Provide information on 401(k) & retirement	<input type="checkbox"/>	<input type="text"/>	<input type="text"/>
20. Provide information on COBRA and conversion of benefits	<input type="checkbox"/>	<input type="text"/>	<input type="text"/>
21. Provide information on annual leave payout	<input type="checkbox"/>	<input type="text"/>	<input type="text"/>
22. Notify insurance carriers of separation	<input type="checkbox"/>	<input type="text"/>	<input type="text"/>
23. Prepare SF-8 for unemployment	<input type="checkbox"/>	<input type="text"/>	<input type="text"/>
24. File Separation Checklist in OPF	<input type="checkbox"/>	<input type="text"/>	<input type="text"/>

Completed by (HR) \_\_\_\_\_ Date \_\_\_\_\_



## CHAPTER 20. NAF PORTABILITY

A. Purpose. This chapter outlines the portability of benefits and retirement for employees moving to a NAF position from an APF position. Many provisions apply differently depending on whether the move is voluntary or involuntary.

B. Background.

1. The Portability of Benefits for NAF Employees Act, Public Law 101-508, was enacted in 1990 to provide portability of pay and benefits for employees moving between NAF and APF positions. Under the Portability Act, employees who move with a break in service of no more than three days between NAF and APF positions may be eligible for pay, leave, reduction-in-force, and retirement benefit protection.
2. Section 1043 of Public Law 104-106, enacted in 1996, and expanded the authorities provided by the “Portability Act,” primarily in the area of retirement coverage elections. Section 1131 of the National Defense Authorization Act for Fiscal Year 2002, Public Law 107-107, further expanded the retirement election opportunity to make it easier for employees to continue retirement coverage after moving between NAF and APF positions.

C. Appointments.

1. Voluntary Move. Regardless of the move’s direction (NAF to APF, or APF to NAF) the gaining employment system’s appointment procedures apply.
2. Involuntary Move. A Coast Guard APF employee whose position is abolished and reestablished as a NAF position has RIF rights stipulated in 5 CFR 351. NAF supervisors shall appoint “without competition” to the NAF position an employee who moves with the job to NAF status.

D. Pay Provisions for Moves to NAF Positions from Coast Guard APF Positions. This paragraph governs the setting of pay for an employee who moves from a Coast Guard GS position to a Coast Guard NAF position without a break in service of more than three days.

1. Setting Basic Pay on Moving From a Coast Guard APF Position to a NAF Pay Band Position (NF).

a. Voluntary Move. Pay rates must be set at the appropriate pay band and salary code for the position and pay rate for the employee considering market pay rates and the employee’s experience.

b. Involuntary Move.

- (1) Pay rates must be set at an appropriate NAF pay band level rate which equals the employee’s basic pay rate immediately before the move when the move is to an

equivalent position. Basic pay must not be set higher than the maximum of the pay band.

- (2) The pay band system pay setting instructions must be followed when administering pay retention for employees moving from an APF position to a NAF pay band position that is not equivalent.

2. Setting Basic Pay on Moving from a Coast Guard APF Position to a NAF Crafts and Trades (NA, NL, or NS) Position.

- a. Voluntary Move. Pay rates must be set to the grade's minimum step rate for the position.
- b. Involuntary Move.

- (1) Subject to applicable 5 CFR 532 promotion regulations, for moves to equivalent positions, pay rates must be set at:

- (a) The employee's existing scheduled pay rate.
- (b) Any rate that meets the employee's previous pay rate. If the employee's previous rate falls between two rates in the new grade, pay the higher rate computed in accordance with 5 CFR 532.

- (2) Grade and pay retention benefits apply if the involuntary move reduces grade or pay.

- (3) The craft and trade system pay setting instructions must be followed when administering pay retention for employees moving from an APF position to a NAF pay band position that is not equivalent.

E. Retirement. Employees moving between DoD and Coast Guard NAF and APF positions after 28 December 2001, with a break in service of not more than one year may continue coverage in the retirement plan that covered them immediately before the move, even if they are not vested in that retirement plan.

1. Employee Retirement Plan Election. Employees moving between a Civil Service Retirement System (CSRS) or Federal Service Retirement System (FERS) retirement-covered APF position and a retirement-covered NAF position in DoD or Coast Guard without a break in service of more than one year may elect to continue coverage in that retirement system following the move. Alternatively, the employee may enter the gaining employers retirement system with no service credit transfer (5 USC 8349 (q) and 8461 (n) title 5 CFR Part 847 and Part 1620, Subpart D).

