

**U.S. Office of Personnel Management
Classification Appeal Decision
Under section 5112 of title 5, United States Code**

Appellant: [appellant]

Agency classification: Financial Manager
GS-505-14

Organization: [Organization]
[Organization]
[Organization]
[Organization]
Deputy Commandant for Mission
Support
U.S. Coast Guard
Department of Homeland Security
[Location]

OPM decision: Financial Manager
GS-505-14

OPM decision number: C-0505-14-02

//Judith A. Davis for

Robert D. Hendler
Classification and Pay Claims
Program Manager
Merit System Audit and Compliance

9/14/2011

Date

As provided in section 511.612 of title 5, Code of Federal Regulations (CFR), this decision constitutes a certificate which 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 (Introduction)*, appendix 4, Section G (address provided in appendix 4, section H).

Decision sent to:

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Introduction

On August 2, 2010, Atlanta Oversight of the U.S. Office of Personnel Management (OPM) accepted a classification appeal from [Appellant]. Due to workload considerations, Chicago Oversight assumed responsibility for adjudicating the appeal on February 24, 2011. The appellant occupies a position currently classified as Financial Manager, GS-505-14. The appellant believes it should be classified as Financial Manager, GS-505-15. The appellant's position is located in the [Organization] within the [Command], Deputy Commandant for Mission Support, U.S. Coast Guard (USCG), Department of Homeland Security (DHS), in [Location]. We received the agency's administrative report (AAR) on September 23, 2010, and the appellant's initial comments on October 6, 2010, and final comments on May 19, 2011. We have accepted and decided this appeal under section 5112 of title 5, United States Code (U.S.C.).

Background

During USCG's modernization effort in 2009, [Command] moved from Washington D.C. to a new duty station in [Location], but still reports directly to the USCG headquarters in Washington, D.C.

In March 2009, in response to a request from the commanding officer (CO) of [Command], the classification policy division in USCG's Office of Civilian Personnel issued an advisory opinion on the classification of the appellant's position. Although they found the classification unchanged as Financial Manager, GS-505-14, a new PD reflecting this change was issued on June 18, 2009.

The appellant filed a formal classification appeal with USGC headquarters on June 30, 2009. The agency issued its final decision on April 21, 2010, classifying the position as Financial Manager, GS-505-14. The appellant subsequently filed this appeal with OPM.

General issues

The appellant says his position is comparable to similar positions at the other military [organization]. He also says there are other GS-15s in the USCG with the same scope of impact across the agency and job complexities as his. By law, we must classify positions solely by comparing their current duties and responsibilities to OPM position classification standards (PCS) and guidelines (5 U.S.C. 5106, 5107, and 5112). Since comparison to standards is the exclusive method for classifying positions, we also cannot compare the appellant's position to others, which may or may not be classified properly, as a basis for deciding this appeal.

In his appeal request, the appellant says the 505 PCS does not give proper credit to operating a [support] operation such as the USCG [service]. However, the adequacy of grade-level criteria in OPM standards is not appealable (5 CFR 511.607).

Position information

The Personnel Service Center (PSC), under the direction of the [Organization], is responsible for monitoring the execution of all nonpay compensation benefit programs for all active duty, reserve, retired Coast Guard military personnel, and other eligible patrons and for ensuring effective management and operation of both [service] and MWR programs, and any other Nonappropriated Fund Instrumentality (NAFI) that may be approved. This includes promulgation of policy and procedures for the administration of the MWR program and the use of appropriated and nonappropriated funds.

The CO of the [Command] reports to the Assistant Commandant at PSC. [Command] manages the NAF Cash Management and Investment Program; the NAF Employee Benefit Program, to include the nonappropriated payroll and personnel systems; the Consolidated NAF Insurance Program; and the NAF Capital Improvement Program. [Command] is responsible for providing nonpay compensation benefits to USCG and other authorized service members and their families.

The primary purpose of the appellant's position is to serve as [Command] senior financial manager for nonappropriated funds (NAF). He provides managerial and technical support to the [Command's] executive and commanding officers, who are responsible for USCG-wide NAF operations and support, principally [service] and the Morale, Well-being, and Recreation (MWR) program. The [service] is a military activity that operates as a business enterprise. Income generated is used as working capital to maintain [service] and to provide the USCG with supplemental funding for the MWR fund. The appellant serves as the chief financial officer (CFO) of [service] and works closely with the chief operating officer (COO) who runs the day-to-day operations. The appellant reports directly to the executive officer of the [Command], who reports to the CO.

The appellant is responsible for developing and maintaining the USCG Nonappropriated Fund Instrumentalities (NAFI) Manual, which establishes policies and administrative procedures for [service], the MWR program, and other USCG NAIs. The Manual is also applicable to the NAF activities of USCG Child Development Centers (CDC). The Manual sets forth policy and procedures for administering the NAFI Program. For example, it details the responsibility of the USCG Trust Fund Board of Control and the chain of command in regards to the management of activities of other NAIs; requires all NAF employees be paid through the central NAF payroll system; deletes the responsibility of Commandant (CG-103) to process field orders issued using nonappropriated funds; provides policy on the minimum age in which eligible patrons may purchase tobacco products; emphasizes the requirements of NAF vehicles to be used only for NAF business and to comply with other Commandant policy with regard to safety and inspections, especially in regards to trailering and towing; and defines the NAF requirement for property management.

As CFO, the appellant is responsible for the overall financial integrity of a[service], [support] organization with sales of approximately \$160 million per year and a workforce of over 1,500 employees. He is responsible for ensuring compliance with applicable USCG, Federal, and other established audit policies and regulations. Operations include both appropriated and NAF

resources (in both dollars and personnel). His work requires coordinating with vendors, contractors, and other entities to ensure compliance with Government standards and efficiency and accuracy of the output data when changing processes, information systems, and hardware platforms of the operation. The appellant's position is also responsible for providing financial support to a growing number of retail activities of other Federal agencies such as the DHS, National Aeronautics and Space Administration, and the National Guard. This work includes accounting activities such as sales audit accounts payables, financial support such as financial report preparation, audit and budget support, treasury support, and payroll support.

Additional responsibilities include providing management of the payroll processing for all MWR and CDC NAF employees, financial analysis of all [service] activities, finance reporting support, [service] collection across many federal agencies, treasury management for all NAFs agency-wide, creating NAF non-merchandise procurement and contracting policies, and ensuring the net effect of financial internal controls are in place. He is also responsible for preparing budget requests, and apportioning and managing annual appropriated funds (AF) of roughly \$2 million, which are used to support various [Command] operations.

The appellant supervises the activities of the accounting organization which performs accounting and reporting requirements for all corporate accounts, 70+ store operations, and some MWR activities. He ensures separate accounts for appropriated funds and NAFs are maintained. He ensures a NAF financial system is in place; plans retail accounting operations with traditional corporate-level accounting statements; and captures this data in one general ledger, representing all [service] operations.

The appellant ensures [service] complies with a number of financial requirements, including the Financial Managers Integrity Act, the Office of Management and Budget (OMB) Circular A-123 defining the management responsibilities for internal financial controls in Federal agencies, the CFO Act, and the 1996 Debt Collection Improvement Act. He also uses Generally Accepted Accounting Principles (GAAP) and Federal accounting regulations as a guide to ensure proper internal controls and accountability operations are reflected in the financial records of [service]; ensuring all USCG NAF activities receive external audits from professional organizations and are conducted in accordance with Government auditing and accounting standards.

He serves as liaison to other Federal agencies for the handling of Federal and State unemployment insurance program and workers' compensation issues with the Department of Labor, funding requirements with the Federal Reserve, and debt collection with the Department of Treasury.

