

U.S. NUCLEAR REGULATORY COMMISSION MANAGEMENT DIRECTIVE (MD)

MD 10.145	SENIOR LEVEL SYSTEM	DT-19-02
<i>Volume 10, Part 6, Subpart B:</i>	Personnel Management, Employment and Staffing, Senior Level Positions	
<i>Approved By:</i>	Margaret M. Doane Executive Director for Operations	
<i>Date Approved:</i>	March 26, 2019	
<i>Cert. Date:</i>	N/A, for the latest version of any NRC directive or handbook, see the online MD Catalog .	
<i>Issuing Office:</i>	Office of the Chief Human Capital Officer Policy, Labor and Employee Relations Branch	
<i>Contact Name:</i>	Amanda Noonan	
EXECUTIVE SUMMARY		
Management Directive (MD) 10.145, "Senior Level System," is revised to—		
<ul style="list-style-type: none">• Clarify the roles and expectations for Senior Level System (SLS) employees as well as for NRC management of SLS employees.• Consolidate information about all SLS positions into MD 10.145. MD 10.11, "Visiting Fellows Program," and MD 10.146, "Distinguished Engineers and Scientists Program," described specific SLS programs and are eliminated with this revision and publication of MD 10.145.• Define the role of the Executive Resources Board and the Performance Review Board.• Remove procedural guidance and the benchmarks that are now available on the Office of the Chief Human Capital Officer's SLS Web site.• Eliminate references to the defunct Senior Level Review Panel.• Update the Organizational Responsibilities and Delegations of Authority section, to include changes in organizational titles.		

For updates or revisions to policies contained in this MD that were issued after the MD was signed, please see the Yellow Announcement to Management Directive index ([YA-to-MD index](#)).

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I. POLICY

It is the policy of the U.S. Nuclear Regulatory Commission (NRC) to recruit, appoint, compensate, award, and appraise NRC Senior Level System (SLS) employees by applying merit staffing, performance management, and compensation principles equitable with those applied to other Federal employees in non-supervisory positions above the GG-15 grade level.

II. OBJECTIVES

- Recruit, appoint, and retain the highest quality advisors and experts for the agency.
- Ensure the technical proficiency, expertise, and in-house analytical capabilities of NRC staff needed in specialized areas, such as reactor physics, thermal-hydraulic analyses, probabilistic risk analysis, structural analysis, health physics, and physical and materials sciences, as well as in complex legal, financial, and administrative disciplines.
- Compensate NRC SLS employees in a manner consistent with pay practices established by the Commission and equitable with pay of other senior Federal employees, including employees of the Senior Executive Service (SES), the NRC Administrative Judge system, and the Administrative Law Judge system.

III. ORGANIZATIONAL RESPONSIBILITIES AND DELEGATIONS OF AUTHORITY

A. Chairman

1. Serves as the deciding official for actions involving appointments, position changes, the establishment of positions, performance appraisals, awards, pay, and other actions for SLS employees on the Chairman's immediate staff.
2. Serves as the deciding official for actions involving appointments, position changes, the establishment of positions, performance appraisals, awards, pay, and other actions for SLS employees in the Office of Public Affairs (OPA) and the Office of Congressional Affairs (OCA).
3. Serves as the deciding official for awards, performance-based pay adjustments, position changes, and the establishment of positions for SLS employees in Commission-level offices.

B. Commissioners

1. Serve as the deciding officials for actions involving appointments, position changes, the establishment of positions, performance appraisals, awards, pay, and other actions for SLS employees on their immediate staffs.
2. Approve, as a group, performance awards for Commissioner Assistants when the awards combined with annual raises exceed 10 percent, but do not exceed 15 percent, of the individual's annual salary.

C. Inspector General (IG)

Serves as the deciding official for actions involving appointments, position changes, the establishment of positions, performance appraisals, awards, pay, and other actions for SLS employees in the Office of the Inspector General (OIG).

