

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

NGOH-HRO-Z

15 October 2011

MEMORANDUM FOR SEE DISTRIBUTION

SUBJECT: Policy #HRO-11-001, Federal Technician Advanced In-Hire Rate (Appointments above the Minimum Rate of the Grade)

1. **PURPOSE.** This policy letter 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 Technician appointments.

2. **SUMMARY.** An advanced in-hire rate is a staffing tool used to attract individuals with superior qualifications or fill a special agency need. This authority allows the Ohio National Guard to appoint new Federal Technicians at salaries above the first step (but not above the tenth step) of the established grade. Advance in-hire rates will not be automatically offered. Prior to offering an advance in-hire rate, consideration must be given to utilizing a recruitment incentive. Advance in-hire rates must be approved by the Director of Human Resources prior to the individual's actual date of entry into the position.

3. **RESPONSIBILITIES.**

a. **The Adjutant General** is the employing authority for the Federal Technician program and may delegate program management functions to the Director of Human Resources.

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

c. **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. If the initial offer is refused, selecting officials may negotiate salary requirements and request approval of retention incentives and/or advance in-hire rate authority from HRO. Selecting Officials may not make a firm salary commitment above Step 1 to a candidate without approval from HRO.

d. **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 through the **Army Chief of Staff (CoS) or Air Director of Staff (DoSA).**

4. **REQUIREMENTS.** An advance in-hire rate may be considered for a position filled by a new appointment or reappointment of a former federal employee after a 90-day break in service. 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 required 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 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 mean 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.** An 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 on-federal rates for comparable positions and the agency is competitively disadvantaged.

5. **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 for agencies to consider whether it would be more appropriate to use a recruitment incentive instead of, or in combination with, an advance in-hire rate. Recruitment incentives are preferable to advance in-hire rates 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 advance in-hire rate to document reasons why a recruitment incentive alone would be inadequate to the goal of recruiting the candidate. It is the prerogative of the HRO to request a retention incentive from the National Guard Bureau based upon a request for an advance in-hire rate.

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c. In no event should an advance in-hire rate be used when the candidate is likely to accept the position at the entry-level rate.

6. FACTORS FOR CONSIDERATION.

a. Advanced in-hire pay rates are a bargaining tool that must be judiciously applied. The rate of pay should 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. Under either the superior qualifications or special needs criterion, HRO will determine the step at which an employee's pay may be set 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 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.

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(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.

7. PROCEDURES.

a. Selecting officials, or anyone else involved in the consideration and hiring process, may not make a firm salary commitment to a candidate without prior approval in writing from HRO. All initial appointment job offers will be made at Step 1. Selecting officials may conduct initial salary negotiations with prospective appointees and gather information about the candidate's qualifications, existing pay, and salary desires or requirements. Prior to approval from HRO, selecting officials may only inform the prospective appointee that they will seek approval for an advanced pay rate.

b. The selecting official is responsible for initiating and submitting a memo to HRO through command channels that documents the justification for the advance in-hire rate. The memo 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 validating the use of the advance in-hire authority addressing the following:

(a) Potential value to the agency.

(b) The candidates' compensation situation.

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(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 an advance in-hire 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. Each request will be evaluated based on its merits.

d. Candidates must be cautioned against resigning or otherwise terminating current employment until the proposed pay rate is approved by HRO and a firm offer is made by the agency.

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

f. The HRO will approve or disapprove the request. The HRO will notify in writing the Air Wing/GSU Commander, MSC AOs or Army Director, and the CoS or DoSA as appropriate, who will inform the selecting official.

g. The selecting official negotiates the step rate within the limits approved by HRO. If the candidate is unwilling to accept the approved offer, the selecting official should notify HRO and advise if the position will be offered in turn to the next ranked candidate. Any previously approved advance in-hire rate is not transferrable to other candidates on the referral and selection list.

h. The advance in-hire rate approval memorandum is filed in the employee's Official Personnel Folder as supporting documentation to the appointment SF50.

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8. The POC for this memorandum is Major Daniel E. Roche, Technician Manager, at (614) 336-7269/DSN 346-7269 or dan.roche@us.army.mil.

FOR THE ADJUTANT GENERAL:



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