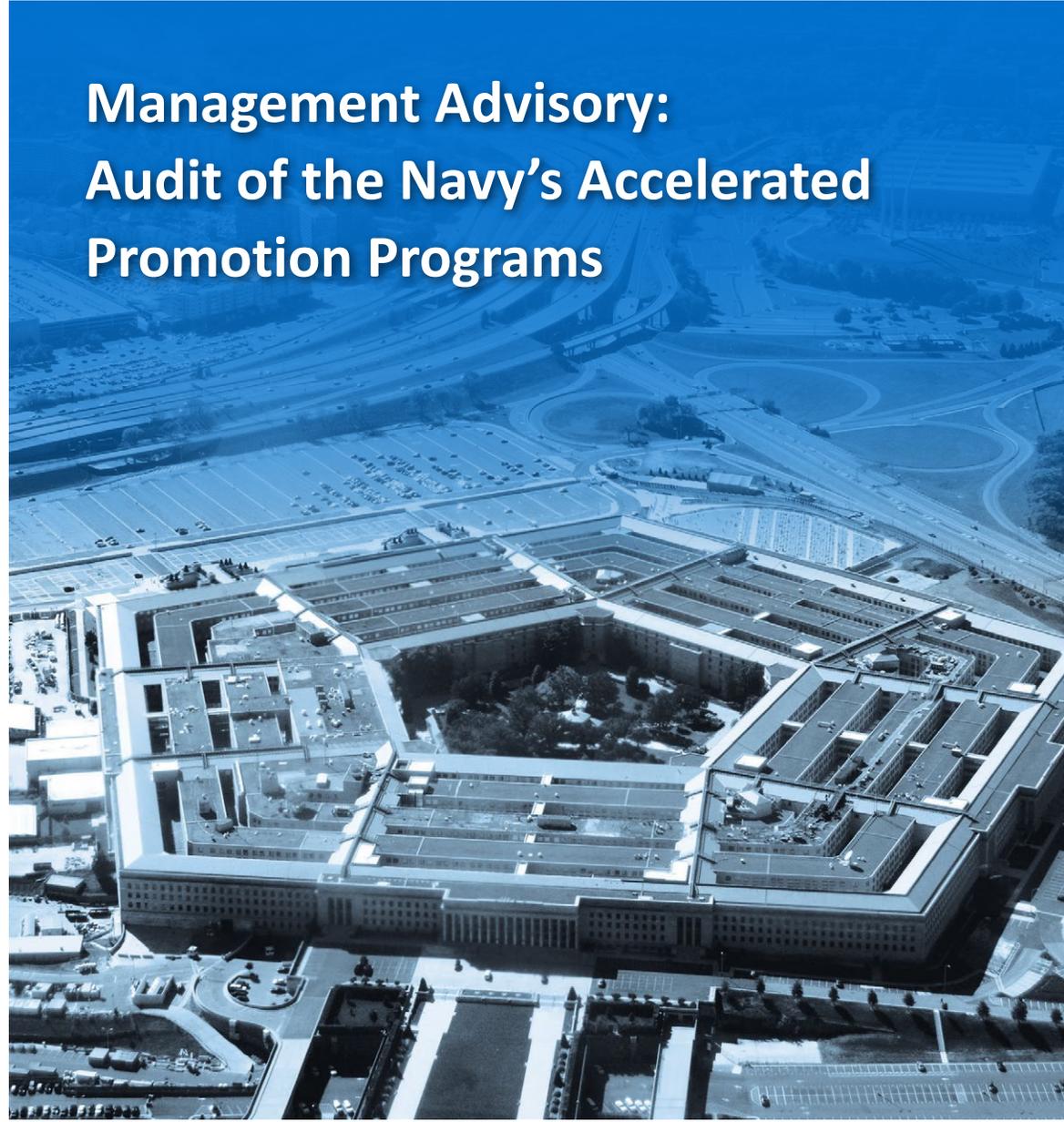


INSPECTOR GENERAL

U.S. Department of Defense

SEPTEMBER 21, 2022



Management Advisory: Audit of the Navy's Accelerated Promotion Programs

INTEGRITY ★ INDEPENDENCE ★ EXCELLENCE





**INSPECTOR GENERAL
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September 21, 2022

MEMORANDUM FOR AUDITOR GENERAL, DEPARTMENT OF THE NAVY
DIRECTOR, OFFICE OF CIVILIAN HUMAN RESOURCES,
DEPARTMENT OF THE NAVY