D. Directors, Commission-Level Offices

Except for the Directors, OPA and OCA, serve as the deciding officials for appointments, pay band changes, and performance appraisal ratings for SLS employees in their immediate offices.

E. Executive Director for Operations (EDO)

Serves as the deciding official for actions involving appointments, position changes, the establishment of positions, performance appraisals, awards, pay, and other actions for SLS employees in offices that report to the Office of the Executive Director for Operations (OEDO).

F. Chief Human Capital Officer (CHCO)

1. Administers staffing, compensation, performance management, and other personnel-related activities for SLS employees.
2. Provides advice and guidance to individual Commissioners on performance appraisal ratings, awards, and pay adjustments proposed for SLS employees on a Commissioner's staff.
3. Provides staff support to the Executive Resources Board (ERB) and the Performance Review Board (PRB) for actions involving SLS positions and employees.

G. Executive Resources Board (ERB)

1. Provides oversight, review, and program evaluation for the policies, programs, and activities related to the NRC's SLS.
2. Reviews requests to establish new or to fill existing SLS positions and makes recommendations to the deciding official, as appropriate, except for Commissioner Assistants and SLS positions in OIG.
3. Periodically reviews SLS positions to determine their continued need by the agency.

H. Performance Review Board

Makes recommendations to the deciding officials on actions involving performance appraisal ratings, awards, performance-based pay adjustments, and pay band changes for SLS employees, except for Commissioner Assistants and SLS employees in OIG.

IV. APPLICABILITY

This program applies to all NRC employees above the GG-15 level, except executive-level appointees, members of the SES, NRC Administrative Judges, and Administrative Law Judges.

V. HANDBOOK

The handbook for this directive contains detailed guidelines for the administration of the NRC SLS.

VI. REFERENCES

Nuclear Regulatory Commission Documents

NRC Executive Resources Board Charter, available at <http://www.internal.nrc.gov/HR/ses/erb-charter.pdf>.

NRC Performance Review Board Charter, available at <http://www.internal.nrc.gov/HR/performance/prb-charter.pdf>.

NRC Management Directives:

7.6, "Public and Confidential Financial Disclosure Reports."

7.7, "Security Ownership."

10.1, "Recruitment, Appointments, and Merit Staffing."

10.14, "Employee Trial Period."

10.51, "Recruitment, Relocation, and Retention Incentives."

10.72, "Awards and Recognition."

10.103, "Reduction in Force for Non-SES Employees."

10.148, "Senior Level Performance Appraisal System."

12.3, "NRC Personnel Security."

NUREG/BR-0201, "Commissioner's Assistant Handbook," available at <http://fusion.nrc.gov/ochco/team/PDF/Executive/comm-asst-handbook.pdf>.

OCHCO Senior Level System Web site, available at <http://drupal.nrc.gov/ochco/catalog/2024>.

Results of the Study of the Engineering & Scientific Positions in the NRC Commission's Senior Level System (ML17179A381).

SECY-91-274, "Establishment of NRC Position and Pay System for NRC Administrative Judges and Staff at General Grade (GG) 16, 17, and 18 or Equivalent Pay Levels."

Tasking in Response to the Study of the Engineering and Scientific Positions in the NRC Senior Level System (SLS) (ML17202T557), dated August 15, 2017.

Office of Personnel Management

USAJOBS Web site, available at <https://www.usajobs.gov/>.

United States Code

Atomic Energy Act of 1954, as amended (42 U.S.C. 2011 et seq.).

Energy Reorganization Act of 1974, as amended (42 U.S.C. 5801 et seq.).

Veteran's Preference Act of 1944, as amended (5 U.S.C. 2108).

