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

San Francisco Oversight Division
120 Howard Street, Room 760
San Francisco, CA 94105-0001

Classification Appeal Decision
Under section 5112 of title 5, United States Code

Appellant:	[Name of appellant]
Agency classification:	Review Appraiser GS-1171-12
Organization:	[Appellant's organization] Farm Service Agency U.S. Department of Agriculture
OPM decision:	Review Appraiser GS-1171-12
OPM decision number:	C-1171-12-03

Carlos A. Torrico
Classification Appeals Officer

January 18, 2002
Date

As provided in section 511.612 of title 5, Code of Federal Regulations, this decision constitutes a certificate that is mandatory and binding on all administrative, certifying, payroll, disbursing, and accounting officials of the government. The agency is responsible for reviewing its classification decisions for identical, similar, or related positions to ensure consistency with this decision. There is no right of further appeal. This decision is subject to discretionary review only under conditions and time limits specified in the *Introduction to the Position Classification Standards*, appendix 4, section G (address provided in appendix 4, section H).

Decision sent to:

Appellant:

[The appellant's address]

Agency:

[Appellant's servicing personnel office]
Farm Service Agency
U.S. Department of Agriculture

Chief, Personnel Division
Farm Service Agency
Kansas City Management Office
U.S. Department of Agriculture
6501 Beacon Drive
Kansas City, MO 64133

Director, Human Resources Division
Farm Service Agency
U.S. Department of Agriculture
1400 Independence Avenue SW, Stop 0590
Washington, DC 20250

Director
Office of Human Resources Management
U.S. Department of Agriculture
J.L. Whitten Building, Room 316W
1400 Independence Avenue SW
Washington, DC 20250

Introduction

On July 19, 2001, the San Francisco Oversight Division of the U.S. Office of Personnel Management (OPM) accepted a classification appeal from [the appellant]. On August 20, 2001, the Division received the agency's administrative report concerning [the appellant's] appeal. His position is currently classified as Review Appraiser, GS-1171-12. However, he believes the classification should be Review Appraiser, GS-1171-13. He works in the [appellant's organization/work location] Farm Service Agency, U.S. Department of Agriculture. We have accepted and decided his appeal under 5 U.S. Code 5112.

General issues

The appellant believes that the classification standard for the Appraising Series, GS-1171, is outdated. However, adequacy of grade-level criteria in OPM standards is not appealable (section 511.607 of title 5, Code of Federal Regulations). The appellant compares his position to other higher graded appraiser positions in his agency, and makes various statements about his agency and its evaluation of his position. In adjudicating this appeal, our only concern is to make our own independent decision on the proper classification of his position. By law, we must classify positions solely by comparing their current duties and responsibilities to OPM standards and guidelines (5 U.S.C. 5106, 5107, and 5112). Since comparison to standards is the exclusive method for classifying positions, we cannot compare the appellant's position to others as a basis for deciding his appeal, and have considered the appellant's statements only insofar as they are relevant to making that comparison.

This appeal decision is based on a careful review of all information furnished by the appellant and the agency. In addition, to help decide the appeal an Oversight Division representative conducted separate telephone interviews with the appellant and his immediate supervisor. Both the appellant and his supervisor have certified to the accuracy of the appellant's official position description (PD) [number].

Position information

The purpose of the appellant's position is to review appraisals in real estate and chattel properties in the states of [names of three states]. Approximately 85% of his time is spent reviewing appraisals issued by fee appraisers and the remaining 15% is spent appraising property and working on special projects and other collateral duties. The appellant gathers, verifies, and analyzes many different types of information that effect property values, studying the characteristics of the property and researching the history and nature of hazardous material or endangered species that may be present on the property. Appraisals are reviewed to ensure that property values are estimated accurately, logically, objectively and with adequate support, as well as to make certain that they are in compliance with recognized appraisal practices and precedents, agency policies, Federal and State government regulations and contract specifications.