SUBJECT: Management Advisory: Audit of the Navy's Accelerated Promotion Programs
(Report No. DODIG-2022-134)

The purpose of this management advisory is to inform Congress and DoD leadership on the status of the Audit of the Navy's Accelerated Promotion Programs (APPs). The objective of the audit is to determine whether employees hired at the Navy's four public shipyards were affected by the suspension of the Accelerated Promotion Program in 2016 and, if so, determine the number of employees affected. For employees affected, determine the monetary impact to those employees and whether they are entitled to additional compensation, and identify the amount. We prepared this management advisory in accordance with the Council of Inspectors General for Integrity and Efficiency's Quality Standards for Federal Offices of Inspector General, which require that we conduct our work with integrity, objectivity, and independence.

We initiated this audit to address the requirements in Public Law 117-81, "National Defense Authorization Act (NDAA) for Fiscal Year 2022," Section 1115, regarding the Navy's suspension of the Entry Level Naval Shipyards Engineer Accelerated Promotion Program. The NDAA requires the DoD OIG to conduct an assessment of the impacts resulting from the Navy's suspension of the Entry Level Naval Shipyards Engineer APP from January 23, 2016, through December 22, 2016, and provide a report on the results to the congressional defense committees, the Committee on Oversight and Reform of the House of Representatives, and the Committee on Homeland Security and Governmental Affairs of the Senate, not later than September 23, 2022. In addition, in response to additional Congressional requests, the DoD OIG is reviewing three additional Navy APPs for personnel hired during the same time period. This management advisory provides a status of the Audit of the Navy's Accelerated Promotion Programs to meet the September 23, 2022 deadline.

This audit focuses on Navy shipyard personnel hired at the four Navy shipyards from January 23, 2016, through December 22, 2016. We visited the Navy's four public shipyards: Norfolk Naval Shipyard, Portsmouth, Virginia; Portsmouth Naval Shipyard, Kittery, Maine; Puget Sound Naval Shipyard, Bremerton, Washington; and Pearl Harbor Naval Shipyard, Pearl Harbor, Hawaii. We reviewed human resources documentation, such as the Notice of Personnel Action Standard Form (SF) 50 and Request for Personnel Action SF 52, available in the Office of Personnel Management's (OPM) electronic Official Personnel Folder. This management

advisory describes the results of our analysis to date and identifies the number of shipyard personnel that did not receive an accelerated promotion through one of the Navy APPs. We will issue a full audit report once we complete our remaining audit steps, which are discussed later in this advisory.

The Navy's Accelerated Promotion Programs

Personnel under a General Schedule (GS) position must have completed a minimum of 52 weeks in that position to be eligible for a promotion.¹ However, under an OPM approved training agreement (also known as an APP or Accelerated Training and Promotion Program), personnel may be eligible for a promotion before completing 52 weeks in their current position.² The purpose of an APP is to provide personnel with the opportunity to acquire the experience, knowledge, skills, and abilities necessary to qualify for another position or promotion at an accelerated rate.³

Accelerated Promotion Programs for Navy Public Shipyards

The Navy's four public shipyards perform a vital role in national defense by executing maintenance on ships, submarines, and systems in order to provide combat-ready ships to the fleet. The four public shipyards are:

- Norfolk Naval Shipyard, Portsmouth, Virginia;
- Portsmouth Naval Shipyard, Kittery, Maine;
- Puget Sound Naval Shipyard and Intermediate Maintenance Facility, Bremerton, Washington; and
- Pearl Harbor Naval Shipyard and Intermediate Maintenance Facility, Pearl Harbor, Hawaii.