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I. PURPOSE AND POSITION MANAGEMENT

A. Purpose, Roles, and Expectations

1. The Senior Level Service (SLS) provides a means through which the U.S. Nuclear Regulatory Commission (NRC) can identify and use the services of senior professionals with highly specialized skills who are capable of making exceptional contributions to the resolution of critical mission concerns involving national health, safety, safeguards, legal, administrative, and other issues. The SLS provides the opportunity to reach the top of the technical or administrative career path for employees who choose to remain in nonsupervisory positions.
2. SLS employees are expected to have skills and a level of expertise well beyond those at the grade 15 level (e.g., stature as an acknowledged expert in their field or discipline; recognized as a national or international expert; depth of expertise and significant professional accomplishment). The examples below are illustrative of a level of expertise well beyond the grade 15 level:
 - (a) Provide technical leadership and expert advice in support of agency policy and mission-related activities;
 - (b) Provide authoritative assistance, consultation, and guidance to staff and management on complex, specialized, technical matters or functional area of expertise;
 - (c) Provide advice to agency managers to assist in resolution of differing technical views;
 - (d) Support the development and use of state-of-the-art methods and information;
 - (e) Support standards development and Federal interagency collaborative activities;
 - (f) Support Commission international strategy initiatives (e.g., demonstrating NRC leadership through technical workshops and other international initiatives);
 - (g) Maintain and expand the agency's technical knowledge and capability in critical areas;

- (h) Support and participate in the agency knowledge management program and other knowledge management initiatives, including mentoring for staff; and
 - (i) Contribute to the harmonization of agency technical activities or regulatory practices.
3. Managers of SLS employees are expected to use the technical expertise and advice from SLS employees when making decisions. Agency management, and in some cases the Commission, and not the SLS employees, are ultimately responsible for decisionmaking. All agency decisionmaking should be well-informed, technically sound, with a clear legal foundation, and consistent with Commission policy. In support of effective decisionmaking, NRC managers should—
- (a) Involve SLS employees in important agency decisionmaking,
 - (b) Share SLS resources for the benefit of agency mission and programs,
 - (c) Consult with SLS employees on decisions related to their area of expertise,
 - (d) Provide support to SLS employees in maintaining their capabilities and stature as recognized experts,
 - (e) Support SLS involvement (direct or indirect) in standards development and Federal collaborative activities,
 - (f) Support SLS involvement in agencywide knowledge management activities, and
 - (g) Support SLS involvement in resolving differing technical views.

B. Position Management and Oversight

1. The NRC Executive Review Board (ERB) is responsible for general oversight of the NRC's Senior Level Service (SLS), except for Commissioner Assistants and within the Office of the Inspector General (OIG). The NRC's [ERB Charter](#) is available on the Office of the Human Capital Officer (OCHCO) Senior Executive Service Web site, <http://drupal.nrc.gov/ochco/catalog/2025>.
2. The ERB—
 - (a) Reviews requests to establish new SLS positions,
 - (b) Reviews requests to fill existing SLS positions, and
 - (c) Periodically reviews SLS positions to determine their continued need by the agency.
3. The Executive Director for Operations (EDO) and the Chairman will determine the total number of permanent SLS positions authorized for the NRC.

C. SLS Position Benchmarks

1. Benchmarks are generic descriptions of levels of duties and responsibilities within the SLS. Benchmarks do not describe every SLS position at the NRC. The SLS benchmarks are available on the [OCHCO Senior Level System Web site](#).
2. There are four broad categories of SLS positions at the NRC—
 - (a) Engineering and scientific,
 - (b) Legal,
 - (c) Professional and administrative, and
 - (d) Commissioner Assistants.

D. Position Description Format

Position descriptions for SLS positions should be prepared using the format described in the benchmark descriptions and include—

1. Purpose of position,
2. Major duties and functions,
3. Knowledge and skill requirements,
4. Contacts and commitments, and
5. Discretion and responsibility.