The appellant oversees the financial management programs carried out by a staff of 48 personnel, including civilian and military. He directs the subordinate staff, assigns work, determines priorities, and provides advice and assistance as needed; prepares performance standards and evaluates the work performance of each employee; informally resolves complaints and grievances; and arranges for the training and career development of his employees. He also interviews and recommends selections for new employees.

To help decide this appeal, we conducted a telephone audit with the appellant on April 14, 2011, and a telephone interview with the first-level supervisor on April 24, 2011. In deciding this appeal, we carefully considered the interviews and all other information of record furnished by the appellant and his agency, including the official PD. Both the supervisor and the appellant certified to the accuracy of the PD. Based on our fact-finding, we find the appellant's PD covers the major duties and responsibilities performed by the appellant, is adequate for purposes of classification, and we incorporate it by reference into this decision.

Series, title, and standard determination

The agency assigned the appellant's position to the Financial Management Series, GS-0505. Financial management is that part of total management which is concerned primarily with the financial affairs of an organization and the translation of actions, both past and proposed, into meaningful and relevant information for use in the management process. It includes the functions of budgeting, accounting, reporting, and the analysis and interpretation of the financial significance of past events and future plans. It sometimes also includes other related functions such as internal auditing, management analysis, and others. It is not primarily concerned with the technical procedures and methodology of those individual functions. Rather, it is characterized by the coordination and correlation of those functions into an effective and broad system of financial control that will assure that they, collectively more than individually, become an integral part of the management of the organization.

The appellant does not disagree with these determinations and, based on careful analysis of the record, we agree. Therefore, the position is properly allocated to the 505 series with the prescribed title of *Financial Manager*. The appellant's position performs both program management responsibilities, properly evaluated by application of the GS-505 PCS, as well as supervisory responsibilities, properly evaluated by application of the General Schedule Supervisory Guide (GSSG). The position is evaluated as follows:

Grade determination

Evaluation using the 505 PCS

The 505 PCS uses three broad factors to determine the grade level of positions: *Factor I Characteristics of the Operating Program; Factor II Characteristics of the Financial Management Program; and Factor III Characteristics of the Advisory Service Provided to Management*. Factors I and II also include three subfactors for each of which three degrees of intensity are identified. The discussions of factors I and II include simple instructions for determining the overall factor level through the use of the subfactor degree evaluations. A grade-level conversion table is provided so that the degree levels credited to the three factors can be converted into the appropriate grade level.

The agency assigned Factor Levels I-2 (based on degrees for subfactors A-B, B-B, and C-B), II-3 (based on degrees for subfactors A-C, B-C, and C-C), and III-2, but the appellant disagrees. Our analysis follows.

Factor I, Characteristics of the Operating Program

The nature, scope, impact, complexity, and characteristics of the operating program served provide both the arena and the boundaries for the work of the financial official. While for any particular operating program there is a very wide range within which a financial management program can fluctuate, it is necessary that the total setting of the position be measured and comprehended before it is feasible to appraise the grade-level worth of any specific financial manager's position. This factor, through three subfactors, evaluates the setting in which the financial management program operates.

Subfactor A, Scope of operating program served

This subfactor is concerned with the extent to which the program and actions of the financial manager affect such things as the general economy, defense, international relations, health and welfare, natural resources, government operations, the public health, etc.

At Degree A, the operating program is among the largest and most critical of the Government's many programs and is characterized by paragraph 1, and two or more of paragraphs 2 through 5:

1. The program is nationwide or worldwide in its operations and impact;
2. The program is critical to the operations of a number of large and important Government agencies or of other programs of comparable size, impact, and national significance;
3. The program has a *critical* impact on a wide variety and number of the most important industries which function on a national or close to national basis, or otherwise has a *critical* impact on the total financial economy of the nation;
4. The program *and* its financial management are frequently or continually very much in the public eye and are subject to an unusually high degree of attention by the Congress, the press, and in the arena of public debate and discussion;
5. The program is multipurpose or multifunction *and* consists of a large number and wide variety of subordinate "programs" many of which individually are equivalent to Degree B of this factor.

At Degree B, the operating program served is substantial in size and impact and is normally characterized by one or more of the following:

1. The program is nationwide or worldwide in its operations;
2. The program constitutes a substantial aspect of the program or operations of several departments or independent agencies, or is a significant part of Governmentwide operations;

3. The program has a substantial impact on a number and variety of substantially nationwide industries, or on a few of the largest nationwide industries;
4. The program and its financial management are from time to time (but significantly less constantly and frequently than is true for Degree A) prominently in the public eye and are subject at such times to more than usual attention by the Congress, the press, and in the arena of public debate and discussion;
5. The program is multipurpose, multifunction, or consists of a number and variety of subordinate “programs” when several of these purposes, functions, or programs are themselves substantial in scope, e.g., comparable to Degree C of this factor.

The agency evaluated this subfactor at Degree B, but the appellant believes the scope of his position meets Degree A. His work as CFO of [\command] NAF programs, particularly [service], is nationwide in operation and impact. He believes the scope of the programs he manages meet Degree A because it is multifunctional and multipurpose and it provides critical support to the readiness and retention of all military services. He points to the complexities associated with running a national mid-level retail business such as [service] with annual sales of \$160 million and making a profit. In addition, he does not believe the agency provided proper relevance of the nonpay compensation programs to the mission readiness of the USCG. He says his programs, like many others within the USCG, are seen as important if not critical to the readiness and retention of servicemen and women.

The appellant’s position does not meet any of the conditions required by Degree A. The operating program, [service], is not among the largest and most critical of the Government’s many programs because it does not have critical impact on the total financial economy of the nation as intended by the PCS. Although the program is nationwide in its operations, none of the operating programs served, including his liaison activities, are critical to the operation of other Government agencies or has a critical impact on the private sector. Similarly, none of the programs or the overall mission of [Command] receives sufficient public attention to warrant credit under this degree, and none of the individual operating programs served are equivalent in scope to Degree A. Since Degree A is not fully met, Degree B is assigned as the operating programs served by the appellant are nationwide in scope.

This subfactor is evaluated at Degree B.

Subfactor B, Type of operating program served

This subfactor reflects the type of organization served, considering the basic mission or purpose for which the organization exists.

At Degree A, the operating program or programs are highly complex and varied, involve an extraordinarily large budget, or are otherwise of a nature which affords the greatest scope and need for financial management and the greatest opportunity for a financial management program to have a critical impact on the operating program. Examples of such operating programs include:

1. Large-scale industrial, commercial, or financial operations;
2. Broad research and development programs which involve on individual research efforts the combined efforts of many contractors, subcontractors, laboratories, universities, or other appropriate organizations, as, for example, a project to develop a weapons system.

At Degree B, the operating programs involve substantial need for financial management and afford substantial opportunity for a financial management program to function as a major participant or major tool of overall management. Examples of such operating programs include:

1. Programs which involve the expenditure of significant proportions of the program budget for purposes other than employee salaries and administrative support and service, e.g., programs of a public welfare, medical welfare, agricultural, educational, or comparable nature;
2. Research and development programs of sufficient magnitude and scope as to require their own administrative support and financial management organizations;
3. Industrial, commercial, or financial operations of lesser scope and magnitude than are characteristic of Degree A of this factor;
4. Programs with diversified personal service operations of such nature as to create substantially greater problems of scheduling, controlling, costing, etc., than are normally characteristic of programs described in paragraph 1 of Degree C of this subfactor.