¹ Title 5 Code of Federal Regulations (CFR) Section 300.604.

The GS classification and pay system covers the majority of civilian white-collar Federal employees in professional, technical, administrative, and clerical positions and agencies classify the grade of each job based on the level of difficulty, responsibility, and qualifications required.

² Title 5 Code of Federal Regulations (CFR) Section 300.603(b).

³ Title 5 Code of Federal Regulations (CFR) Section 410.307.

An APP allows the Navy to recruit and retain the most qualified individuals in order to compete more effectively with the private sector. From June 26, 2012, through December 22, 2016, OPM approved four Navy APPs for specific occupational series and position descriptions at the Navy's four public shipyards. Table 1 provides the four Navy APP positions and the dates OPM approved the APP for each.

An APP allows the Navy to recruit and retain the most qualified individuals in order to compete more effectively with the private sector.

Table 1. Approved Navy APPs from June 26, 2012, Through December 22, 2016

APP Position	OPM Approval Date
Nuclear Shift Test Engineers	June 26, 2012
Nuclear Shift Test Engineer Technicians	August 17, 2012
Radiological Control Technicians	June 26, 2012
Entry Level Naval Shipyards Engineer	December 22, 2016

Source: The DoD OIG.

Navy Requirements for Accelerated Promotion Programs

For the four approved APP positions, the Navy established APP participation requirements for time in grade, training, and performance as defined by that individual's occupational series, GS pay plan, and grade level. To obtain an accelerated promotion, personnel must complete 26 to 51 weeks at their current grade, demonstrate the ability to perform the responsibilities of the next higher grade, satisfactorily meet training requirements, and obtain substantial experience in their assigned position.

In addition, Nuclear Shift Test Engineers, Nuclear Shift Test Engineer Technicians, and Radiological Control Technicians must pass written and oral testing requirements. Table 2 outlines Navy APP requirements for each position.

Table 2. APP Position Requirements

APP Position	Occupational Series	GS Pay Plan and Grade Level	Training Hours
Nuclear Shift Test Engineers	0840	GS-05 through GS-11 Full Performance GS-12	1,040 – 2,080
Nuclear Shift Test Engineer Technicians	0802	GS-07 through GS-11 Full Performance GS-12	1,040 – 2,080
Radiological Control Technicians	1311	GS-04 through GS-08 Full Performance GS-10	1,784
Entry Level Naval Shipyards Engineer	0801, 0806, 0810, 0819, 0830, 0840, 0850, 0855, 0871, 0893, 0896	GS-05 through GS-07 Full Performance GS-11/12	1,040 – 2,080

Source: The DoD OIG.

Entry Level Naval Shipyards Engineer APP Suspension

Before January 2016, the Navy provided accelerated promotions to Entry Level Naval Shipyards Engineers without an approved APP for these positions. In January 2016, the Department of the Navy Office of Civilian Human Resources notified the shipyards that they did not have legal authority to promote Entry Level Naval Shipyards Engineers without an approved APP. However, the Director of Human Resources Policy and Programs, Office of Civilian Human Resources instructed shipyards to continue allowing accelerated promotions before OPM approval of the Entry Level Naval Shipyards Engineer APP. The Navy submitted the Entry Level Naval Shipyards Engineer APP to OPM for approval on September 1, 2016, and OPM approved the APP on December 22, 2016. See the Appendix for the text of Public Law 117-81, Section 1115, which requires this review.

In January 2016, the Department of the Navy Office of Civilian Human Resources notified the shipyards that they did not have legal authority to promote Entry Level Naval Shipyards Engineers without an approved APP.

Audit Methodology

This DoD OIG audit is focused on the following congressionally required or requested actions, as well as additional related areas that the audit team identified.