E. Evaluating SLS Positions

1. Descriptions of duties should be evaluated first using the criteria described in Management Directive (MD) 10.37, "[Position Evaluation and Benchmarks](#)," to ensure that the duties exceed those for the GG-15 level.
2. Once it is determined that the duties exceed those for the GG-15 level, the SLS benchmarks should be used to identify the SLS pay band most applicable to the described duties. Generally, the differences between the SL-1, SL-2, and SL-3 pay bands reflect differences in a given position's breadth of complexity and specialization; the extent of the incumbent's independent responsibility in providing authoritative assistance, consultation, and support; and the extent to which the incumbent's expertise and stature are relied upon by an office or offices, the Commission, or externally/internationally. The SLS benchmarks are available on the [OCHCO Senior Level System Web site](#).

3. Since there will not be a benchmark to describe every situation or pay band, the lack of a benchmark does not preclude evaluating a position at a specific pay band. In such cases, the following procedures should be used:
 - (a) Determine that the position is above the GG-15 level.
 - (b) Evaluate the duties and responsibilities using the most closely related benchmark.
 - (c) Reference the closest related benchmarks above and below the band being proposed.
 - (d) Cross-reference and consider already established positions at, above, and below the proposed position as part of the overall evaluation.
4. Titles for SLS positions should reflect the technical program or discipline and the professional stature required by the incumbent of the position.

F. New Position Request and Request to Fill an Established Position

1. An office director or regional administrator submits to the Chief Human Capital Officer (CHCO) for ERB review a request to establish a new SLS position or fill an existing position.
2. The request should include the following information:
 - (a) Justification for establishing or filling the position,
 - (b) Position description in the benchmark format and preliminary recommendation for pay band assignment,
 - (c) Verification that the position will be within the established full-time equivalent (FTE) ceiling guidelines,
 - (d) Recommended method of filling the position (i.e., permanent or temporary/term appointment), and
 - (e) Recommended recruitment approach (i.e., all sources, Governmentwide, or NRC-wide).
3. A request to fill an established vacant SLS position must include a justification from the office director or regional administrator stating that the position has been reevaluated and there is a continuing need for the position.
4. The CHCO is responsible for making a preliminary technical review of the material and arranging for a meeting of the ERB. The ERB will review a new position request and a request to fill an established position in terms of the established [SLS criteria](#) found on the [OCHCO Senior Level System Web site](#).

5. Once the ERB has made a recommendation, the request will be forwarded to the deciding official for final approval.
6. If approved, OCHCO will work with the requesting office or region to initiate appropriate action to fill the position.

G. Redescribing a Position

1. The office director or regional administrator should advise OCHCO when the duties or professional stature requirements of an established SLS position have changed so that the position can be redescribed and reevaluated.
2. Once OCHCO has completed its review, the action is forwarded to the ERB, as appropriate, for review and recommendation.
3. The recommendation of the ERB is forwarded to the deciding official for a final decision.
4. Once the decision is made, the request is forwarded to OCHCO to initiate appropriate implementing action.

II. VARIATIONS FOR LIMITED-APPOINTMENT COMMISSIONER ASSISTANTS

A. Position Establishment

1. A request to establish or revise a position should be forwarded to the CHCO for technical review. A proposed position description should follow the benchmark format in Section I.D. of this handbook.
2. The CHCO will provide a pay band and position classification recommendation and forward the position to the appropriate Commissioner for final action.

B. Initial Entry to the SLS

1. A Commissioner Assistant serves under an NRC Limited Appointment, which is an exception to competitive requirements.
2. The appointment of a Commissioner Assistant does not have to be reviewed by the ERB.
3. Initial pay setting is at the discretion of the Commissioner.

C. Performance Appraisal and Performance Recognition

1. The CHCO may, at the request of the Commissioner, review the performance appraisal and proposed performance recognition and advise the Commissioner.
2. The Commissioner will determine the final performance appraisals and performance recognition.
3. Review by the Performance Review Board (PRB) is not required.

