

U.S. OFFICE OF PERSONNEL MANAGEMENT

# NOTICE AND POSTING SYSTEM

Notice No: Provisional 315-1

Washington, DC 20415

Date: August 15, 1994

## Notice of OPM Policy Information

**AGENCIES: THIS NOTICE PROVIDES ADVANCE POLICY INFORMATION RELATIVE TO PERSONNEL INTERCHANGE AGREEMENTS.**

**Heads of Departments and Independent Establishments:**

1. OPM has approved amendments to two agreements permitting movement of personnel between excepted service agencies and the competitive civil service.

2. Department of Defense Nonappropriated Fund Instrumentalities (NAFI). The interchange agreement, originally approved on September 21, 1991, for a 3-year period, has been extended indefinitely. Please remember that eligible NAFI employees may be appointed in any agency and receive credit for their NAFI service toward career tenure. However, NAFI service may be credited for other purposes only if the employees move within the Department of Defense without a break in service longer than 3 days. Otherwise, NAFI pay may not be used as an employee's highest previous rate, leave accrued during NAFI service may not be transferred, and NAFI service may not be credited toward leave accrual, retirement or service computation date for reduction in force.

3. Nuclear Regulatory Commission (NRC). The interchange agreement has been amended to cover both current NRC employees and NRC employees who are appointed noncompetitively within 1 year following an involuntary separation without personal cause. Coverage of NRC's interchange agreement is now identical to that of all other interchange agreements.

4. Agencies may consider NRC and NAFI employees for noncompetitive appointments in accordance with the instructions provisionally retained in section 6-2 of FPM Chapter 315. This information will be included in an appropriate information issuance after that chapter is terminated on December 31, 1994.

  
Lorraine A. Green  
Deputy Director

**Distribution:**

Former Basic FPM

**Inquiries:**

Staffing Reinvention Office, Career Entry Group  
(202) 606-0830 or FAX (202) 606-2329





UNITED STATES  
OFFICE OF PERSONNEL MANAGEMENT  
WASHINGTON, D.C. 20415

OFFICE OF THE DIRECTOR

DEC 13 1993

Mr. Thomas F. Garnett, Jr.  
Director, Workforce Relations  
(Civilian Personnel Policy/  
Equal Opportunity)  
Office of the Assistant Secretary  
(Personnel and Readiness)  
Department of Defense  
Washington, DC 20301-4000

Dear Mr. Garnett:

We have approved your request for indefinite extension of the interchange agreement permitting movement of employees between the nonappropriated fund instrumentalities (NAFI) of the Department of Defense (DOD) and the competitive civil service. The agreement was established September 21, 1991, for a 3-year period.

The 3-year limit was intended to allow DOD time to develop new policies for non-disciplinary adverse actions and reduction in force for NAFI employees. We could not approve an interchange agreement without time limit while such a key part of the NAFI personnel system was changing. We have reviewed your revised policy directive and find that it will afford NAFI employees due process rights and safeguards against arbitrary actions comparable to those available in the competitive service.

This letter is DOD's authority to continue to use the agreement, indefinitely. We will notify other agencies of this extension and of NAFI employees' continuing eligibility for noncompetitive appointments.

Sincerely,

A handwritten signature in cursive script, appearing to read "Lorraine A. Green".

Lorraine A. Green  
Deputy Director

AGREEMENT FOR THE MOVEMENT OF PERSONNEL  
BETWEEN THE CIVIL SERVICE SYSTEM AND  
THE NONAPPROPRIATED FUND INSTRUMENTALITY (NAFI)  
SYSTEM IN THE DEPARTMENT OF DEFENSE

In accordance with the authority provided in Section 6.7 of the Civil Service Rules, and pursuant to the following agreement with the Department of Defense, employees serving in Nonappropriated Fund Instrumentalities (NAFI) of the Department may be appointed to positions in the competitive civil service, and employees serving in positions in the competitive civil service may be appointed to NAFI positions, subject to the following conditions:

1. Type of appointment held before movement.

To be eligible for movement under this agreement, employees must be currently serving under a competitive career or career-conditional appointment or under a NAFI appointment or have been involuntarily separated from such appointment without personal cause within the preceding year. NAFI employees must be or have been serving in continuing NAFI positions under appointments without time limits.

2. Qualification requirements.

NAFI employees must meet the qualification standards and requirements for the positions to which they are to be appointed in accordance with OPM established regulations for transfer of employees within the competitive service. Employees in the competitive service must meet the regular standards and requirements established by DOD for appointment to NAFI positions.

3. Length of service requirement.

NAFI employees must have served continuously for at least 1 year in NAFI positions before they may be appointed to positions in the competitive civil service under the authority of this agreement. Employees in the competitive civil service must have completed the 1-year probationary period required in connection with their career or career-conditional appointments in the competitive service before they may be appointed to NAFI positions, without serving a trial period, under the authority of this agreement.

4. Selection.

NAFI employees may be considered for appointment to positions in the competitive civil service in the same manner that employees of the competitive service may be considered for transfer to such positions. Employees in the competitive service may be considered for appointment to any NAFI position on the basis of their qualifications.

5. Type of appointment granted after movement.

NAFI employees who are appointed to competitive positions under the terms of this agreement will have career or career-conditional appointments, depending upon whether they meet the 3-year service requirement for career tenure. The service which commences with a permanent NAFI appointment will be accepted toward meeting the competitive service requirement. Employees of the competitive service who are appointed to NAFI positions under the terms of this agreement will receive appointments without time limit under DOD Directive No. 1401.1-M.

6. Probationary and trial periods.

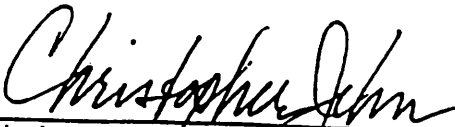
Employees appointed under this agreement, who have previously completed a probationary or trial period, will not be required to serve a new probationary or trial period.

7. Status.

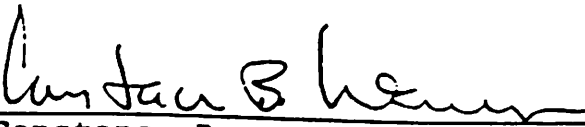
NAFI employees who are appointed in the competitive civil service under the terms of this agreement will receive competitive civil service status. Thereafter, such employees will be entitled to the benefits and privileges provided by the Civil Service Rules and by OPM's regulations and instructions for persons having competitive civil service status. Employees of the competitive civil service who are appointed to NAFI positions under the terms of this agreement will have whatever privileges are normally provided to persons who initially receive appointments, under DOD Directive No. 1401.1-M, to continuing NAFI positions.

8. Effective date.

This agreement becomes effective 30 days from the date on which it is signed by both parties and shall expire, unless renewed, 3 years thereafter. The agreement may be terminated prior to its expiration date 30 days following notice from the Department of Defense or OPM and may be modified at any time with the mutual consent of the Department of Defense and OPM.

  
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Richard B. Cheney  
Secretary of Defense

21 Aug 1991  
(Date)

  
\_\_\_\_\_  
Constance Berry Newman  
Director  
Office of Personnel Management

11 April 1991  
(Date)