

**STATE OF OHIO  
ADJUTANT GENERAL'S DEPARTMENT  
2825 West Dublin Granville Road  
Columbus, Ohio 43235- 2789**

NGOH-HRZ

28 October 2020

MEMORANDUM FOR SEE DISTRIBUTION

SUBJECT: HRO Policy #20-025, Advanced In-Hire Rates for Federal Employees

**1. References.**

- a. 5 U.S. Code 5333, Minimum rate for new appointments.
- b. 5 CFR § 531.212, Superior qualifications and special needs pay-setting authority.

**2. Cancellation.** This policy supersedes policy memorandum, subject: Federal Technician Advanced In-Hire Rate (Appointments above the Minimum Rate of the Grade), HRO Policy Number (11-001), dated 15 October 2011.

**3. Purpose.** This policy describes the requirements and procedures for using the superior qualifications and special agency needs appointment authority, to establish starting rates of pay above the minimum rates for initial Federal Employee appointments.

**4. Summary.** An Advanced In-Hire Rate (AIHR) is a staffing tool used to attract individuals with superior qualifications or to fill a special agency need. This authority allows the Ohio National Guard to appoint new Federal Employees at salaries above the first step (but not above the tenth step) of the established grade. The AIHR will not be automatically offered to prospective employees. Consideration must be given to utilizing a recruitment incentive prior to offering an AIHR. The Director of Human Resources must approve the use of the AIHR authority prior to the employee's actual date of entry into the position.

**5. Responsibilities.**

a. **Director of Human Resources** develops policies and procedures, evaluates use and effectiveness, advises selecting officials, and approves advanced in-hire rates.

b. **Selecting Officials** recommend initial appointments to fill vacancies and, upon approval from the Human Resources Office (HRO), make employment offers at Step 1 of the available grade. Selecting Officials may negotiate salary requirements and request approval of recruitment incentives and/or advance in-hire rate authority from HRO. If the prospective employee refuses the initial offer at Step 1, Selecting

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Officials may not make a firm salary commitment above Step 1 to a candidate without approval from the HRO.

c. **Air Wing and Geographically Separated Unit (GSU) Commanders, Major Subordinate Command (MSC) Administrative Officers (AOs) and Army Directors** recommend HRO approval/disapproval of requested advance in-hire rates. Requests for on the Joint Staff must receive concurrence of the Director of the Joint Staff (DJS). Requests for appointments in the Ohio Army National Guard must receive the concurrence of the Army Chief of Staff (CoS).

6. **Requirements.** An AIHR may be considered for a position filled by a new appointment, a reappointment of a former federal employee after a 90-day break in service, or prior to the conversion of an employee on a temporary and / or non-permanent appointment to a permanent appointment with the Ohio National Guard. Advance in-hire appointment authority may be used under one of two types of situations:

a. **Superior Qualifications.** A candidate may be shown to have superior qualifications based on skills, competencies, experience, education, and / or accomplishments that are relevant to the requirements of the position to be filled. These qualities must be significantly higher than that needed to be minimally qualified for the position and be of a more specialized quality compared to other candidates. For a realistic assessment, the qualities of the candidate need to be considered in light of other factors such as the duties of the position; minimum qualifications that may include knowledge, skills, abilities, education and experience required for employment in the position; and overall quality of candidates available in the specialty field. In practical terms, superior qualifications generally means that the candidate is so highly qualified that to recruit and retain the person, the organization needs to set the pay at a higher rate than the minimum step.

b. **Special Need.** The agency may determine that a candidate fills a special agency need if 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 essential to accomplishing an important agency mission, goal, or program activity. The special need criterion is intended for cases in which the candidate may not be considered to have superior qualifications but, which nevertheless, merits an advanced rate. This would include situations where the candidate is especially well suited for a unique agency function or project, the candidate's qualifications are too specialized to be meaningfully compared to standard qualifications, or the minimum rates for grade levels are substantially lower than non-federal rates for comparable positions and the agency is competitively disadvantaged.

## **7. Relationship to Recruitment Incentives.**

a. Offers of employment will be made at the entry-level rate of the grade. If the candidate does not accept the position, at the entry-level rate, a Recruitment Incentive may be considered.

b. It is a regulatory requirement (see subparagraph (d) of Ref b.) for agencies to consider whether it would be more appropriate to use a Recruitment Incentive instead of, or in combination with, an AIHR. Utilizing Recruitment Incentives is preferred over utilizing AIHR authority as they are temporary, preserve the built-in equity of the pay system, come with service agreements, and generally cost the government less over time. The Ohio National Guard requires selecting officials requesting an AIHR to document reasons why a Recruitment Incentive alone would be inadequate for achieving the goal of recruiting the candidate. Offering a Recruitment Incentive is not a prerequisite for approving the use of AIHR authority. It is the prerogative of the HRO to approve a Recruitment Incentive based upon a request for AIHR.