D. Within-Band, Performance-Based Pay Adjustments and Awards

1. Exceptional performance may be recognized by a within-band, performance-based pay increase. A Commissioner Assistant is eligible to receive up to a 6 percent base pay (i.e., the rate of pay before adding any applicable locality pay) adjustment each year based on performance.
2. In addition to, or instead of, a within-band, performance-based pay adjustment, a cash performance award may be approved by a Commissioner, as noted below.
 - (a) If the Commissioner determines that the individual's performance has exceeded the high level expected of a Commissioner Assistant, the Commissioner may make an additional cash award. The combined base pay increase and cash award should not exceed 10 percent of the individual's current base pay.
 - (b) If the Commissioner determines that the individual's performance was of such caliber as to warrant more than a 10 percent combined annual raise and cash award, the Commissioner may seek collegial Commission approval of a cash award of up to 15 percent of base pay.
3. Any agency cash award exceeding \$10,000 requires the approval of the Office of Personnel Management (OPM).

E. Pay Band Changes

If base pay reaches the top of an SLS pay band, the Commissioner will determine whether the individual's performance and the complexity of the position merit progression to the next band.

III. RECRUITMENT AND STAFFING**A. Initial Entry**

1. Initial entry involving permanent and time-limited appointment to an NRC SLS position from a GG-15 or comparable position must be through competitive action. A 1-year SLS probationary period is required for individuals on a permanent appointment.

2. An NRC SES member who voluntarily moves into the SLS will do so through a conversion action and will retain his or her SES pay. No SLS probationary period is required for this individual.
3. An individual who is in another Federal executive system (above the grade 15 level) outside the NRC may be selected and appointed through competitive or noncompetitive procedures, depending on the requirements defined by management for filling the position.
4. An individual from outside the Federal service must compete for an initial permanent, and time-limited appointment to an NRC SLS position. A 1-year SLS probationary period is required for an individual on a permanent appointment.

B. Reinstatement

An NRC employee who leaves the NRC SLS for reasons other than malfeasance, misconduct, or performance and who has successfully completed the SLS probationary period is eligible for reinstatement.

C. Recruitment

1. Recruitment for an NRC SLS position that is announced competitively should be conducted on an extensive nationwide basis in order to obtain the broadest range of candidates.
2. Normally, the area of competition will be all qualified candidates. However, a smaller area of competition, but no smaller than agencywide, may be used if approved by the Chairman or the EDO, based upon a recommendation from the ERB, as appropriate.
3. A vacancy announcement will be prepared by the OCHCO representative in consultation with, and input from, the initiating office. In addition to the standard vacancy announcement contents, the vacancy announcement must—
 - (a) Clearly identify the position as an NRC SLS position and specify the pay band to which the position is assigned.
 - (b) Describe the qualifications required, including any weighting that may be assigned to individual quality ranking factors.
 - (c) Describe the evaluation methods to be used and provide guidance on the types of information that will be reviewed when evaluating candidates.
 - (d) Include guidance on application procedures and requirements.
 - (e) Include appropriate language regarding equal employment opportunity and reasonable accommodations for the application process.

- (f) Describe—
 - (i) Any special conditions of employment,
 - (ii) Security clearance requirements,
 - (iii) Payment of travel and transportation expenses,
 - (iv) Drug testing requirements,
 - (v) SLS probationary period requirements,
 - (vi) Public financial disclosure reporting requirements, and
 - (vii) Consideration of payment of monetary incentives, such as a relocation or recruitment incentive.
 - (g) Include other factors, when appropriate.
4. All NRC vacancies are published on the OPM Governmentwide employment page (USAJOBS), <https://www.usajobs.gov>. Additional recruiting tools may be used, as appropriate, to reach potential sources of candidates. These tools may include advertisement in professional and trade journals, distribution of the vacancy announcement to professional societies and organizations, and notification through solicitation of known individuals or groups of individuals with the applicable qualifications.
 5. Veterans' preference is applicable, as appropriate.