The agency evaluated this subfactor at Degree B, but the appellant believes his position meets Degree A. He says the agency evaluation does not provide a reasonable understanding of the commercial complexities associated with running a [support business from a financial perspective, which he believes is a critical requirement of the position. He says he believes [service] operations are similar to the complexities described at Degree A. He notes that the mission of [service] is to provide quality merchandise and services at competitive prices to USCG men and women, as well as authorized patrons. He says the purpose of the MWR program is to uplift the spirits of the USCG family and be an essential element of mission readiness and retention through customer-owned and driven MWR programs and services around the world. He says that since MWR is funded mostly from profits from [service], his position warrants credit at a higher degree.

Unlike Degree A, the operating program served consists of a number of individual stores at various locations throughout the United States. As a mid-size retail organization with sales of approximately \$160 million per year and a workforce of over 1,500 employees, the operating program is not so highly complex and does not involve the extraordinarily large budget associated with large-scale commercial as operations found at Degree A. The MWR functions supported by the appellant fall materially short of the breadth and operating programs complexities illustrated for Degree A.

Degree B is met. Similar to this degree, the appellant's operating programs involve substantial need for financial management and afford substantial opportunity for a financial management program to function as a major participant or major tool of overall management involving contractual services and other activities with a substantial opportunity for waste due to mismanagement, poor quality of contractor work, and similar circumstances. The variety of funding sources and the restrictions placed on the use of certain funds requires considerable care and caution in the financial management of these projects. The operating programs served by the appellant are comparable to those described in the first and third examples under Degree B.

This subfactor is evaluated at Degree B.

Subfactor C, Management level of the operating program

Financial manager positions vary in organizational setting from the department or agency level to field installation or activity. Differences in organizational levels carry very important differences in the level of delegated authority for setting policies, establishing procedures, and accomplishing objectives. This subfactor measures the overall effect of the managerial setting on the financial manager's position.

Degree A is characterized as the "*primary policy level*" and the level where the program is subject only to the framework of laws and to regulations and policies issued by Congress, GAO, and similar agencies having Governmentwide authority.

Degree B is characterized as the "*secondary policy level*" at which there is a positive responsibility and a significant freedom for developing and adapting *significant* operating policies, procedures, programs, standards, operating goals, etc., within the overall framework established by the "*primary policy level*."

The agency evaluated this subfactor at Degree C, but the appellant believes his position meets Degree A. He says his role as CFO of [service] is equivalent to similar positions at the other military [services]. He believes his financial work in developing NAF policies and implementing procedures meets Degree A, as he performs at a level equivalent to a manager at an HQ level as no one in DHS is available to provide him with guidance concerning retail sales and NAFs. The appellant also says it is important to note that his position does not fall under the purview of the CFO of the USCG because [service] and NAFs are authorized under laws separate from those authorizing appropriations for the regular USCG activities. He says most of the work and responsibility on the NAF finance portion of the business is accountable outside the normal reporting chain established for the command.

Degree A is not met. While [service] was authorized by an act of Congress, its daily operations are at the command level and its major effect is providing supplemental funds to the MWR program encompassed under the mission of [Command] which is several levels below the departmental level, DHS.

Degree B is met because the responsibility for the success of [service] lies with [Command] which is at a secondary policy level where the appellant is responsible for developing NAF policies and procedures and for advising management on the financial management of [service].

This subfactor is evaluated at Degree B

Summary of Factor I

Subfactor	Degree
A. Scope of operating program served	B
B. Type of operating program served	B
C. Management level of the operating program	B

Following the instructions on page 18 of the PCS, when at least two subfactors are at Degree B, this factor is evaluated at Level 2.

Factor I is assigned Level 2.

Factor II, Characteristics of the Financial Management Program

This factor is concerned with the evaluation of the responsibility and difficulty involved in managing and directing the subordinate staff and subordinate functions (accounting, budgeting, reporting, etc.) which go toward making up the financial management program. In a sense, this factor is most concerned with the kind and value of the management responsibility with which each financial manager is vested over a subordinate staff. This factor, through three subfactors, evaluates the financial management program itself. The agency evaluated this factor at Level 3, while the appellant believes that Level 2 is warranted.

Subfactor A, Volume of special staff management problems.

This subfactor provides a means of appraising and giving credit for the existence in some positions of certain types of special problems which seriously complicate the management and direction of some financial management programs.

Degree A is characterized by the presence, in a significant and substantial degree, of at least two items of special difficulty which are comparable to the following (and which have not been credited under another factor or subfactor):

1. The operating program and consequently the financial management program is marked by both short- and long-term instability with the consequential need for frequent, extensive, and basic revisions of financial plans, programs, and operations.
2. The types of operating programs or the conditions of operations are such that the usual approaches to problems will not suffice. The financial manager must develop new approaches, work in areas where there is no adequate experience data, develop and/or

work with broad new concepts, and possess exceptionally imaginative and creative abilities to develop, present, and execute effective financial plans.

3. The operating programs at several subordinate echelons or installations are so numerous and so varied from one to another, and the local conditions are so basically divergent, that the financial management programs present an exceptional degree of complexity in synthesizing financial and managerial data and in developing and executing an effective coordinated financial plan.

Degree B is characterized by the presence of one element of special difficulty comparable to those described in Degree A above. Degree C is characterized by the absence of an element of special difficulty comparable to the types discussed in Degree A above.

The agency evaluated this subfactor at Degree C, saying the appellant's organization is divided into a subordinate segment over which he exercises both technical and administrative direction, and provides guidance and control to the staff, but the appellant believes that Degree A is met. He says the operating programs served are of such complexity that the usual approaches to financial management are not sufficient. He says one of the biggest challenges he has faced in operating a business in the retail industry is the implementation of the Payment Card Industry Data Security Standard (PCI DSS). He was responsible for overseeing the implementation of this requirement of the standard for all [service] data centers. Another example with similar requirements was earlier imposed by the Sarbanes-Oxley Act. In implementing these requirements, the appellant points to a lack of available guidance because a majority of the work performed is not governed by higher departmental agency guidance within DHS, as they are unique to the military branches.

[Service] is a military activity which operates as a business enterprise and income generated is used as working capital to maintain [service] and to provide supplemental funding to the MWR fund. The appellant says that as a [support] organization authorized to process payment card data (roughly 60 percent of revenue is tendered through credit cards), the [service] is required to comply with the PCI DSS. The PCI Security Standards Council defines PCI DSS this way: "The goal of the PCI Data Security Standard is to protect cardholder data that is processed, stored, or transmitted by merchants. The security controls and processes required by PCI DSS are vital for protecting cardholder account data, including the PAN--the primary account number printed on the front of a payment card." The framework of the PCI data security standard has existed in different forms since 2004. The PCI DSS is a set of requirements for enhancing payment account data security. All merchants who process credit card transactions are required to obtain certification to ensure safe processing and handling of cardholder information and to limit the likelihood of a security breach. This includes processing equipment that utilizes standard telephone lines. The appellant says [service] was also required to meet the mandatory requirements of the Sarbanes-Oxley Act of 2002 which set new or enhanced standards for all U.S. public company boards, management and public accounting firms.

Degree A is not met because two items of special difficulty are not present. Although the operating program, and consequently the financial management program, is at times marked by both short- and long-term instability, the changes mentioned above have occurred over nine

years, so they do not meet the definition of frequent, extensive, and basic revisions of financial plans, programs, and operations, as meant here. With regard to element two, NAF installation-level operating programs are not so numerous and so varied from one to another, and the local conditions are not so divergent, that the financial management programs present an exceptional degree of complexity to meet the type of *special staff management problems* intended at Degree A.

