



Superior Qualifications and Special Needs Pay-Setting Authority

A Mandatory Reference for ADS Chapter 467

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Superior Qualifications and Special Needs Pay-Setting Authority

1. Overview

Effective Date: 12/17/07

These guidelines set forth USAID's policy directives and required procedures, criteria, and responsibilities, for using the superior qualifications and special needs pay-setting authority in [5 United States Code \(U.S.C.\) 5333](#) and codified in [5 CFR 531.212](#) to set the payable rate of basic pay for an employee above the minimum rate (step 1) of the grade for the employee's position of record.

This authority may be used when filling both permanent and temporary positions subject to the General Schedule from GS-1 to GS-15. These positions may be in either the competitive or excepted service.

2. Responsibilities

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a. The **Immediate Supervisor** is normally the recommending official responsible for initiating a request to make an appointment based on the superior qualifications of a prospective employee or based on a special need for the employee's services in order to fill a vacancy in his or her office.

b. The **Bureau/Independent Office (B/IO)** management staff is responsible for advising supervisors on the use of the superior qualification and special needs appointing authority in their Bureau or Independent Office.

c. The **Office of Human Resources, Civil Service Personnel Division (HR/CSP)** is responsible for administering all processes related to the superior qualifications and/or special needs pay-setting authority in USAID.

3. Use of This Pay Authority

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The Agency uses this authority to match existing pay only when necessary to recruit specific candidates who possess unusually high qualifications and/or unique experience, and skills that meet a special Agency need.

HR/CSP authorizes appointments above the minimum rate on a case-by-case basis. The authorization of advanced rates is based on a written justification by the employing USAID/W B/IO addressing the candidate's superior qualifications or a special need by the Agency for the candidate's services (see section No. 7, Criteria for Approving an Appointment above the Minimum Rate).

4. **Applicability**

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The superior qualifications and special needs pay-setting authority may be used for the following:

- A first appointment (regardless of tenure) as a civilian employee of the Federal Government; or
- A reappointment that is considered a new appointment; for instance, when the employee has had a break in service of at least 90 days from the last period of civilian employment with the Federal Government.

The 90 day break-in-service requirement does not apply if the candidate's civilian employment with the Federal Government during the 90-day period immediately preceding the appointment was limited to one or more of the following:

- Employment under a time-limited or non-permanent appointment in the competitive or excepted service;
- Employment under an appointment as an expert or consultant; or
- Employment under a provisional appointment designated under [5 CFR 316.403](#).

An employee serving in a Non-Appropriated Fund and Instrumentality (NAFI) position, who moves from the NAFI position by appointment or reappointment to a GS position, is not eligible to have pay set under the superior qualifications or special need authority, since their NAFI employment is considered employment by the Federal government.

5. **Conditions for Approval**

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HR/CSP must approve an appointment above the minimum rate before the employee enters on duty in the new position.

The requesting official, normally the immediate supervisor, must submit a written justification for making an appointment above the minimum rate of the grade, including the rationale for the proposed rate. The supporting justification must address the criteria listed in section No. 7, **Pay Rate Determination**.

HR/CSP has authority to approve appointments above the minimum rate of a grade to as high as step 10 of the grade. In rare cases, an advanced rate may be approved in excess of the candidate's existing pay or bona fide job offer, such as when recruitment efforts are hindered by an unusually competitive labor market. In such a case, the individual selected must have highly specialized skills that will benefit the Agency and that will make the candidate better able to perform the work than current employees or

other candidates who were recruited. The advanced rate cannot be more than 10 percent higher than the candidate's existing pay or bona fide offer.

6. Superior qualifications or special needs determination

Effective Date: 12/17/07

The Agency may set the payable rate of basic pay of a newly appointed employee above the minimum rate of the grade if the candidate meets one of the following criteria established in [5 CFR 531.212 \(b\)\(1\)\(2\)](#):

- a. The candidate has superior qualifications.** The Agency may determine that a candidate has superior qualifications, based on the following:
- Level, type, or quality of the candidate's skills or competencies demonstrated or obtained through experience and/or education;
 - The quality of the candidate's accomplishments compared to others in the field; or
 - Other factors that support a superior qualifications determination.

The candidate's skills, competencies, experience, education, and/or accomplishments must be relevant to the requirements of the position to be filled. These qualities must be significantly higher than those minimally required for the position and/or be of a more specialized quality compared to those of other candidates.

OR

- b. The candidate fills a special agency need.** The Agency may determine that a candidate fills a special agency need if one of the following is true:
- The type, level, or quality of skills and competencies or other qualities and experiences possessed by the candidate are relevant to the requirements of the position and are essential to accomplishing an important Agency mission, goal, or program activity; or
 - The candidate meets the special needs criteria by meeting Agency workforce needs, as documented in the Agency's Strategic Human Capital Plan.