2. Portability elections are time-limited, one-time, irrevocable choices. An employee has 30 days after the move to choose between retirement systems. That choice is permanent and may not be revoked.
3. Employees who had a prior opportunity to elect to continue retirement coverage based on a previous qualifying move are not eligible for another opportunity to make the same election.
4. Employees electing to retain coverage in a CSRS or FERS retirement plan must do so using the Election to Retain CSRS, CSRS Offset, or FERS Retirement Coverage As a Result Of A Move From A Civil Service Position To A Nonappropriated Fund (NAF) Position, OPM Form RI 38-144. In accordance with OPM requirements, CSC HR will follow these procedures in completing and filing employee election forms:
  - a. CSC HR will notify the employee of their election options and complete Part 1 of the form.
  - b. CSC HR will copy the form and give the employee both copies of the form. The employee should immediately read and sign Part 2 of one copy acknowledging receipt of the form. CSC HR collects and retains the signed copy with both Parts 1 and 2 completed. The employee keeps the other copy with only Part 1 completed.
  - c. CSC HR files the signed copy on the OPF's left side or in some other temporary file until the employee chooses a retirement system or the election deadline expires.
  - d. When the employee signs the box in Part 3 of the form and returns it to the CSC HR to make an election, the CSC HR marks the date received on the form and copies it with Parts 1 and 3 completed. The CSC HR gives the employee the copy of the signed form, files the form with the Part 3 original signature on the OPF's right side, and destroys the form copy with Part 2 completed. A copy of the form will be forwarded to the losing Coast Guard command staff advisor for coordination of retirement benefits.
  - e. If the time limit expires before the employee returns the election form with Part 3 completed, the CSC HR takes the form with Part 2 completed, notes the employee did not file a form with Part 3 completed, and files the form on the OPF's right side.
  - f. In accordance with 5 CFR 847.209, NAF employers will make salary deductions and employer contributions for NAF employees who elect to continue CSRS or FERS retirement coverage. Thrift Savings Plan TSP salary deductions and contributions will also be remitted, where applicable, in accordance with 5 CFR Part 1620.
5. Election Deadline. The deadline for making an election is 30 days after the effective date of the move from one system to another. If the employee does not return the standard election form to the CSC HR (for personnel coming into a NAFI) by the deadline, he or she has in effect elected to enter the gaining employment system's retirement plan.

6. Waiving the Election Deadline. CSC is authorized to grant exceptions to the deadline for employees who exercise due diligence but are prevented by circumstances beyond their control from making a timely election. CSC will determine whether the circumstances were beyond the employee's control and decide whether to grant the waiver request. There is no appeal to the DHS level. The agency decision to waive or observe the deadline is final and not appealable to OPM. The procedures for waiving the time limit do not allow reviews under any employee grievance procedures, including those established by 5 USC 71 and 5 CFR 771.
7. Effective Election Date. The election is retroactive to the date of the move from one system to another.
8. Employee Contribution to Plan if Electing to Retain the Losing Employment System's Plan. The employee's contribution to the defined benefit plan will be determined in the same manner as for the other plan employees. The gaining employer remits the employee's contribution to the plan, including FERS Thrift Savings Plan contributions, where applicable.
9. NAF Employer's Contribution to FERS Defined Benefit. The contribution is the "normal cost percentage" of basic pay OPM determines under 5 USC 8423. Also, NAF makes employees' Social Security payments in FERS.
  - a. NAF Employer's Contribution to FERS Thrift Savings Plan. The contribution is at least one percent of basic pay regardless of whether the employee contributes. If the employee does contribute, NAF matches the contribution dollar for dollar for the first three percent of pay contributed and 50 cents on the dollar for the next two percent of pay contributed. While a CSRS participant may contribute up to five percent of basic pay to the FERS Thrift Savings Plan, the employer is not permitted to match the contribution.
  - b. The NAF Employer Contribution to CSRS.
    - (1) Nonappropriated fund activities, through the CSC HR staff, will calculate its contribution for NAF employees in CSRS exactly the same way as the agency contribution for APF employees in CSRS. Social Security payments are not made for CSRS employees, but matching funds are required for Medicare contributions for CSRS employees.
    - (2) Civil Service Retirement System offset employees are covered by Social Security due to separation from CSRS Federal employment for more than a year and returned to a position in which they were covered by CSRS after 1983. The employees' old age, survivors, and disability insurance [OASDI (Social Security)] withholdings are offset from their CSRS contribution, so the combined Social Security and CSRS contributions are the same as for employees who have CSRS coverage only.

- F. Annual and Sick Leave (Voluntary or Involuntary). Employees who move to NAF from APF positions without a break in service of more than three days receive service credit for annual leave purposes. Annual and sick leave balances transfer. Employees may not receive lump sum payment for accumulated/accrued annual leave (5USC 5551 (a); 5 USC 6308 (b), and 6312).
- G. Health and Life Insurance, APF to NAF Move.
- a. Employee Coverage (Voluntary or Involuntary). Health and life insurance are not portable, regardless of the employee's retirement system.
- (1) Former APF employees covered by Federal employees health benefit plan (FEHBP) are immediately eligible for medical, life, and accidental death and dismemberment coverage. They receive credit for previous service as an APF employee to satisfy the one-year eligibility waiting period required under the existing short- and long-term disability policies.
  - (2) The effective insurance date is the date the employee enrolls in the plan, provided he or she enrolls during the initial enrollment period. Coverage for employees previously enrolled in FEHB programs is continuous. The insurer will treat former APF employees not previously enrolled in FEHB as new enrollments.
  - (3) The NAF medical plan preexisting condition rule does not apply to employees previously continually covered under FEHB.
- b. Retiree Coverage.
- (1) Voluntary Move. NAF group insurance plan enrollees must have participated in the plan for 15 years for their group life and comprehensive medical coverage to continue after retirement until age 65. The employee can continue coverage only for that coverage in which he or she participated.
  - (2) Involuntary Move. NAF group insurance plan enrollees must have participated in the plan for 15 years for their group life and comprehensive medical coverage to continue after retirement until age 65. If an employee moves to Coast Guard NAF from a Coast Guard APF position with a break in service of less than one year, participation in both the FEHBP and the NAF plan may be credited to meet the participation requirements. Coverage continues only for that coverage in which the employee participated.
- H. RIF (Voluntary and Involuntary Moves) APF to NAF Move. In establishing retention records, CSC HR will credit NAF employment under normal NAF rules and credit APF employment as well. APF employees converted to NAF positions are entitled to credit for their APF performance ratings.