Degree B is also not met. The problems presented by the appellant in devising [support] strategies to ensure a profit are demanding. The appellant must develop new approaches, but the NAF operations supported are in program areas with substantial experience data, and the appellant is not required to develop and/or work with broad new concepts as required to meet Degree B. Therefore, while the appellant must have imaginative and creative abilities to develop, present, and execute effective financial plans, the problems and challenges he faces fail to fully meet this element of special difficulty in the PCS. Degree C is assigned since there are no elements of special difficulty present which is comparable to those described in Degree A above.

This subfactor is evaluated at Degree C.

Subfactor B, Nature of the staff management responsibility

This subfactor deals with the scope and nature of the management problem which is inherent in supervising and directing the day-to-day operations of the several functions included in the financial management program. It measures the complexity of the staff management responsibility in terms of the organizational complexity of the financial management staff and the problems involved in coordinating the programs of subordinate echelons.

At Degree B, the financial manager's subordinate organization is large. When the financial management program is decentralized, it typically consists of a number of financial management organizations located at subordinate installations or stations. In a centralized program, the staff is comparable in size and normally is organized into a number of subordinate segments which are further subdivided, sometimes into two or more levels. In either situation, there are significant problems in coordinating the activities and output of subordinate segments and in providing technical direction, guidance, and control to a large financial management program.

At Degree C, the financial manager's subordinate organization is divided into several subordinate segments, some of which may be further subdivided. The financial manager provides both technical and administrative direction, guidance, and control to the staff.

The appellant believes his position should be evaluated at Degree B, stating his 48-person staff is large enough to provide hands on financial management for much of the USCG's NAF business operations. However, in actuality, unlike Degree B, the appellant's organization is not of sufficient size and complexity as to present significant problems in coordinating activities or in directing the work of the financial management program.

Degree C is met. The appellant's organization is divided into a subordinate segment over which he exercises both technical and administrative direction, and provides guidance and control to the staff.

This subfactor is evaluated at Degree C.

Subfactor C, Scope of functional coverage

This subfactor deals with the breadth or scope of the financial management program. It relates to the extent to which the program goes beyond the three basic functions of accounting, budgeting, and managerial/financial reporting to include additional functions.

At Degree A, financial management programs are of exceptional breadth and comprehensiveness which provide a wide variety of management support and control services to management. Programs characteristic of this degree are concerned with long-range planning on a broad base, with the solution of major management problems, and the development of new and improved management techniques, support procedures, and controls to achieve the agency goals. In addition, programs at this degree are marked by the exceptional breadth of their functional coverage and include, as significant and substantial segments of the total financial management program, several (typically at least three unless there are two of outstanding size, scope, and impact) additional functions such as:

1. Management Analysis.
2. Auditing (Internal and/or External).
3. Statistical Services (for operating programs).
4. Automatic (Electronic) Data Processing (for operating programs in addition to financial management functions).
5. Program Analysis, Reporting, and Evaluation (of operating programs).

At Degree B, financial management programs are comprehensive and are concerned with the provision of a substantially greater than minimum range of financial management and general management services. Thus, programs at this degree are marked by the breadth of their functional coverage and include, in addition to the three basic functions of accounting, budgeting, and managerial/ financial reporting, at least one additional function (such as is listed above in Degree A or of comparable breadth and complexity).

At Degree C, financial management programs characteristic of this degree are those in which the three "basic" functions of accounting, budgeting, and managerial/ financial reporting constitute the major substance of the program.

Degree A is listed only for reference to the characteristics ascribed to it in Degree B.

The appellant believes his position meets Degree B. He disagrees with the agency's findings that his position primarily performs only the three basic functions of accounting, budgeting, and reporting. He says all USCG [Command] NAF programs, including property, treasury, and procurement functions, carry the same degree of scope or service as the more traditional

functions listed. He believes his position has the same degree of responsibility in each of these areas to provide USCG policy and services to the NAF instrumentalities as CFOs of the other military [services]. He believes this factor should be credited at Degree B as all finance-related functions to the [service] are independent from regular USCG operations, as well as DHS. However, Degree B is not warranted since the problems involved in coordinating the programs of subordinate echelons do not include at least one additional function (such as is listed above in Degree A, or of comparable breadth and complexity) to the three basic functions of accounting, budgeting, and managerial/ financial reporting. The property, treasury, and procurement functions he cites are not comparable in breadth and complexity to the functions listed above in Degree A or extend to agency operating programs as three of the five functions do.

Degree C is met, because the [service] and related NAF concerns, as well as the three “basic” functions of accounting, budgeting, and managerial/ financial reporting, constitute the major substance of the program.

This subfactor is evaluated at Degree C.

Summary of Factor II

Subfactor	Degree
A. Volume of special staff management problems	C
B. Nature of the staff management responsibility	C
C. Scope of functional coverage	C

When at least two subfactors are at Degree C, this factor is evaluated at Level 3, following the instructions on page 22 of the PCS.

Factor II is assigned Level 3.

Factor III, Characteristics of the Advisory Service Provided to Management

This factor measures the scope and responsibility in the financial manager’s position for providing integrated and comprehensive financial advice and assistance to management. Inherent in evaluating this factor is the need to consider the circumstances under which financial advisory service is rendered and the consequent relationship of the advisory service to the overall managerial decision-making function. No subfactors have been provided for this factor; consequently, the overall levels provide the only evaluation required.

Level 2 includes financial management advisory service relating to management plans, policies, and decisions involving important financial considerations. The financial manager participates in meetings, conferences, or other sessions concerning the general overall management of the operating program for the purpose of representing the financial management program and for determining the significance of management decisions on financial plans and other financial matters. Characteristic of Level 2 is the situation in which the financial manager regularly attends formal and informal management planning and policy and decision-making sessions

concerning matters involving important financial considerations, in order to fulfill requests for financial data and advice. As the technical advisor in his field, the financial manager may be invited to contribute financial data, financial management advice, or recommendations based on financial management expertise on a wide range of management problems. The financial manager may also attend a wide variety of managerial meetings, sessions, conferences, etc., as an observer to be fully aware at all times of operating programs appropriately related to current management needs. Financial management is accepted and used within the organization as a significant aspect and tool of overall management and the financial advice and data supplied by the financial manager plays a significant role in the handling of major management problems. The advisory service provided is broad in scope and consistently reflects all major facets of the financial management program of the organization.

Level 1 exceeds Level 2 in that it represents an *unusual* degree of participation in the overall general management of the operating program served. The financial manager is a responsible member of the top management team and is relied on for authoritative advice on all aspects of financial management. In addition to the type of advisory services described at Level 2, the financial manager is a fully participating technical advisor in all or almost all significant management planning and policy and decision-making actions in the organization. At Level 1, the financial manager actively participates in formal and informal management sessions, including policy review and advisory boards or committees whose functions are not limited to financial management. The advisory services are significantly broader than those normally provided by a financial manager as described at Level 2. The significantly broader advisory role of a Level 1 financial manager involves *direct* participation (although in a staff advisory capacity) in all major aspects of the overall general management of the operating program served, including active participation in the making of management decisions that are related to general policy-setting matters and long-range program planning.

The appellant believes Level 1 is met. He states his [service] CFO component responsibilities, especially his work with the USCG Trust Fund Board, as well as the NAF finance portion of the retail business, are indicative of his participation in the general management of the center and fully support evaluation of his position at Level 1. However, the record shows the appellant's role is primarily as a technical advisor as he provides advice on the allocation of NAF resources to various programs and projects which are under [Command]. This does not represent an unusual degree of participation in the overall *general* management of the organization as discussed at Level 1. The appellant is not a *direct participant* in management decision-making. Instead, he functions as a technical advisor in the development of recommendations to the CO. While these recommendations may be adopted by the CO, the appellant's function does not involve direct participation in decision-making to the extent necessary to credit his position at Level 1.