D. Competitive Merit Selection

1. Selection panel members at the SLS and/or SES levels are appointed by the initiating office to evaluate candidates and identify the best qualified candidates. The NRC will make every effort to ensure that panel members reflect diversity.
2. To maintain parity with competitive SES merit staffing actions, a written crediting plan will be developed to ensure eligible candidates for specific SLS positions are rated on the same basis using the same methodology to ensure fairness and consistency. Crediting plans will be developed jointly by the OCHCO representative and the initiating office and must be established before eligible candidates are evaluated. The crediting plan will be maintained in the merit staffing case file.
3. The OCHCO representative will conduct a preliminary screening of applications for completeness, basic qualifications, and eligibility. Applications for candidates found to be eligible and basically qualified are referred to the rating panel for further evaluation.

4. The OCHCO representative will attend all panel meetings as a nonvoting member and technical advisor. In special cases, for example, when panel members are located in a different commuting area, the OCHCO representative and/or panel members may participate in the meeting remotely, for example, through a telephone conference call.
5. The panel will rate candidates against the crediting plan. The panel must assign a tentative qualifications category ranking of "A," "B," or "C" to each quality ranking factor and to an overall ranking for each applicant, consistent with MD 10.1, "Recruitment, Appointments, and Merit Staffing." "A" is worth 3 points, "B" is worth 2 points, and "C" is worth 1 point. Points are summed and averaged to one decimal place to arrive at an overall score, where the range for "A" is 2.5 to 3.0, "B" is 1.5 to 2.4, and "C" is 1.4 and below. If any factors are weighted, the overall score should account for weighting.
6. Depending on the overall number of eligible applicants, the evaluation process should be able to identify a reasonable number of best-qualified candidates.
7. The panel may use additional candidate assessment tools, such as interviews and reference checks, to further evaluate candidates and refine the best-qualified candidate list rather than relying solely on evaluating candidate qualifications against the crediting plan. Use of additional assessment tools must be well-planned in terms of the evaluation standards to be applied, questions to be asked, and what is to be observed. All candidates must be treated objectively and uniformly.
8. At the conclusion of the panel's deliberations, the best qualified list and supporting documents are forwarded to the initiating office (i.e., the office director or regional administrator, or his or her designee) or directly to the deciding official, as appropriate.
9. The deciding official or the respective office director or regional administrator (or his or her designee) reviews the best qualified candidates and conducts interviews and reference checks, as appropriate.
10. Non-status candidates are considered in accordance with veterans preference entitlements.
11. If the initial selection is made by other than the deciding official, the respective office director or regional administrator makes a recommendation for selection to the deciding official.
12. Once a selection is made, the OCHCO representative will make the formal offer and initiate appropriate pre-employment processing procedures.
13. Pay will be set in accordance with Section IV of this handbook.

14. An applicant who is dissatisfied with the results of the OCHCO review and qualifications determination, the final rankings by the ranking panel, or both, may seek reconsideration by contacting the OCHCO human resources specialist listed on the job opportunity vacancy announcement.

E. NRC SES Conversions to the SLS

1. An NRC SES member may voluntarily request conversion to the NRC SLS. This action would be an exception to the competition requirement for initial entry into the SLS.
2. As a result of a reduction-in-force, consistent with MD 10.103, "Reduction in Force for Non-SES Employees," or an outplacement based on performance, the Chair of the NRC ERB may direct the conversion of an employee in the SES to the SLS.
3. For an SES member converting to the SLS, the 1-year probationary period is waived upon initial entry to the SLS.
4. The deciding official may consult with the ERB on individual conversion requests.

F. Selection of an Individual from Another Executive System Outside the NRC

1. An individual who is a member of an executive system (in a position above the grade 15 or equivalent level) from another Federal agency may be selected through competitive or noncompetitive procedures.
2. An individuals who is a member of an executive system in the private sector may be selected competitively for a permanent appointment or noncompetitively for an other-than-permanent appointment.
3. An individual who applies for a position as a result of a competitive vacancy announcement will be evaluated along with GG-15 or equivalent applicants.
4. Management may choose to fill a new or a vacant position with an individual from another executive system using noncompetitive measures. This course of action would be most applicable when highly specialized skills are required and the number of individuals who would be qualified is clearly known.