7. Pay Rate Determination

Effective Date: 12/17/07

HR/CSP must consider one or more of the following factors, as applicable in each case, to determine the step at which to set an employee's payable rate of basic pay using the superior qualifications and special needs pay-setting authority:

- a.** The level, type, or quality of the candidate's skills or competencies;

- b. The candidate's existing salary, recent salary history, or salary documented in a competing job offer (taking into account the competing job's geographic location and comparing the salary to payable rates of basic pay in the same location);
- c. Significant disparities between Federal and non-Federal salaries for the skills and competencies required in the position to be filled;
- d. Existing labor market conditions and employment trends, including the availability and quality of candidates for same or similar positions;
- e. The success of recent efforts to recruit candidates for the same or similar positions;
- f. Recent turnover in the same or similar positions;
- g. The importance or critical nature of the position to be filled and the effect on the Agency if it is not filled or if there is a delay in filling it;
- h. The desirability of the geographic location, duties, and/or work environment associated with the position;
- i. Agency workforce needs, as documented in the Agency's Strategic Human Capital Plan; or
- j. Other relevant factors.

The requesting official must prepare a written justification if he/she decides to request a superior qualifications or special needs pay determination. The justification must include the reasons for requesting an advanced rate instead of or in addition to a recruitment incentive (see section **8, Relationship Between Superior Qualifications or Special Pay Setting and Recruitment Incentives**) and a list of the recruiting sources used and efforts made to fill the position.

The following supporting documents must be attached to the written justification:

- The candidate's resume or application,
- The position description for the position to be filled,
- Statement of the candidate's income, and/or
- Written offers of employment (if any).

8. Relationship between Superior Qualifications and Special Needs Pay Setting Authority and Recruitment Incentives

Effective Date: 12/17/07

In determining whether to use the superior qualifications and special needs pay-setting authority and the level at which the employee's payable rate of basic pay should be set, the Agency must consider the possibility of authorizing a recruitment incentive under [5 CFR 575 subpart A](#), instead of, or in addition to, an appointment above the minimum rate.

A recruitment incentive, of up to 25 percent of basic pay (including any special rate or locality payment), may be paid to an employee **newly appointed** to the Federal service or returning to the Federal government after a break in service of at least 90 days, if it has been determined that the position is critical to the mission of the organization and is likely to be difficult to fill in the absence of an incentive. (For approval criteria, see [ADS 467, Mandatory Reference, Implementation Guidelines for Authorizing Recruitment and Relocation Incentives, section 6.](#))

A recruitment incentive alone is not likely to attract a candidate whose current salary is higher than the step 1 rate. In rare cases, a candidate may receive both a recruitment incentive and an appointment above the minimum rate. However, before making such a recommendation, the supervisor needs to carefully consider the relative advantages and disadvantages of each form of payment, as follows:

- a. An appointment above the minimum rate permanently affects base pay. A higher rate of basic pay increases retirement, thrift savings, life insurance, and premium pay and has a continuing effect on the employee's future pay entitlement (for example, upon promotion, and may affect the waiting period required for a within-grade increase). Conversely, a recruitment incentive is a single lump-sum cash payment that does not affect an employee's grade or step.
- b. An appointment above the minimum rate does not require a service agreement. Conversely, a recruitment incentive is contingent upon the employee signing an agreement to work for the Agency for at least one year.

9. Approval and Documentation Requirements

Effective Date: 12/17/07

HR/CSP must approve each determination to use the superior qualifications and special needs pay-setting authority prior to the candidate entering on duty.

HR/CSP must document each determination to use the superior qualifications and special needs pay-setting authority sufficiently to allow future reconstruction of the action taken, if necessary. Required documentation is as follows:

- a. The superior qualifications of the candidate or the special need for the candidate's service which justifies a higher than minimum rate;
- b. An explanation of the factor(s) and supporting documentation which were used to justify the rate at which the employee's pay is set. The written documentation must explain how the factors directly relate to the rate approved; and
- c. The reasons for authorizing a higher than minimum rate instead of, or in addition to, a recruitment incentive under [5 CFR part 575, subpart A](#).

Each determination to authorize an appointment above the minimum rate must be documented on the **Superior Qualifications and Special Needs Approval Form (AID Form 400-17)** and in the Remarks section of the appointment [SF-50, Notification of Personnel Action](#).

The original of the approved **Superior Qualifications and Special Needs Approval Form (AID Form 400-17)** and the supporting justification from the recommending official must be filed in the employee's electronic Official Personnel Folder (e-OPF).

To ensure compliance with the law, HR/CSP must periodically review and evaluate the use of this authority to ensure that each appointment above the minimum rate conforms to OPM regulations and requirements set forth in these guidelines.

10. Authority and References

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These guidelines constitute the Agency's plan for authorizing appointments above the minimum rate. This plan meets the requirements in [5 U.S.C. 5333](#) and [5 CFR 531.212](#).

The following form and reference are required to comply with and fully evaluate the application of the policy and procedures in this Mandatory Reference:

- **Superior Qualifications and Special Needs Approval Form (AID Form 400-17)** (<http://inside.usaid.gov/forms/a400-17.doc>)
- [Implementation Guidelines for Authorizing Recruitment and Relocation Incentives](#)

11. Definitions

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competing job offer

A competing offer of employment at a higher rate than the candidate's existing salary must be in writing and must clearly offer current employment, not be more than six months old, and be signed by an official with the authority to make the offer. Usually the offer will include job title, salary or salary range, location, and reporting date.

superior qualifications or special needs appointment

An appointment made at a rate above the minimum rate of the appropriate GS grade under the authority of 5 U.S.C. 5333 because of the superior qualifications of the candidate or a special need of the Agency for the candidate's services.

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