- Identify the Navy shipyard personnel hired at the four public shipyards from January 23, 2016, through December 22, 2016, and determine which Navy shipyard personnel received an accelerated promotion.
- Review the Navy shipyard personnel records to identify Navy personnel eligible for an accelerated promotion through the four APPs that did not receive an accelerated promotion and calculate the amount of compensation lost.
- Identify the appropriate grade and step, as of October 1, 2020, for Navy shipyard personnel eligible who did not receive an accelerated promotion through an APP.
- Review the Navy shipyard personnel records to identify Navy personnel who received an accelerated promotion through the Entry Level Naval Shipyards Engineer APP before OPM approval.
- Review the Navy shipyard personnel records to identify Navy personnel who received an accelerated promotion through an APP but were not eligible for that accelerated promotion.
- Evaluate the authorities available to compensate Navy shipyard personnel eligible for an accelerated promotion that was not received.

Management Advisory Scope

This management advisory focuses on the first congressionally requested action—identifying Navy shipyard personnel hired at the Navy’s four public shipyards from January 23, 2016, through December 22, 2016, and determining whether the Navy shipyard personnel received an accelerated promotion. The Navy identified 8,566 employees hired at the Navy’s four public shipyards from January 23, 2016, through December 22, 2016. We reviewed documentation provided by the Department of the Navy Office of Civilian Human Resources for the 8,566 employees and identified 1,069 personnel with an occupational series and grade level eligible for one of the Navy APPs. Based on our review of documentation for the 1,069 Navy shipyard personnel, we excluded from our scope:

- 150 personnel who were no longer employed by the Navy.
- 113 personnel that the Navy hired before January 23, 2016.
- 203 Navy personnel who were not in a position approved to be eligible for a Navy APP.

Therefore, the scope of our review is the remaining 603 Navy shipyard personnel hired at the four Navy shipyards from January 23, 2016, through December 22, 2016. Our review will determine whether these 603 personnel were eligible for or received a promotion through a Navy APP. We reviewed human resources documentation, such as the Notice of Personnel Action SF 50 and Request for Personnel Action SF 52, available in the OPM’s electronic Official Personnel Folder.

This management advisory focuses on identifying Navy shipyard personnel hired at the Navy’s four public shipyards from January 23, 2016, through December 22, 2016, and determining whether they received an accelerated promotion.

Shipyards Personnel Generally Received Accelerated Promotions

We determined that the majority of Navy shipyard personnel hired at the four public shipyards from January 23, 2016, through December 22, 2016, received accelerated promotions through a Navy APP. Specifically, 544 of 603 Navy shipyard personnel (90 percent) received accelerated promotions and 59 of 603 Navy shipyard personnel (10 percent) did not receive accelerated promotions through a Navy APP. Table 3 shows the number of shipyard personnel, by APP position, who received or did not receive accelerated promotions through a Navy APP.

544 of 603 Navy shipyard personnel (90 percent) received accelerated promotions and 59 of 603 Navy shipyard personnel (10 percent) did not receive accelerated promotions through a Navy APP.

Table 3. Number of Shipyard Personnel Who Received or Did Not Receive Accelerated Promotions Through a Navy APP

APP Position	Received Accelerated Promotion	Did Not Receive Accelerated Promotion	Total Number of Navy Shipyard Personnel
Nuclear Shift Test Engineers	83	2	85
Nuclear Shift Test Engineer Technicians	3	1	4
Radiological Control Technicians	94	18	112
Entry Level Naval Shipyards Engineer	364	38	402
Total	544	59	603

Source: The DoD OIG.

Shipyards Personnel that Did Not Receive Accelerated Promotions Generally Did Not Meet Requirements

We determined that 59 Navy shipyard personnel did not receive accelerated promotions through a Navy APP. For these 59 Navy shipyard personnel, we reviewed Navy documentation to determine whether these individuals met the Navy APP eligibility requirements for accelerated promotions. From this review, we determined that 11 Navy shipyard personnel were eligible for a promotion through a Navy APP, and that 48 Navy shipyard personnel were not.