Level 2 is met. As at this level, the appellant's role is similar where he regularly attends management sessions concerning matters involving important financial considerations in order to fulfill requests for financial data and advice.

Factor III is assigned Level 2.

Summary of application of 505 PCS:

In summary, the appellant's position is evaluated under the PCS, as follows:

Factor	Level
I. Characteristics of the operating program	2
II. Characteristics of the financial management program	3
III. Characteristics of the advisory service provided to management	2

According to the Grade Conversion Table on page 24 of the PCS, when two factors are at Level 2, the resulting grade is GS-14.

Evaluation using GSSG

The GSSG is a cross-series guide used to determine the grade level of supervisory positions in the General Schedule. The GSSG has six evaluation factors, each with several factor level definitions and corresponding point values. Positions are evaluated by crediting the points designated for the highest level met under each factor, and converting the total to a grade by using the grade conversion table provided in the GSSG. The agency's appeal decision assigned Levels 1-2, 2-2, 3-3, 4A-3, 4B-2, 5-7, and 6-5. However, the appellant believes he should be credited with higher levels for all factors. Our analysis follows.

Factor 1, Program Scope and Effect

This factor addresses the general complexity, breadth, and impact of the program areas and work directed, including the organizational and geographic coverage. It also assesses the impact of the work both within and outside the immediate organization. To credit a particular factor level, the criteria for both scope and effect must be met. The factor levels describe two situations: agency line programs, e.g., providing services to the public; and support programs, e.g., providing administrative services within an agency.

Scope addresses the general complexity and breadth of the program (or program segment) directed; the work directed, the products produced, or the services delivered. The geographic and organizational coverage of the program (or program segment) within the agency structure is included under *Scope*.

Effect addresses the impact of the work, the products, and/or the programs described under "Scope" on the mission and programs of the customer(s), the activity, other activities in or out of government, the agency, other agencies, the general public, or others.

At Level 1-2, the program segment or work directed is administrative, technical, complex, clerical, or comparable in nature. The functions, activities, or services provided have limited geographic coverage and support most of the activities comprising a typical agency field office, an area office, a small to medium military installation, or comparable activities within agency program segments. The services or products support and significantly affect installation level,

area office level, or field office operations and objectives, or comparable program segments; or provide services to a moderate, local, or limited population of clients or users comparable to a major portion of a small city or rural county.

At Level 1-3, the employee directs a program segment that performs technical, administrative, protective, investigative, or professional work. The program segment and work directed typically have coverage which encompasses a major metropolitan area, a State, or a small region of several States; or, when most of an area's taxpayers or businesses are covered, coverage comparable to a small city. Providing complex administrative or technical or professional services directly affecting a large or complex multimission military installation also falls at this level. Activities, functions, or services accomplished directly and significantly impact a wide range of agency activities, the work of other agencies, or the operations of outside interested, or the general public. At the field activity level (involving large, complex, multimission organizations and/or very large serviced populations comparable to the examples provided in the Guide) the work directly involves or substantially impacts the provision of essential support operations to numerous, varied, and complex technical, professional, and administrative functions.

The agency said the scope of the appellant's position meets Level 1-3, but the effect of his position meets Level 1-2. Although he agrees with the agency's evaluation of Level 1-3 for the scope of his work, the appellant believes the effect of his work also meets Level 1-3. Specifically, he states his position provides NAF financial direction and guidance to operations which support all NAF USCG activities, supports the [support] activities of NASA at the joint CG/NASA [organization], and provides [operation] and MWR benefits to several million patrons around the country entitled to use military [operations] and MWR resources.

We agree the appellant's position meets certain aspects of Level 1-3. For example, the scope of the appellant's position is comparable to Level 1-3 as he is responsible for directing a program providing financial management services to operating USCG facilities nationwide and provides supplemental funding for MWR activities. However, the serviced population is not the "several million patrons across the country entitled to use any of the military [operations] and MWR resources." The appellant's organization performs a traditional staff function, and the populations directly and substantially serviced are the CG MWR, CDC, and [service], a [support] organization with workforce of over 1,500 employees. This organization is smaller and substantially less complex than the applicable illustration in the GSSG:

Directs administrative services (personnel, supply management, budget, facilities management, or similar) which support and directly affect the operations of a bureau or a major military command headquarters; a large or complex multimission military installation; an organization of similar magnitude, or a group of organizations which, as a whole, are comparable.

The appellant cites this example and states: "The third illustration of the standard indicates directs "...supply management, budget, or similar which support or directly affect the operation of a bureau." USCG is at the bureau-level organization within DHS as defined in the GSSG. [Command], albeit a command, is a subordinate, staff component of USCG and is limited in size (132 headquarters employees). The appellant's financial management program also covers a

limited portion of the total USCG budget (NAF). Thus, his program cannot be construed as a bureau-level financial management program within the meaning of the GSSG. Further, [Command] and its field components is not equivalent to a large activity as defined in the GSSG (4,000) or a complex, multimission installation or group of organizations as defined in the GSSG:

A complex, multimission installation or a group of several organizations (directly supported by the position under evaluation) that includes four or more of the following: a garrison; a medical center or large hospital and medical laboratory complex; multimillion dollar (annual) construction, civil works, or environmental cleanup projects; a test and evaluation center or research laboratory of moderate size; an equipment or product development center; a service school; a major command higher than that in which the servicing position is located or a comparable tenant activity of moderate size; a supply or maintenance depot; or equivalent activities. These activities are individually smaller than the large installation described in the preceding paragraph.

The appellant's proposed rationale also fails to apply the GSSG in an internally consistent manner. As discussed later in this decision, we find GS-7 is the base level of work directed in the appellant's organization (Factor 5, Difficulty of Typical Work Directed) because the limited amount of two-grade interval nonsupervisory work directed by the appellant fails to meet the 25 percent threshold required to control the evaluation of Factor 5. Thus, the base level work is single-grade interval technical in nature, and cannot be considered "complex administrative or technical or professional" support services as discussed at Level 1-3 (GS-9 grade level is considered the first full performance level for administrative and professional work). Level 1-3 also is not met because while the financial operations affect multiple geographic locations, the position does not directly and significantly impact a wide range of the agency's activities, i.e., USCG line operating programs, the work of other agencies, the operations of outside interests, or the general public as described at Level 1-3.

Level 1-2 is assigned and credited with 350 points.

Factor 2, Organizational setting

This factor considers the organizational situation of a supervisory position in relation to higher levels of management.

At Level 2-2, the position is accountable to a position one reporting level below the first SES, flag, or general officer, or higher-level position in the direct supervisory chain.

At Level 2-3, the position is accountable to a position that is SES level, flag or general officer military rank, or equivalent or higher level.

The appellant did not initially appeal this factor level, but did so afterwards in his comments to the AAR. He reports directly to the executive officer, who in turn reports to the CO who is ultimately responsible for [Command] operations. He says he understands the assignment of a Level 2-2 because he reports one level below the SES or flag level, but he also says there are GS-15s in the USCG with the same scope of impact across the agency and job complexities as his

who report to a captain who report to an admiral. In addition, he also notes twice a year he briefs the USCG Trust Fund Board of Control which is composed of SES and flag officers to present the annual [service] budget for approval and to prepare interim period justifications to the board for approval of special considerations within their purview. The appellant also states that while he reports to a military captain for routine administrative work, he is also responsible for providing NAF financial information, getting NAF budget approvals, and for recommending changes in profit distributions directly to the board on a semi-annual basis. He notes the board, which provides high-level oversight of the USCG's NAFs, is comprised of military general officers or SES civilians.