- I. Probation Status (Voluntary and Involuntary Moves) APF to NAF Move. In this paragraph, “same agency” means the Coast Guard, not the Department of Homeland Security. “The same line of work” means the duties performed are similar in nature and character and require substantially the same or similar qualifications.
  1. All APF employment immediately preceding the move in the same agency and same line of work as the position where moving will be credited when determining the employees probation status.

## APPENDIX A

## LISTING OF FORMS

Form #	Form Title	To Obtain Form
CG 3430.8R	U.S. Coast Guard Performance Plan and Evaluation (NF, NA, NL and NS employees except CGX NF exempt employees)	<a href="http://www.uscg.mil/forms/cg/CG_3430_8R.pdf">www.uscg.mil/forms/cg/CG_3430_8R.pdf</a>
CG 1227	U.S. Coast Guard Intermittent (WAE) Employee Performance Evaluation	<a href="http://www.uscg.mil/forms/cg/CG_1227.pdf">www.uscg.mil/forms/cg/CG_1227.pdf</a>
CG-1227A	U.S. Coast Guard Nonappropriated Employee Discussion Documentation Sheet	<a href="http://www.uscg.mil/forms/cg/CG_3430_8R.pdf">www.uscg.mil/forms/cg/CG_3430_8R.pdf</a>
CG 1650	Coast Guard Award Recommendation	<a href="http://www.uscg.mil/forms/cg/CG_1227A.pdf">www.uscg.mil/forms/cg/CG_1227A.pdf</a>
LS 200	Report of Earnings	<a href="http://www.dol.gov/owcp/dlhwc/lforms.htm">www.dol.gov/owcp/dlhwc/lforms.htm</a>
LS 242	Notice to Employees (Compensation Notice)	<a href="http://www.dol.gov/owcp/dlhwc/lforms.htm">www.dol.gov/owcp/dlhwc/lforms.htm</a>
OF 8	Position Description	<a href="http://www.opm.gov/forms/html/of.asp">www.opm.gov/forms/html/of.asp</a>
OF 178	Certificate of Medical Examination	<a href="http://www.opm.gov/forms/pdf_fill/OF178.pdf">www.opm.gov/forms/pdf_fill/OF178.pdf</a>
OPM 71	Request for Leave or Approved Absence	<a href="http://www.opm.gov/forms/html/opm.asp">www.opm.gov/forms/html/opm.asp</a>
OPM 630	Application to Become a Leave Recipient	<a href="http://www.opm.gov/forms/html/opm.asp">www.opm.gov/forms/html/opm.asp</a>
OPM 630A	Request to Donate Annual Leave to Leave Recipient	<a href="http://www.opm.gov/forms/html/opm.asp">www.opm.gov/forms/html/opm.asp</a>
SF 8	Notice to Federal Employee About Unemployment Insurance	<a href="http://www.gsa.gov/portal/forms/type/SF">www.gsa.gov/portal/forms/type/SF</a>
SF 50	Notification of Personnel Action	<a href="http://www.opm.gov/forms/html/sf.asp">www.opm.gov/forms/html/sf.asp</a>
SF52	Request for Personnel Action	<a href="http://www.opm.gov/forms/html/sf.asp">www.opm.gov/forms/html/sf.asp</a>
SF 61	Appointment Affidavit	<a href="http://www.opm.gov/forms/html/sf.asp">www.opm.gov/forms/html/sf.asp</a>
SF 127	Request for Official Personnel Folder	CSC HR
SF 182	Authorization, Agreement and Certification of Training	<a href="http://www.opm.gov/forms/html/sf.asp">www.opm.gov/forms/html/sf.asp</a>
WH-380-E	Certification of Health Care Provider for Employee's Serious Health Condition (Family and Medical Leave Act)	<a href="http://www.dol.gov/whd/forms/index.htm">www.dol.gov/whd/forms/index.htm</a>
WH-380-F	Certification of Health Care Provider for Family Member's Serious Health Condition (Family and Medical Leave Act)	<a href="http://www.dol.gov/whd/forms/index.htm">www.dol.gov/whd/forms/index.htm</a>
WH-381	Notice of Eligibility and Rights & Responsibilities (Family and Medical Leave Act)	<a href="http://www.dol.gov/whd/forms/index.htm">www.dol.gov/whd/forms/index.htm</a>