Table 4 identifies the number of Navy shipyard personnel, by APP position, who met and did not meet eligibility requirements for an accelerated promotion through a Navy APP.

Table 4. Number of Shipyard Personnel Who Did Not Receive an Accelerated Promotion Based on Eligibility Requirements for a Navy APP

APP Position	Met Eligibility Requirements	Did Not Meet Eligibility Requirements	Personnel Who Did Not Receive an Accelerated Promotion
Nuclear Shift Test Engineers	0	2	2
Nuclear Shift Test Engineer Technicians	0	1	1
Radiological Control Technicians	2	16	18
Entry Level Naval Shipyards Engineer	9	29	38
Total	11	48	59

Source: The DoD OIG.

Navy shipyard personnel were not eligible for an accelerated promotion through one of the four Navy APPs for the following reasons.

- Did not meet the training or performance requirements
- Resigned or were terminated before meeting time in grade requirements
- Did not meet time in grade requirements due to extended leave
- Reassigned or transferred to a division, command, or agency that did not participate in an APP
- Previously participated in an APP

Remaining Audit Actions

We will address the remaining congressionally requested actions and the additional areas identified by the audit team in the final report by reviewing Department of the Navy Office of Civilian Human Resources documentation for time in grade, training, and performance. Specifically, we are completing analysis to determine the:

- amount of compensation for Navy personnel that did not receive an accelerated promotion but were eligible for an accelerated promotion through an APP;
- appropriate grade and step, as of October 1, 2020, for Navy shipyard personnel who did not receive, but were eligible for, an accelerated promotion through an APP;
- Navy personnel who received an accelerated promotion through the Entry Level Naval Shipyards Engineer APP prior to OPM approval;

- Navy personnel who received an accelerated promotion through an APP but were not eligible for that accelerated promotion; and
- authorities available to compensate Navy shipyard personnel eligible for an accelerated promotion not received.

We considered management's comments on a discussion draft copy of this management advisory when preparing this final advisory. A written response is not required. If you have questions, please contact me at [REDACTED] or [REDACTED]



Richard B. Vasquez
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Readiness and Global Operations

Appendix

Assessment Requirements

Public Law 117-81, “National Defense Authorization Act for Fiscal Year 2022,” Section 1115, “Assessment of Accelerated Promotion Program Suspension,” directed the DoD Office of Inspector General to:

conduct an assessment of the impacts resulting from the Navy’s suspension in 2016 of the accelerated promotion program (APP) and provide a report to the congressional defense committees, the Committee on Oversight and Reform of the House of Representatives, and the Committee on Homeland Security and Governmental Affairs of the Senate, on the results not later than 270 days after the enactment of the National Defense Authorization Act (NDAA). The assessment shall include the following elements: (1) identification of the employees who were hired at the four public shipyards between January 23, 2016, and December 22, 2016, covering the period in which APP was suspended, and who would have otherwise been eligible for APP had the program been in effect at the time they were hired; (2) an assessment for each employee identified in paragraph one to determine the difference between wages earned from the date of hire to the date on which the wage data would be collected and the wages which would have been earned during this same period should that employee have participated in APP from the date of hire and been promoted according to the average promotion timeframe for participants hired in the five-year period prior to the suspension; (3) an assessment for each employee identified in paragraph one to determine at what grade and step each affected employee would be at on October 1, 2020, had that employee been promoted according to the average promotion timeframe for participants hired in the five-year period prior to the suspension; and (4) an evaluation of existing authorities available to the Secretary to determine whether the Secretary can take measures using those authorities to provide the pay difference and corresponding interest, at a rate of the federal short-term interest rate plus 3 percent, to each affected employee identified in paragraph two and directly promote the employee to the grade and step identified in paragraph three.



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