However, the appellant's position does not meet Level 2-3. While the position occasionally reports to a board of SES or General Officers, the record shows that his position officially reports to and is accountable to a position one reporting level below the general officer, which is consistent with Level 2-2. As at this level, the appellant's position reports strictly to a Coast Guard Captain (0-6) who in turn reports to a General Officer.

Level 2-2 is assigned and credited with 250 points.

Factor 3, Supervisory and Managerial Authority Exercised

This factor covers the delegated supervisory and managerial authorities exercised on a recurring basis.

The GSSG is used to evaluate the supervisory responsibilities of positions, and the managerial responsibilities that may accompany those supervisory responsibilities. In other words, the 7 managerial responsibilities must be performed in relation to a subordinate workforce over which the position has both administrative and technical supervision (This basic coverage requirement is clarified in exclusion #3 of the GSSG, which excludes positions with program management responsibility as opposed to direct supervision.).

At Level 3-3, a position must meet either Level 3-3a or 3-3b. At Level 3-3a, the incumbent of a position must exercise the delegated managerial authority to set long range plans with goals and objectives; assure implementation of the plans by subordinate organizational units; determine which objectives require additional emphasis; and determine solutions to and resolve issues created by budget and staff requirements, including contracting out. At Level 3-3b, a supervisor must exercise all or nearly all of the supervisory responsibilities and authorities described at Level 3-2c, plus at least 8 of the 15 responsibilities listed under Level 3-b of the GSSG.

At Level 3-4, a position must first meet both Levels 3-3a and b, and meet the criteria in either paragraph a or b of Factor Level 3-4.

The agency credited Level 3-3 under this factor, citing both paragraphs a and b.

Level 3-3a involves exercising delegated managerial authority to set a series of annual, multiyear, or similar types of long-range work plans and schedules for in-service or contracted work; assuring implementation (by lower and subordinate units) of the goals and objectives for

the program segment; determining goals and objectives that need additional emphasis; determining the best approach for resolving budget shortages; and planning for long-range staffing needs, including such matters as whether to contract out work. These positions are closely involved with high level program officials (or comparable agency level staff personnel) in the development of overall goals and objectives for the program segment.

To meet Level 3-3b, a position must exercise all or nearly all of the delegated authorities and responsibilities described at Level 3-2c and, in addition, at least eight of the 15 responsibilities listed at Level 3-3b. The agency credited this level without specifying the responsibilities met. We found that the position fully meets Level 3-2c, which describes such typical supervisory duties as planning and assigning work, evaluating performance, interviewing job applicants, and effecting discipline.

The agency assigned Level 3-3, but said it did not meet Level 3-4 because it did not meet both Levels 3a and 3b of Factor 3. The agency said Level 3a was not met because there is no regular and recurring involvement with high level agency program officials, but meets Level 3-3b because it exercises all or nearly all of the delegated supervisory authorities and responsibilities described at Level 3-2c, and in addition, at least eight of those listed under Level 3-3b. The appellant believes his position meets Level 3-4. He believes he exercises delegated authority to oversee the overall planning, direction, and timely execution of a program. He says [Command] is the program office of the USCG for the NAF program. As finance director and NAF program manager, he is part of the [Command]'s executive staff and is intimately involved with both command and USCG officials to make decisions on broad staffing, budgetary, and policy affecting the overall program. As the CFO of [service], he said he approves current and long-range work plans of subordinate supervisors, ensuring consistency with program goals. The appellant also said he has final authority to make organizational changes into hiring all subordinate supervisors. In addition, he said he has directed the closedown of an outlying office and consolidated NAF accounting into one corporate finance operation.

Unlike Level 3-4, however, the appellant does not have the authority to manage organizational changes throughout [service]. He does not exercise discretionary authority to approve the allocation and distribution of funds in the organization's budget. This is reserved for the Board of Directors for [service], by the CO for [Command], and by higher management echelons. The appellant's decisions are limited to financial activities within [Command] and [service]. He is not involved in matters affecting the USCG's overall mission. In addition, he does not exercise final authority for the full range of personnel actions and organization design proposals recommended by subordinate supervisors, as this clearance is required by the CO.

Similarly, the appellant is engaged in some delegated functions and authorities typical of Level 3-3a, such as developing multi-year plans and schedules for assuring the implementation of goals and objectives of FMD and [service] under [Command] jurisdiction. However, these authorities are performed within the context of program management rather than direct supervisory functions. The appellant is not delegated line supervisory or managerial authority over the [service] units implementing the objectives and initiatives. Because they are not in the appellant's direct chain of command, these "subordinate organizational units" do not reflect the

exercise of direct managerial authority found at Level 3-3a, and that paragraph is therefore not creditable.

Our analysis of the responsibilities listed at Level 3-3b follows:

Responsibility 1 is credited. It involves serving as a second-level supervisor, i.e., using subordinate supervisors or team leaders to direct, coordinate, or oversee work. The appellant has five subordinate supervisors, a Controller, GS-510-13, Budget/Appropriated Funds Manager, GS-510-13, Treasury Manager, GS-501-12, Payroll Manager, GS-510-12, and Procurement Manager (Contract Specialist, GS-1102-12). With a total subordinate staff of 48 employees, subordinate supervisors are required to accomplish the work of the organization. The subordinate staff structure found here is appropriate from an organizational standpoint and supports crediting of this responsibility.

Responsibility 2 is credited. It involves exercising significant responsibilities in dealing with officials of other units or organizations, or in advising management officials of higher rank. As the CFO, the appellant has a significant coordinative and advisory role, both internally and externally.

Responsibility 3 is credited. It involves assuring reasonable equity (among units, groups, teams, projects, etc.) of performance standards and rating techniques developed by subordinates given the size of the subordinate staff.

Responsibility 4 is credited. It involves direction of a program or major program segment with significant resources (e.g., one at a multimillion dollar level of annual resources).

Responsibilities 5 and 6 are credited. They involve duties inherent to the second-level supervisory role, including making decisions on work problems presented by subordinate supervisors, evaluating subordinate supervisors, and serving as reviewing official on evaluations of nonsupervisory employees.

Responsibilities 7 and 8 are credited. They involve making or approving selections for nonsupervisory positions, and recommending selections for subordinate supervisory positions. The appellant makes final selections for the positions on his staff.

Responsibilities 9, 10, and 11 are not credited. They involve significant authority to hear and resolve group grievances or serious employee complaints, review and approve serious disciplinary actions (e.g., suspensions), and make decisions on nonroutine, costly, or controversial training requests for employees of the unit. In order to be credited, these authorities must be exercised on a regular and recurring basis. While the appellant may have final approval authority for these types of administrative actions, his organization is not of sufficient size that these issues would be expected to arise on a relatively frequent basis.

Responsibility 12 is not credited. It involves determining whether contractor-performed work meets standards of adequacy necessary for authorization of payment. Since the [Organization]

does not use contractors to accomplish the [Organization's] work, this responsibility is not applicable to the appellant's position.

Responsibility 13 is credited. It involves approving expenses comparable to within-grades, extensive overtime, and employee travel. The appellant has approval authority for within-grade increases and career-ladder promotions. Although there is minimal requirement for either travel or extensive overtime by his own staff, the appellant controls the dispatch of personnel, e.g., travel and per diem expenses for accountants and auditors on temporary duty assignments.