IV. COMPENSATION

A. Pay Structure

1. Base pay rates for NRC Senior Level System (SLS) employees extend from 120 percent of GG-15/1 to the pay rate of Level IV of the Executive Schedule (EX-IV).
2. Pay is divided into three bands—
 - (a) Band SL-1. This band is divided into three pay levels—
 - (i) SL-1A,
 - (ii) SL-1B, and
 - (iii) SL-1C.
 - (b) Band SL-2.
 - (c) Band SL-3.
3. The minimum rate of base pay for the SLS rate range will increase consistent with any increase in the rate of base pay for GG-15/1, and the maximum rate of base pay will increase consistent with any increase in the pay rate for EX-IV.
4. Base pay can be set no lower than 120 percent of GG-15/1 or higher than EX-IV.
5. Base pay plus the applicable locality adjustment may not exceed the pay rate for Executive Level III (EX-III).

B. Waiting Periods in Band SL-1

1. There is a 1-year waiting period between SL-1A and SL-1B.
2. There is a 2-year waiting period between SL-1B and SL-1C.
3. An office director or regional administrator, in consultation with the Chairman or the EDO, as appropriate, may recommend shortening the waiting period when equity, performance, or other factors apply. Such actions should be forwarded to OCHCO for technical review. OCHCO will coordinate review of the action by the PRB before a final decision is made by the Chairman or the EDO to ensure equity among agency organizations.
4. A Commissioner may shorten the waiting period for an SLS employee on his or her immediate staff.

C. Pay Setting Upon Initial Appointment

1. The setting of pay upon initial appointment depends upon the pay band assigned to the position being filled.
2. An NRC employee or comparable Federal employee at the grade 15 level who is competitively selected for an SLS position would normally receive the equivalent of a two-step, or 6 percent, base pay increase, or the bottom of SL-1A, whichever is higher. However, the pay cannot exceed the top of the pay band to which the position is assigned.
3. An appointee selected or reassigned from another comparable executive pay system will have pay set in accordance with standard pay practices and labor market conditions. Such pay, however, cannot exceed the top of the pay band to which the position is assigned.
4. An NRC Senior Executive Service (SES) member who voluntarily converts to the SLS will retain his or her SES pay as the total basic pay. If the SES pay is higher than the top of the pay band, with locality pay, to which the position is assigned, he or she will be in a pay retention status and will receive 50 percent of the dollar amount of the increase in the maximum rate payable for the employee's current pay band for any subsequent annual pay adjustment.

D. Annual General Pay Adjustments

1. Normally, the NRC SLS pay band will be adjusted by the same annual general pay adjustment as that provided to other Governmentwide pay systems, plus the applicable locality adjustment. The pay scale will be revised to reflect the new entry level rate of 120 percent of GG-15/1 and the new lower and upper ranges of the SL bands. However, for an SES member who converts to the SLS, see Handbook Section IV.C.
2. An annual general pay adjustment for an SLS employee is directly tied to performance. A rating of fully successful during the last performance appraisal rating period must receive the full adjustment. A rating of minimally satisfactory would result in 50 percent of the adjustment. No adjustment would be paid in the event of an unsatisfactory rating.

E. Within-Band, Performance-Based Pay Increases

1. An increase to base pay within a pay band is based on performance. The threshold eligibility for a within-band, performance-based increase is based on receipt of no less than a "Fully Successful" performance appraisal rating.
2. A within-band, performance-based pay increase is not an automatic or across-the-board increase. It should be recommended only for an SLS employee whose performance warrants such an increase.

3. A rating official will initiate a within-band, performance-based increase to base pay by annotating the recommendation on NRC Form 533, "[Senior Level System \(SLS\) Performance Plan and Appraisal](#)."
4. A performance-based increase to base pay cannot exceed the top of the pay band to which the position is assigned.
5. The PRB will review both the performance appraisal rating and the recommendation for a performance-based, base pay increase and make a recommendation to the deciding official (as specified in MD 10.148, "[Senior Level Performance Appraisal System](#)").
6. An adjustment to base pay that is based on performance can be made only once for each appraisal period.