The appellant stated that the loss of a Review Appraiser in the State of [name of state] has increased his workload (geographic coverage area). He stated that not only does he have to cover the State of [names of states] as well. He is the only licensed appraiser for all three states and has review authority for 50+ offices. However, volume of work cannot be considered in determining the grade of a position (The Classifier's Handbook, Chapter 5). Therefore, we have not evaluated his workload in this decision.

The results of our interviews, the appellant's PD, and other material of record provide more information about his duties and responsibilities and how they are performed.

Series, title, and standard determination

The agency has classified the appellant's position in the Appraising Series, GS-1171, titling it as Review Appraiser, and the appellant does not disagree. We concur with the agency's determination. As stated in the standard for the Appraising Series, GS-1171, originally dated November 1992, and reissued in HRCD-7, July 1999, work in that series covers positions (like the appellant's) that involve supervising or performing duties in appraising and reviewing the appraisals of real or personal property or property interests. Review Appraiser is the authorized title for all nonsupervisory positions in the GS-1171 series primarily responsible for reviewing staff and fee appraisal reports. The GS-1171 standard contains appropriate grading criteria that we have applied below to the appellant's position.

Grade determination

The GS-1171 standard uses the Factor Evaluation System (FES) which employs nine factors. Under the FES, each factor level description in a standard describes the minimum characteristics needed to receive credit for the described level. Therefore, if a position fails to meet the criteria in a factor level description in any significant aspect, it must be credited at a lower level. Conversely, the position may exceed those criteria in some aspects and still not be credited at a higher level. Our evaluation with respect to the nine FES factors follows:

Factor 1, Knowledge required by the position, Level 1-7, 1250 points

Factor 1 measures the nature and extent of information or facts that an employee must understand to do acceptable work (e.g., steps, procedures, practices, rules, policies, theories, principles and concepts) and the nature and extent of the skills needed to apply that knowledge. To be used as a basis for selecting a level under this factor, knowledge must be required and applied. The agency credited Level 1-7, but the appellant believes that Level 1-8 should be credited.

At Level 1-7 the employees use knowledge of a wide range of appraisal concepts, principles, and practices to appraise and/or review the appraisals of properties with complex characteristics and to analyze complicated valuation problems. This may include resolving value problems for properties with limited comparable sales, multiple or questionable ownerships, numerous encumbrances (e.g., easements and rights of way that conflict with the proposed uses), various possible highest and best uses that may be entirely different than the current use, unusual

physical constraints, sensitive environmental concerns, partial takings whose use will have a negative impact on the remainder of the property, and other equivalent characteristics. This knowledge is used to devise strategies and plans for resolving property value problems; modify, adapt, or depart from established appraisal techniques and procedures; and/or assess, select, and make use of appraisal precedents.

Employees use data gathering skill and ingenuity to locate information that is not readily available. They use appraising knowledge and skill to analyze and interpret the effects of unstable social, economic, political trends on property uses and values, e.g., changing market conditions, zoning problems, and conflicting public and private interests. They also use knowledge of advanced financing techniques and complicated tax, real estate, and environmental laws and regulations to determine their effect on property values.

At Level 1-8, employees apply a mastery of appraisal concepts, principles, and methodologies. They function as technical authorities requiring the application of new theories and standards to appraisal problems or assignments -

- not susceptible to treatment by accepted and established appraisal procedures;

- for which no accepted or established appraisal procedures exist; or

- where conflicts exist between policy and program objectives.

For example, employees use their knowledge and technical expertise to:

- appraise and/or review the appraisals of a broad range of properties with extremely complex characteristics similar to those of a military base or a large forest with a variety of diverse, and often conflicting, recreational, mining, timber, commercial, industrial, or residential uses;

- appraise and/or review the appraisals of properties that may involve controversial condemnations or whose values have significant impact on the economy of a community or budget of an agency; and typically involve intense public, or congressional scrutiny;

- review and analyze very complex appraisal reports for the impact of recommendations and estimated values on agency policies, goals, and objectives; or

- evaluate the impact of new or modified appraisal, real estate, tax, and environmental legislation on current and projected appraisal standards and programs and prepare important policy changes based on impact.

