NATIONAL SECURITY PERSONNEL SYSTEM
CONVERSION FACT SHEET
OCTOBER 2006

This Fact Sheet provides general information concerning conversion to NSPS, the within-grade-increase "buy-in," and the effect of conversion on career conditional and probationary employees. For more information on these and other NSPS subjects, please visit the NSPS web page at http://www.cpms.osd.mil/nsps.

Conversion – How It Works

When an organization is moved into NSPS, each employee will be initially converted to the appropriate career group, occupational code, pay schedule, and pay band based on the occupational series, grade, and supervisory status of his or her permanent position of record. The conversion will occur primarily via an automated process (conversion of some supervisory positions will require a manual review to determine the appropriate pay band).

Conversion Salary and the Within-Grade-Increase "Buy-in"

Full salary is preserved – the employee will convert with no loss of pay. In fact, pay may increase for an employee who is eligible for a one-time, prorated Within-Grade-Increase (WGI) buy-in. The prorated WGI buy-in is based on the length of time (calendar days) accumulated toward the next WGI. The WGI buy-in is added to the employee's base salary and, along with the local market supplement, is considered the "NSPS-adjusted base salary."

The WGI buy-in applies to General Manager (GM) as well as General Schedule (GS) employees.

To receive the one-time, prorated WGI buy-in at conversion:

- Performance must be acceptable; and
- The employee must be below step 10 of his or her current grade.

Employees can estimate the WGI buy-in using the conversion tool located in the *NSPS 101* course on the NSPS web page at http://www.cpms.osd.mil/nsps.

Special Conversion Issues

Special Salary Rates – Special salary rates are paid in lieu of GS locality rates. The NSPS compensation architecture, with its broad pay band salary ranges and local market supplements, eliminates the need to use special salary rates. An employee with a special salary rate under the GS system will be converted into NSPS without a reduction in pay. The NSPS adjusted salary (base salary plus the applicable local market supplement) will equal the employee's total GS salary prior to conversion.

Grade Retention – NSPS does not provide for grade retention. When an employee receiving grade retention is converted to NSPS, the grade of the employee's position of record (not the grade being retained) is used to place the employee in the appropriate NSPS career group, pay schedule, and pay band. If the employee's base salary exceeds the maximum of the assigned NSPS pay band, the employee will receive pay retention. (See "Pay Retention" below for limits.)

Pay Retention – An employee on pay retention at the time of conversion to NSPS will be converted to a career group, pay schedule, and pay band based on his or her permanent position of record. However, the employee is not eligible for the WGI buy-in described above. If the employee's base salary exceeds the maximum salary range of the pay band, the employee will continue under pay retention. Under NSPS, an employee is eligible for two years of pay retention starting at the date of conversion. An employee on pay retention is not eligible for a base salary increase due to an adjustment in the minimum/maximum of the rate ranges. However, the employee would be eligible for any increase in the local market supplement percentage. Recognition of performance contributions of employees on retained pay is limited to lump sum bonuses.

Temporary Promotion – An employee on temporary promotion at the time of conversion to NSPS will be converted on the basis of the permanent position (not the grade and series of the temporary position). Immediately after conversion, management may temporarily reassign or promote the employee under NSPS with an increase in pay up to the rate the employee was receiving during the temporary promotion. This is an exception to other limitations on salary increases imposed when an employee is temporarily reassigned or promoted.

Detail – An employee on detail at the time of conversion will be converted to NSPS on the basis of his or her permanent position of record. It is possible that an official personnel action documenting the temporary assignment will no longer be necessary under NSPS because the duties are part of the pay band to which the employee is being assigned. However, immediately after conversion, management may detail the employee again if the detail crosses Component or agency lines or is needed to temporarily assign an employee from NSPS to another pay system. If it does not, other temporary personnel actions, such as temporary promotion or temporary reassignment, may be appropriate.

Leader Positions – NSPS does not have a separate classification category (in the form of a pay band or title) for leader positions. An employee in a leader position is converted into the nonsupervisory career group, pay schedule, and pay band that correspond to the occupational series and grade of his or her current position.

Fair Labor Standards Act – There is no change in the application of the Fair Labor Standards Act under NSPS. An employee is converted with the exemption status of his or her permanent position of record.

Supervisory or Managerial – An employee in a supervisory or managerial position is converted into the appropriate Supervisor/Manager pay schedule and pay band in the career group corresponding to the occupational series and grade of the current position.

Career Conditional Appointments

At the time of conversion, career conditional employees will become career employees. In NSPS, there are no career conditional appointments.

Probationary Periods

Probationary Periods – An employee serving an initial or supervisory probationary period at the time of conversion will continue the probation after conversion.

Frequently Asked Questions

Question: Will an employee lose salary when converted to NSPS?

Answer: No. The employee will convert into NSPS based on his or her permanent position of record without a loss of pay. An employee's full salary, including any applicable locality payment, special rate, or retained rate, is preserved.

Question: Will an employee at step 10 receive a WGI buy-in?

Answer: An employee at step 10 is not eligible for a WGI buy-in because he or she has already received all 10 step increases under the GS system. The WGI buy-in is a process used during conversion to NSPS to pay the employee for time spent working towards the next step increase.

Question: How does an employee find out when he or she converts to NSPS?

Answer: Supervisors are the best first source. Local Human Resources experts are another reliable source.