## **8. Factors for Consideration.**

a. The agency must apply AIHR pay setting authority judiciously. The approved rate of pay will only be high enough to attract the candidate who offers the best available talent and expertise at the most reasonable cost to the agency. An offer's attractiveness will depend not only on the candidate's qualifications, but also on the competitiveness of the offer as compared to compensation offered by others for such qualifications. A reasonable rate of pay, from the agency's point of view, is one that the agency can afford and that allows the agency to maintain equitable pay structures. The rate of pay may be set at any step within the pay range for the grade. It may not exceed the maximum rate for the grade.

b. The HRO will determine the step at which an employee's pay may be set under either the superior qualifications or special need criterion using the following factors, as applicable to the case at hand:

(1) The candidate's potential value to the agency. This assessment may be based on such indicators as relevant education beyond what is expected; exceptional work experience; professional or academic leadership; special knowledge, skills, or abilities that uniquely equip the candidate to meet a specific agency need; or other credentials not commonly available in the agency. This area may also address the

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importance / criticality of the position to be filled; the effect on the agency if it is not filled or if there is a delay in filling it; and where the need is documented, such as in the agency's strategic plan.

(2) The candidate's compensation situation, including existing salary and benefits, recent salary history, or salary documented in a competing job offer (taking into account the location where the salary was or would be earned and comparing the salary to payable rates of basic pay in the same location) and the added costs the candidate would incur by taking the position, including added costs for benefits, geographic cost of living differences, and State and local tax rate differences.

(3) Labor market factors including scarcity of qualified candidates; demand for the candidate's services by other employers; differences in federal and non-federal pay levels for the skills and competencies required in the position; the success of recent efforts to recruit candidates for the same or similar positions; recent turnover in the same or similar positions; issues surrounding the limitations on and difficulty of recruiting individuals for dual-status technician employment (where military membership and compatibility is a condition of employment); and the desirability of the geographic location, duties, and/or work environment associated with the position.

(4) Internal equity, meaning the equity between the pay of the new appointee and that of current employees doing comparable work. Superior qualifications appointments may disrupt pay alignments in the agency at the time of hire, as well as in the future. In determining an appropriate rate of pay, consideration should be given to the following: rates of pay previously authorized in similar situations, pay levels of comparable employees in the agency, and potential impact on staff morale.

(5) Budget considerations, including short and long-term costs associated with the proposed pay level, available funding for the position, and impact on future budgets.

(6) Other relevant factors.

## **9. Procedures.**

a. Upon approval of a selection from HRO, Selecting officials will make an initial job offer at Step 1. If the candidate declines the offer, the selecting official may inquire into the salary requirements of the prospective appointee and gather information about their qualifications and existing pay. If the Selecting official desires to seek an AIHR rather than selecting the next ranked candidate, the selecting official may only inform the candidate that they will seek approval for an advanced pay rate but must not make any salary commitments without prior written approval from the HRO. Candidates must decline job offers in writing or by email.

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b. The selecting official is responsible for initiating and submitting a memorandum to HRO through command channels that documents the justification for the AIHR. The memorandum will contain the following:

(1) The name of the individual selected for the position.

(2) Vacancy announcement number and start/ending dates

(3) Area of consideration used for recruitment.

(4) The step rate of pay requested to be offered as a maximum.

(5) Whether the request is made under the superior qualifications criteria or the special needs criteria.

(6) A statement derived from analysis of the determining factors described above which seeks to validate the use of the AIHR authority addressing the following:

(a) Potential value to the agency.

(b) The candidates' compensation situation.

(c) Applicable labor market factors.

(d) Internal equity considerations.

(e) Budget considerations.

(f) Other relevant factors.

(7) A comparison of the qualifications of the selected candidate with those of the other applicants on the referral list.

(8) A statement addressing the reasons for requesting the use of AIHR authority instead of, or in addition to, a Recruitment Incentive.

(9) A statement addressing the reasons why the candidate rejected a Recruitment Incentive, if one has been previously approved and offered.

(10) All necessary supporting documentation.

c. The HRO will evaluate each request based on its merits.

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d. Selecting officials must caution candidates against resigning, or otherwise terminating their current employment, until HRO contacts the candidate to make a firm offer.

e. Air Wing/GSU Commanders, MSC AOs, and Army Directors that concur with the selecting official's AIHR request will endorse the request and forward it through the DJS, CoS or DoSA to HRO with the other selection documents.

f. The HRO will approve or disapprove the request and establish a range of steps approved for offering to the selected candidate.

g. The HR Staffing Specialists negotiate the step rate within the limits approved by HRO. If the candidate declines the approved offer, the HRO will notify the selecting official who will advise if the position will be offered in turn to the next ranked candidate. Previously approved AIHR requests are not transferrable to other candidates on the referral and selection certificate.

h. The HRO will file the AIHR approval memorandum in the employee's electronic Official Personnel Folder as supporting documentation to the appointment SF50.

10. Questions regarding this policy may be directed to MAJ Daryl Scott, Federal Employee Branch Manager, at (614) 336-7121, or [daryl.g.scott.mil@mail.mil](mailto:daryl.g.scott.mil@mail.mil).

FOR THE ADJUTANT GENERAL:



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