Level 1-7 is met. The appellant is a licensed state appraiser in the states of [names of three states]. According to his supervisor the appellant spends approximately 85% of his time reviewing appraisals issued by fee appraisers and the remaining 15% is spent appraising property, and working on special projects and other collateral duties, i.e., Natural Disaster Federal Loan and Emergency Loan Designation. The appellant must be knowledgeable of all

applicable state, environmental, Federal and other such laws. He must pass the Uniformed Standard of Professional Appraisal Practices (USPAP) course and test on a routine basis (every 2 years in [state] and every 5 years in [states]). Like Level 1-7, he uses knowledge of a wide range of appraisal concepts, principles, and practices to appraise and/or review the appraisals of properties with complex characteristics and to analyze complicated valuation problems. These include placing valuations on complex properties such as large dairy and livestock facilities, and mint, potato and fish farms. Some of these properties have complicating characteristics such as multiple ownership and easements, and involve various uses including commercial and recreational activities and their impact on environmental issues. Similar to Level 1-7, the appellant uses this knowledge to resolve property value problems and modifies or adapts established appraisal techniques to appraise or review appraisals of complex properties. His work is similar to the first and second work illustrations under Level 1-7 dealing with the appraisal of a broad range of properties, and the review of appraisals prepared by other staff members covering various property types with complex or unique characteristics.

Level 1-8 is not met. The appellant's work does not normally require the application of new appraisal theories and standards to resolve problems. In reviewing both the appraisals he reviews and those personally performed, we found no indication that they are not susceptible to treatment by accepted appraisal procedures, or that established appraisal procedures are totally lacking. In most instances he is bound by precedents, the USPAP standards, and accepted practices, although at times he may need to modify them. Nevertheless, the appraisals must be supported by information concerning property income, sales and cost.

This factor is evaluated at Level 1-7 and 1250 points are credited.

Factor 2, Supervisory Controls, Level 2-4, 450 points

This factor covers the nature and extent of direct or indirect controls exercised by the supervisor, the employee's responsibility, and the extent to which completed work is reviewed. The agency credited Level 2-4. The appellant believes that Level 2-5 should be credited.

At Level 2-4, the supervisor sets overall objectives and identifies the resources available. Employees and supervisors, in consultation, develop the deadlines, projects, and work to be done, such as ways to appraise or review the appraisals of properties with complicated or unusual characteristics. Employees plan and carry out the assignment, resolve conflicts that arise, coordinate the work with others, and interpret policy on their own initiative in terms of established objectives. The employee keeps the supervisor informed of progress and potentially controversial matters. Supervisors oversee the work of review appraisers to ensure they use review plans and procedures effectively to fulfill review objectives and requirements and accomplish appraisal program goals.

At Level 2-5, the supervisors provide administrative direction with assignments in terms of broadly defined missions or functions. The employees plan, design, and carry out appraisal review programs, projects, and studies. They may also independently prepare extremely complex or highly controversial appraisals.

Supervisors consider the work technically authoritative and normally accept results without change. They evaluate recommendations for new projects and alterations of objectives for such considerations as availability of funds and other resources, broad program goals, or national priorities. Review appraisers or supervisors review extremely complex or highly controversial appraisals for their impact on policies, conflicts with legal premises, and whether the process used or conclusions made set precedents.

Level 2-4 is met. The appellant receives most appraisal requests directly from Farm Loan Officers and Managers. The USPAP is the standard the appellant must follow ensuring that the income, market, and cost approach are supported. As indicated at this level, the appellant plans and carries out the assignment, resolves conflicts that arise, coordinates the work with others, and interprets policy on his own initiative in terms of established objectives. Although he works independently and has flexibility on how to handle appraisals, like Level 2-4 the supervisor sets the overall objectives and resources available for the appraisal work and the appellant works within them. Work is reviewed by the branch chief to ensure that review plans and procedures meet review appraisal program objectives.