F. Movement Between Pay Bands

1. When an NRC SLS employee moves to a higher or a lower pay band through re-evaluation of duties or as a result of a competitive selection, pay may be adjusted. If the movement is to a higher band, pay will be adjusted to reflect a 6 percent base pay increase or the bottom of the new pay band, whichever is higher. However, the pay cannot exceed the top of the pay band to which the position is assigned. Movement to a lower band, although possible, would be very rare, and should occur only after consulting the OCHCO human resources specialist to determine pay implications.
2. A pay adjustment resulting from a movement between pay bands does not affect the award of a performance-based pay increase. However, such a pay increase should normally be based on the performance of duties in effect at the end of the rating period. Also, the individual should have been in the position for at least 120 days before the end of the rating period.

G. Awards

An SLS employee is eligible for other forms of recognition, including performance awards, time-off awards, and special act or service awards in accordance with the criteria described in MD 10.148 and MD 10.72, "[Awards and Recognition](#)."

H. Incentives and Allowances

1. NRC SLS employees are eligible for recruitment, relocation, and retention incentives (see MD 10.51, "[Recruitment, Relocation, and Retention Incentives](#)").
2. SLS employees who are law enforcement officers also are eligible for any special pay adjustments for law enforcement officers that have been adopted and implemented by the NRC.

I. Aggregate Limitation on Pay

1. An SLS employee's aggregate compensation in any given calendar year may not exceed the rate of pay of Level I of the Executive Schedule (EX-I).
2. Aggregate compensation for an SLS employee includes basic pay; awards; recruitment, relocation, and retention incentives; and other similar payments.
3. If an award or other additional payment, when added to basic pay, would cause the SLS employee's aggregate compensation to exceed EX-I by the end of the calendar year, the excess amount will be withheld from the award or other additional payment and be carried over and paid as a lump sum payment at the beginning of the next calendar year. Basic pay counts toward the aggregate limitation on pay, but basic pay itself is not reduced or withheld.
4. If the continuing and noncontinuing payments to which an employee is entitled or has received during a calendar year exceed the rate payable for EX-I, any discretionary continuing payments (for example, a retention incentive) that would cause the employee's aggregate compensation to exceed the limitation must be discontinued. These discontinued, discretionary payments normally will become payable at the beginning of the next calendar year and will be included in the computation of the employee's aggregate compensation for the year in which they were paid.

V. PERFORMANCE MANAGEMENT**A. Appraisal Period**

The appraisal period for an SLS employee is October 1 through September 30.

B. Appraisal System

An SLS employee is covered under the appraisal system described in MD 10.148.

C. Performance Review Board

1. All performance appraisals for SLS employees will be reviewed by the PRB, except performance appraisals of Commissioner Assistants.
2. The PRB will review the performance appraisals for soundness in application of elements and standards and equity in rating recommendations for comparable types of positions within organizations and across agency lines.
3. The PRB will recommend the following actions to the appropriate deciding officials:
 - (a) Assignment of the annual summary rating.
 - (b) Whether or not a within-band, performance-based increase to base pay should be approved, and the recommended amount or percentage.

- (c) Whether or not a pay band change should be approved.
 - (d) Whether or not a performance award should be approved and the recommended amount or percentage.
4. The [PRB Charter](#) is available on the [OCHCO Senior Executive Service Web site](#).

D. Deciding Official

1. The final performance appraisal and pay band change for an NRC SLS employee will be made by the Chairman for the Office of Congressional Affairs (OCA) and the Office of Public Affairs (OPA), the office director for other Commission-level offices, and the Executive Director for Operations (EDO) for offices that report to the Office of the EDO (OEDO).
2. A final decision on a within-band, performance-based increase to base pay and a performance award for an SLS employee will be made by the Chairman for Commission-level offices and the EDO for offices that report to OEDO.