Responsibility 14 is credited. It involves recommending awards for nonsupervisory personnel and changes in position classification subject to higher-level approval. The appellant does this.

Responsibility 15 is credited. It involves finding and implementing ways to eliminate or reduce significant bottlenecks and barriers to production, promote team building, or improve business practices (e.g., a large production or processing unit). This applies to his organization whose mission is susceptible to the application of such methodological or structural improvements.

Since the position can be credited with 11 of the listed responsibilities, it meets Level 3-3b.

Level 3-3b is assigned and credited with 775 points

Factor 4, Personal contacts

This is a two-part factor which assesses the nature and purpose of the personal contacts related to supervisory and managerial responsibilities. The nature of the contacts, credited under subfactor 4A, and the purpose of those contacts, credited under subfactor 4B, must be based on the same contacts.

Subfactor 4A, Nature of contacts

To be credited under this subfactor, the level of contacts must contribute to the successful performance of the work, be a recurring requirement, and require direct contact.

At Level 4A-3, contacts are with high-ranking managers at agency headquarters; key staff of public interest groups; journalists of influential city or county newspapers or radio and television coverage; etc.

At Level 4A-4, which is the highest level described in the GSSG, there are *frequent* contacts with regional or national officers of public action groups; key staff of Congressional committees and principal assistants to senators and representatives (e.g., majority and minority staff directors or chief counsels); elected or appointed representatives of State and local governments; journalists of major metropolitan, regional, or national newspapers, magazines, television, or radio; or heads of bureaus and higher level organizations in other Federal agencies. These contacts take place in meetings, conferences, briefings, speeches, presentations, or oversight hearings and may require extemporaneous response to unexpected or hostile questioning. Preparation typically includes

briefing packages or similar presentation materials, requires extensive analytical input by the employee and subordinates, and/or involves the assistance of a support staff.

Level 4A-3 is met. The appellant has regular recurring contacts with high-ranking military, civilian managers and supervisors, and technical staff within the USCG. His contacts with other agencies include those with DoD, GAO, GSA, NASA, DOL, and Treasury.

Level 4A-4 is not met, because the appellant does not have frequent contact with regional or national officers of public, trade, or professional organizations of national stature, key staff members of congressional committees. His contacts with CFOs at other [services] are typical of contacts with USCG managers in other work units as found at Level A-2. However, his contacts with USCG headquarters staff support the crediting of Level A-3. To be credited, the contacts must contribute to the successful performance of the work, be a recurring requirement, have a demonstrable impact on the difficulty and responsibility of the position, and require direct contact. Level 4A-4 is reserved for employees who frequently engage in the most difficult and demanding contacts required by supervisory and managerial work. Unlike the appellant's position, Level 4A-4 includes contacts with: Senior Executive Service, flag or general officer, or Executive Level heads of bureaus and higher-level organizations in other Federal agencies or the equivalent.

Level 4A-3 is credited for 75 points.

Subfactor 4B, Purpose of contacts

This subfactor covers the purpose of the personal contacts credited under subfactor 4A.

Level 4B-2 is met, as the appellant's contacts are with other Federal agencies and are primarily to obtain or share information. These contacts may occur during discussions or formal meetings.

The agency assigned Level 4B-2, but the appellant believes his position meets a higher level. He says he frequently confers with the CFOs of other military [services] to discuss very important logistics arrangements for purchases of scale that saves [service] money. However, the appellant does not hold meetings to justify, defend, or negotiate in obtaining or committing resources, or in gaining compliance with established policies, regulations, or contracts as expected at Level 4B-3. Contacts at Level 4B-3, unlike the appellant's position, usually involve active participation in conferences, meetings, or hearings involving problems of considerable consequence or importance.

Level 4B-2 is assigned and credited for 75 points.

Factor 5, Difficulty of typical work directed

This factor measures the difficulty and complexity of the basic work most typical of the organization directed, as well as other line, staff, or contracted work for which the supervisor has technical or oversight responsibility directly or through subordinate supervisors, team leaders, or others. The level is determined by identifying the highest grade which best characterizes the

nature of the basic (mission-oriented) non-supervisory/non-leader work performed or overseen by the organization directed, and which constitutes 25 percent or more of the workload of the organization.

The GSSG excludes from consideration the work of lower level positions which primarily support or facilitate the basic work of the unit; any subordinate work graded on criteria in this guide (i.e., supervisory duties) or the Work Leader Grade Evaluation; work graded on an extraordinary degree of independence from supervision, or personal research accomplishments; and work for which the supervisor or a subordinate does not exercise the level of supervisory responsibility needed to meet the threshold for credit under Factor 3.

For the appellant's organization, we eliminated a portion of the following positions from base-level consideration, for their non-line work: Supervisory work performed by the Controller, GS-510-13, Budget/Appropriated Funds Manager, GS-510-13, Treasury Manager, GS-501-12, Payroll Manager, GS-510-12, Contract Specialist, GS-1102-12, Accounts Payable Manager, GS-1101-12, General Ledger Manager, GS-1101-12, Sales Audit Manager, GS-1101-12, Senior Accounting Technician (General Ledger), GS-510-8, Senior Accounting Technician (AP Expenses), GS-525-8, and a Lead Accounting Technician (Sales Audit), GS-525-6, has been excluded.

The following listing shows the 48 positions supervised with the full-time equivalent (FTE) (percentage) of non-supervisory line (base level) work performed by the positions which includes the non-supervisory mission-oriented work performed by the supervisors and the leader for the base-level consideration, plus subordinate military and NAF positions with their adjusted GS-equivalent grades.

GS-13 total 2.0 FTE

1 Controller, GS-510-13, .5 FTE
 1 Budget/Appropriated Funds Manager, GS-510-13, .5 FTE
 1 Financial Project Manager, GS-510-13, 1 FTE

GS-12 total 4.25 FTE

1 Treasury Manager, GS-501-12, .75 FTE
 1 Payroll Manager, GS-510-12, .75 FTE
 1 Contract Specialist, GS-1102-12, .75 FTE
 1 Accounts Payable Manager, GS-1101-12, .5 FTE
 1 General Ledger Manager, GS-1101-12, .75 FTE
 1 Sales Audit Manager, GS-1101-12, .75 FTE

GS-11 total 1.0 FTE

1 Logistics Officer, GS-1102-11, 1.0 FTE

GS-8 total 1.5 FTE

1 Senior Accounting Technician (General Ledger), GS-510-8, .75 FTE
 1 Senior Accounting Technician (AP Expenses), GS-525-8, .75 FTE

GS-7 total 11.0 FTE

6 Account Technicians, GS-525-7, 6.0 FTEs
1 Procurement Assistant, GS-1106-7, 1.0 FTE
2 Payroll Assistants, GS-544-7, 2.0 FTEs
2 NAF Property Assistant (SKC), GS-7, 2.0 FTE

GS-6 total .75.0 FTE

1 Lead Accounting Technician (Sales Audit), GS-525-6, .75 FTE

GS-5 total 24.0 FTE

23 Accounting Technician Assistants, GS-525-5, 23 FTEs
1 Supply Assistant (SK2), GS-5, 1 FTE

Total staff years of non-supervisory work performed are equivalent to 44.50 FTEs:

GS-13: 04.5%
GS-12: 09.6%
GS-11: 02.2%
GS-08: 03.4%
GS-07: 24.7%
GS-06: 01.7%
GS-05: 53.9%
Total: 100.0%

The base level of work supervised by the appellant is GS-7, since work at or above this level constitutes 25 percent or more of the mission-oriented workload of the unit. Using the conversion chart in the PCS, a base level of GS-7 is assigned to Level 5-4.