Level 2-5 is not met. The appellant is not responsible for programs, projects, and studies. Although he independently prepares appraisals, we found no indication that he prepares extremely complex or highly controversial appraisals, i.e., appraisals with Level 1-8 characteristics. Unlike Level 2-5, his work is reviewed more closely than just for the availability of resources, attainment of broad program goals, or national priorities.

This factor is evaluated at Level 2-4 and 450 points are credited.

Factor 3, Guidelines, Level 3-4, 450 points

This factor covers the nature of guidelines and the judgment needed to apply them. The occupational information in the standard explains that the appraisal process follows the requirements and standards accepted and distributed by professional appraisal organizations and the Federal government. This includes the appraisal guidelines issued by the Department of Justice for Federal land acquisitions. The agency evaluated this factor at Level 3-4, but the appellant believes it should be evaluated at Level 3-5.

At Level 3-4, guidelines are agency policies, precedents, and appraisal standards and laws that provide a general outline of the concepts, methods, and goals of appraisal programs. Guides are of limited use and inadequately cover complex, controversial, or unusual appraisals.

Employees use initiative and ingenuity to deviate from standard processes and review procedures. They conduct research to identify and develop new sources of unusual or hard-to-obtain data, devise innovative methods and techniques for estimating the value of properties with complex characteristics, and propose new or revised policies.

At Level 3-5, guidelines are broad, nonspecific policies and objectives that require extensive interpretation, judgment, and ingenuity. Employees interpret appraisal and other related Federal and State legislation (e.g., real estate and tax laws) or agency objectives and develop specific

procedures and plans to implement them. They evaluate existing appraisal and appraisal review programs and procedures for needed changes.

Employees are considered technical authorities in the development of appraisal guidelines, procedures, and programs. They use judgment and expertise to interpret policies, plans, and instructions for appraisal staffs and in preparing or reviewing extremely complex or highly controversial appraisals.

Level 3-4 is met. The appellant's guidelines consist of agency policies, precedents, and appraisal standards and laws that provide a general outline. In applying them he uses initiative and ingenuity, sometimes deviating from standard processes and review procedures. For each appraisal and/or review appraisal the USPAP standard is applied. The USPAP defines methods, techniques, reporting techniques and review standards. USPAP is a professional appraisal standard established through the National Appraisal Foundation which was established under the Financial Institutions Reform Recovery and Enforcement Action (FIRREA). It is a broad-based standard for professional appraisal practices. The appellant must determine within the scope of the standard the methodology and techniques to be used by him and other appraisers. Income approach, sales approach and cost approach need to be supported according to the USPAP. Guidelines are also issued by the national office. While the appellant is required to stay within USPAP standards, in dealing with complex or unique properties, guides are of limited use so he exercises initiative and ingenuity in deviating from standard appraisal processes to perform or review complex or unusual appraisals.

Level 3-5 is not met. The guidelines used are not so broad and nonspecific as to require extensive interpretation. His position is not responsible for interpreting appraisal and other related legislation or agency objectives to develop specific procedures and plans to implement them. He does not evaluate existing appraisal and appraisal review programs and procedures for needed changes, nor he is involved with extremely complex or highly controversial appraisals.

This factor is evaluated at Level 3-4 and 450 points are credited.

Factor 4, Complexity, Level 4-4, 225 points

This factor covers the nature, number, variety, and intricacy of tasks, steps, processes, or methods in the work performed; the difficulty in identifying what needs to be done; and the difficulty and originality involved in performing the work. The agency evaluated this factor at Level 4-5 and the appellant agrees. However we do not concur.

At Level 4-4, the employee performs complex appraisals (i.e., Level 1-7 appraisals). Properties are located in a variety of different market areas with changing or unstable economic or social conditions. Employees use originality in planning the scope and direction of appraisal assignments and in deciding how to extend and modify existing methods and techniques for application to complex property valuations or difficult review cases. For example, the employee may have to devise methods for locating obscure data or adjust limited or out-of-date sales comparison information. Employees may also negotiate with uncooperative sources, such as property owners to accept value estimates.