Level 5-4 is assigned and credited with 505 points.

Factor 6, Other conditions

This factor measures the extent to which various conditions contribute to the difficulty and complexity of carrying out supervisory duties, authorities, and responsibilities.

The agency credited the position with Level 6-4. The appellant believes his position should be credited with Level 6-5.

Factor 6 is linked directly to the previous factors in the GSSG. The difficulty of work is measured primarily by the base level determined in Factor 5. Complexity is measured by the degree of coordination required, and increases as the base level increases. The numbered paragraphs under Factor 6 are structured to address positions that function as either first-level or second-level and higher-level supervisors.

To evaluate Factor 6, two steps are used. First, the highest level that a position substantially meets is initially credited. Then, if the level selected is either 6-1, 6-2, or 6-3, the Special

Situations listed after the factor level definitions are considered. If a position meets three or more of the situations, then a single level is added to the level selected in Step 1. If the level selected under Step 1 is either 6-4, 6-5, or 6-6, the Special Situations may not be considered in determining whether a higher factor level is creditable.

At Level 6-2, the work supervised or overseen involves technician and/or support work comparable in difficulty to GS-7 or GS-8; or work at the GS-4, 5, or 6 level where the supervisor has full and final technical authority over the work. This second situation requires the supervisor to coordinate and integrate work efforts, either within the unit or with other units, in order to produce a completed work product or service. Full and final technical authority means that the supervisor is responsible for all technical determinations arising from the work, without technical advice or assistance on even the more difficult and unusual problems, and without further review except from an administrative or program evaluation standpoint.

At Level 6-3, the supervisor coordinates, integrates, or consolidates administrative, technical, or complex technician or other support work comparable to GS-9 or 10, or work at the GS-7 or 8 levels where the supervisor has full and final technical authority. The second situation covers positions which direct subordinate supervisors over positions in grades GS-7 or 8, requiring consolidation or coordination to ensure consistency of product, service, interpretation, or advice; or conformance with the output of other units, with formal standards, or agency policy.

Level 6-3 is met. As documented in the workload analysis, the appellant does not directly supervise a substantial workload comparable to GS-9 or GS-10 (Level 6-3a), but he does direct subordinate supervisors over positions in grades GS-7 or 8 or the equivalent which requires consolidation or coordination similar to that described at Factor Level 6-2a within or among subordinate units or with outside units (Level 6-3b). The subordinate supervisors are responsible for all NAF technical determinations arising from the work, without technical advice or assistance on even the more difficult and unusual problems, and without further review except from an administrative or program evaluation standpoint.

At Level 6-4a, first-level supervision requires substantial coordination and integration of a number of major work assignments, projects, or program segments of professional, scientific, technical, or administrative work comparable in difficulty to the GS-11 level. Level 6-4 is not met because, as documented in the workload analysis, the appellant does not directly supervise a substantial workload comparable to GS-11. At Level 6-4b, the position directs subordinate supervisors and/or contractors who each direct substantial workloads comparable to the GS-9 or 10 level. Such base work requires coordination similar to that described at Level 6-3a for first-level supervisors. Since the appellant's base level of work is GS-7, the crediting of Level 6-4b is precluded. Since Level 6-4 is not met, Level 6-5 is also precluded and will not be addressed further in this decision.

This factor is tentatively credited at Level 6-3, for 975 points.

Special Situations

Supervisory and oversight work may be complicated by special situations and/or conditions. For credit, the condition must be present and dealt with on a regular basis.

1. Variety of Work.

This situation is credited when more than one kind of work, each kind representing a requirement for a distinctly different additional body of knowledge on the part of the supervisor, is present in the work of the unit. A "kind of work" usually will be the equivalent of a classification series. Each "kind of work" requires substantially full qualification in distinctly separate areas, or full knowledge and understanding of rules, regulations, procedures, and subject matter of a distinctly separate area of work. Additionally, to credit "Variety" (1) both technical and administrative responsibility must be exercised over the work, and (2) the grade level of the work cannot be more than one grade below the base level of work used in Factor 5. Although the GS-510 and GS-525 work the appellant directs must be treated as a single kind of work due the shared body of knowledge, this situation is creditable since the appellant directs work above the base level of work in Factor 5 in several different occupations, e.g., GS-1101, GS-1102, and GS-544.

2. Shift Operations

Since the appellant does not supervise an operation carried out on at least two fully staffed shifts, this situation is not credited.

3. Fluctuating Work Force or Constantly Changing Deadlines

Fluctuating Work Force is credited when the workforce supervised by the position has large fluctuations in size (e.g., when there are significant seasonal variations in staff) and these fluctuations impose on the supervisor a substantially greater responsibility for training, adjusting assignments, or maintaining a smooth flow of work while absorbing and releasing employees. Constantly Changing Deadlines is credited when frequent, abrupt, and unexpected changes in work assignments, goals, and deadlines require the supervisor constantly to adjust operations under the pressure of continuously changing and unpredictable conditions. Neither condition is present in the appellant's work situation.

4. Physical Dispersion

This situation is credited when a substantial portion of the workload for which the supervisor is responsible is regularly carried out at one or more locations which are physically removed from the main unit (as in different buildings, or widely dispersed locations in a large warehouse or factory building), under conditions which make day-to-day supervision difficult to administer. This condition is not present in the appellant's work situation.

5. Special Staffing Situations

This situation is credited when: (1) a substantial portion of the work force is regularly involved in special employment programs; or in similar situations which require involvement with employee representatives to resolve difficult or complex human resources management issues and problems; (2) requirements for counseling and motivational activities are regular and recurring; and (3) job

assignments, work tasks, working conditions, and/or training must be tailored to fit the special circumstances. These circumstances are not present in the appellant's work situation.

6. Impact of Specialized Programs

This situation is credited when supervisors are responsible for a significant technical or administrative workload in grades above the level of work credited in Factor 5, provided the grades of this work are not based upon independence of action, freedom from supervision, or personal impact on the job. This situation is creditable since the appellant is responsible for directing a significant workload above the GS-7 base level credited in Factor 5.1

7. Changing Technology

This situation is credited when work processes and procedures vary constantly because of the impact of changing technology, creating a requirement for extensive training and guidance of the subordinate staff. These circumstances are not present in the appellant's work situation.

8. Special Hazard and Safety Conditions

This situation is credited when the supervisory position is regularly made more difficult by the need to make provision for significant unsafe or hazardous conditions occurring during performance of the work of the organization. These circumstances are not present in the appellant's work situation.

Based on the preceding analysis, we find two situations creditable to the appellant's position. Therefore, no additional level for special situations and/or conditions can be added to the tentative level for this factor since a minimum of three special situations are not present as required.

Level 6-3 is credited, for 975 points.

Summary of application of GSSG:

<u>Factors</u>	<u>Level</u>	<u>Points</u>
Program Scope and Effect	1-2	350
Organizational Setting	2-2	250
Supervisory/Managerial Authority	3-3	775
Personal Contacts		
Nature of Contacts	4A-3	75
Purpose of Contacts	4B-2	75
Difficulty of Work Directed	5-4	505
Other Conditions	6-3	<u>975</u>
Total		3005

The total of 3005 points falls within the GS-12 range (2755-3150) on the point-to-grade conversion chart provided in the GSSG.

Summary

By comparison with the 505 PCS, the appellant performs financial management work evaluated at the GS-14 level. By comparison with the GSSG, his supervisory responsibilities are evaluated at GS-12. Based on mixed grade classification principles, the appropriate grade for the appellant's position is GS-14.

Decision

The position is properly classified as Financial Manager, GS-505-14.