At Level 4-5, employees appraise properties involving a broad range of unusual, unique or controversial characteristics (i.e., Level 1-8 characteristics), where established appraisal methods do not apply or where intangible characteristics must be considered. They study valuation theories and concepts to identify and develop new or unique appraisal techniques or criteria for estimating value. Assignments require significant departures from established appraisal practices and procedures to plan, organize, and conduct valuation projects for properties with unusual combinations of diverse characteristics, requiring the use of highly modified appraisal techniques.

Level 4-4 is met. The appellant reviews and performs complex appraisals as discussed under Factor 1. The properties are located in a variety of different market areas in several states. A majority of the appellant's time is spent reviewing appraisals performed by fee appraisers but it is not uncommon for the appellant to perform appraisals as well. The appellant must be able to direct the states' ([names of three states]) appraisal programs according to policy intentions developed at the national office level. Decisions regarding what needs to be done may be complicated by the unusual or controversial nature of the problems and the numerous agency functions and technical issues involved. Like Level 4-4, the appellant uses originality in planning the scope and direction of appraisals, and sometimes develops new ways of locating obscure data, or to adjust outdated sales information. Appraisals and review appraisals involve substantial depth of data and value analysis. The appellant has the latitude to establish appraisal practices and procedures for unique and difficult appraisals. He also has the flexibility in deciding what to do by considering appraisal theories, concepts, and practices where data may be unavailable. As described at this level, the employee has the flexibility of using originality in planning the scope and direction of appraisal assignments and in deciding how to extend and modify existing methods and techniques for application to complex property valuations of difficult review cases.

Level 4-5 is not met. The appellant does not personally perform or review appraisals involving the broad range of complexities described under Level 4-5. His work does not involve the application of many different and unrelated processes, or significant departures from established appraisal practices. Our fact-finding disclosed that most of the appellant's cases involve reviewing appraisal packages prepared by fee appraisers. Although some of the appraisals reviewed have complex characteristics, we found no indication that the complexity of his work fully meets that described and illustrated at Level 4-5.

This factor is evaluated at Level 4-4 and 225 points are credited.

Factor 5, Scope and Effect, Level 5-4, 225 points

This factor covers the relationship between the nature of the work; i.e., the purpose, breadth, and depth of the assignment, and the effect of work products or services both within and outside the organization. The agency evaluated this factor at Level 5-4, but the appellant believes it should be evaluated at Level 5-5.

At Level 5-4, the work involves planning and completing complex valuation projects. Employees develop modified techniques to appraise and review the appraisals of properties with

diverse or unusual characteristics. They may investigate a wide variety of problems and questions to provide guidance on specific appraisal standards, methods, and techniques, and to recommend new or modified policies.

Recommendations and advice at Level 5-4 affect a range of agency activities, including the efficient completion of appraisal projects to meet program objectives. Modified techniques used in appraisal reports and property analysis set precedents for future valuation projects.

At Level 5-5, the purpose of the work is to resolve critical or unusual problems for a broad range of complex appraisal projects, determine the validity and soundness of appraisal policies and programs, and develop policy guidance to improve appraisal methods for solving unusual valuation problems.

The work significantly affects the use of new methods, standards, and precedents by appraisers within the agency, fee appraisers, and often appraisers in other agencies. The work also affects the economic well-being of entire communities or market areas.

Level 5-4 is met. The purpose of the appellant's position is to review and/or personally conduct appraisals, some of which are considered complex. When necessary he develops modified techniques to appraise or review the appraisals of properties with diverse or unusual characteristics. Completion of his projects affects the efficient completion of projects to meet the state's appraisal program, and may impact on the well-being of the agency and individual clients.

Level 5-5 is not met. His work does not involve resolving critical or unusual problems for a broad range of complex appraisal projects, evaluating appraisal policies and programs, and developing appraisal policy. His work does not affect the economic well-being of entire communities as described at Level 5-5.

This factor is evaluated at Level 5-4 and 225 points are credited.

Factors 6 and 7, Personal Contacts and Purpose of Contacts, Levels 6-3/7-c, 180 points

<u>Factor 6, Personal Contacts</u>

Factor 6 covers face-to-face contacts and telephone dialogue with persons not in the supervisory chain. The agency evaluated this factor at Level 3, the highest level described in the GS-1171 standard, and the appellant agrees.

The appellant's personal contacts include fee appraisers, agency employees, borrowers, attorneys, realtors and individuals on the licensing board. The appellant's contacts are comparable to Level 3 where, in addition to contacts within the agency, the employee's typical contacts also include those outside the agency.

Factor 7, Purpose of Contacts

The purpose of personal contacts, Factor 7, ranges from factual exchanges of information to situations involving significant and controversial issues and differing viewpoints, goals, or objectives. The agency evaluated Factor 7 at Level d and the appellant agrees. However, we do not agree.

At Level c, the purpose of contacts is to influence, motivate, or question persons or groups to provide data, accept recommended values, and/or comply with policies. At this level the persons contacted may be fearful of the intent of the questions or results of the recommendations, skeptical about trusting Government employees, unwilling to provide the information, or, at times, dangerous. Employees must have the skill to establish rapport with uncooperative contacts and to approach and persuade individuals or groups to obtain the desired effect.

At Level d, the purpose of contacts is to justify, defend, negotiate, or settle matters involving significant or controversial topics. Work at this level usually involves active participation in conferences, meetings, hearings, or presentations involving problems or issues of considerable consequence or importance. The persons contacted typically have diverse viewpoints, goals, or objectives, requiring employees to achieve a common understanding of the problem and a satisfactory solution by convincing them, arriving at a compromise, or developing suitable alternatives.

The appellant's position meets Level c. The appellant works with fee appraisers on problems in their reports to resolve critical or unusual problems for a broad range of appraisal projects, strengthening the validity and soundness of the appraisal. He must have the skill to establish rapport with uncooperative contacts and to persuade individuals to obtain the desired effect as described at Level c.

The appellant's position does not meet Level d. Unlike that level he is not involved in justifying, defending, or settling matters involving significant or controversial topics. He does not participate in hearings or conferences addressing issues of considerable consequence to the agency, and the diversity of viewpoints of those contacted does not meet the intent of Level d.

The appellant's contacts are evaluated at Level 6-3 and the purpose of those contacts is evaluated at Level 7-c. By application of the conversion chart covering the two factors in the standard, that combination yields a total of 180 points.

Factor 8, Physical Demands, Level 8-1, 5 points

This factor is evaluated at Level 8-1 since the appellant's work is sedentary requiring no special physical demands. Unlike Level 8-2 it does not regularly require some physical exertion such as long periods of standing, or walking over rough, uneven surfaces.

This factor is evaluated at Level 8-1 and 5 points are credited.

Factor 9, Work Environment, Level 9-1, 5 points

This factor is evaluated at Level 9-1 since the appellant performs his work mostly in an office or similar setting involving everyday risks or discomforts requiring normal safety precautions. The work area has adequate light, heat, and ventilation, and the appellant may have to travel occasionally. The position does not meet Level 9-2 where the work regularly involves moderate risks or discomforts associated with visiting construction sites or remote areas requiring special safety precautions.

This factor is evaluated at Level 9-1 and 5 points are credited.

Summary

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

Factor	Level	Points
1. Knowledge required by the position	1-7	1250
2. Supervisory controls	2-4	450
3. Guidelines	3-4	450
4. Complexity	4-4	225
5. Scope and effect	5-4	225
6/7 Personal contacts/Purpose of contacts	6-3/7-c	180
8. Physical demands	8-1	5
9. Work environment	9-1	5
Total		2790

The appellant's position totals 2790 points which falls in the GS-12 range (2755-3150). Therefore, in accordance with the grade conversion table in the GS-1171 standard, his position is graded at GS-12.

Decision

The appellant's position is properly classified as Review Appraiser, GS-1171-12.