



DEPARTMENT OF COMMERCE

Docket No.: 161229999-6999-01

Commerce Alternative Personnel System

AGENCY: Office of Administration, Office of Human Resources Management, Department of Commerce.

ACTION: Notice.

SUMMARY: This notice announces the expansion of employee coverage under the Commerce Alternative Personnel System, formerly the Department of Commerce Personnel Management Demonstration Project, published in the Federal Register on December 24, 1997. This coverage is extended to include employees located in the Enterprise Services Organization (ESO), a new organization, in the Office of the Secretary (OS), Office of the Deputy Secretary.

DATES: This notice expanding and modifying the Commerce Alternative Personnel System is effective [INSERT DATE OF PUBLICATION IN THE FEDERAL REGISTER].

FOR FURTHER INFORMATION CONTACT: Department of Commerce – Sandra Thompson, U.S. Department of Commerce, 14th and Constitution Avenue NW, Room 51020, Washington, DC 20230, (202) 482-0056 or Valerie Smith at (202) 482-0272.

SUPPLEMENTARY INFORMATION:

1. Background

The Office of Personnel Management (OPM) approved the Department of Commerce (DoC) demonstration project for an alternative personnel management system, and published the final plan in the Federal Register on Wednesday, December 24, 1997 (62 FR 67434). The demonstration project was designed to simplify current classification systems for greater

flexibility in classifying work and paying employees; establish a performance management and rewards system for improving individual and organizational performance; and improve recruiting and examining to attract highly-qualified candidates. The purpose of the project was to strengthen the contribution of human resources management and test whether the same innovations conducted under the National Institute of Standards and Technology alternative personnel management system would produce similarly successful results in other DoC environments. The project was implemented on March 29, 1998. The project plan has been modified eleven times to clarify certain DoC Demonstration Project authorities, and to extend and expand the project: 64 FR 52810 (September 30, 1999); 68 FR 47948 (August 12, 2003); 68 FR 54505 (September 17, 2003); 70 FR 38732 (July 5, 2005); 71 FR 25615 (May 1, 2006); 71 FR 50950 (August 28, 2006); 74 FR 22728 (May 14, 2009); 80 FR 25 (January 2, 2015); 81 FR 20322 (April 7, 2016); 81 FR 40653 (June 22, 2016); 81 FR 54747 (August 17, 2016). With the passage of the Consolidated Appropriations Act, 2008, Public Law 110-161, on December 26, 2007, the project was made permanent (extended indefinitely) and renamed the Commerce Alternative Personnel System (CAPS).

CAPS provides for modifications to be made as experience is gained, results are analyzed, and conclusions are reached on how the system is working. This notice announces that the DoC expands CAPS to include non-bargaining unit employees in the Enterprise Services Organization (ESO) in all duty locations, as a participating organization. The ESO will hire new employees and convert reassigned employees to career paths and occupational series already established under CAPS, requiring no additional series to be added to accommodate the expansion.

The DoC will follow the CAPS plan as published in the Federal Register on December 24, 1997, and subsequent modifications as listed in the Background Section of this notice.

Kevin E. Mahoney,
Director for Human Resources Management and
Chief Human Capital Officer

Table of Contents

I. Executive Summary

II. Basis for CAPS Expansion

III. Changes to the Project Plan

I. Executive Summary

CAPS is designed to (1) improve hiring and allow DoC to compete more effectively for high-quality candidates through direct hiring, selective use of higher entry salaries, and selective use of recruitment incentives; (2) motivate and retain staff through higher pay potential, pay-for-performance, more responsive personnel systems, and selective use of retention incentives;

(3) strengthen the manager's role in personnel management through delegation of personnel authorities; and (4) increase the efficiency of personnel systems through the installation of a simpler and more flexible classification system based on pay banding through reduction of guidelines, steps, and paperwork in classification, hiring, and other personnel systems, and through automation.

The current participating organizations include 7 offices of the Chief Financial Officer/Assistant Secretary for Administration in the Office of the Secretary; the Bureau of Economic Analysis; 2 units of the National Telecommunications and Information Administration (NTIA): the Institute for Telecommunication Sciences and the First Responder Network Authority (an independent authority within NTIA); and 12 units of the National Oceanic and Atmospheric Administration: Office of Oceanic and Atmospheric Research, National Marine Fisheries Service, the National Environmental Satellite, Data, and Information Service, National Weather Service — Space Environment Center, National Ocean Service, Program Planning and Integration Office, Office of the Under Secretary, Marine and Aviation Operations, Office of the Chief Administrative Officer, Office of the Chief Financial Officer, the Workforce Management Office, and the Office of the Chief Information Officer.

This amendment modifies the December 24, 1997, Federal Register notice. Specifically, it expands DoC CAPS to include the ESO.

II. Basis for CAPS Expansion

A. Purpose

CAPS is designed to provide managers at the lowest organizational level the authority, control, and flexibility to recruit, retain, develop, recognize, and motivate its workforce, while ensuring adequate accountability and oversight.

The ESO is a new organization designed to deliver common business support and mission-enabling services in the functional areas of human resources, acquisition, information technology financial management, and other areas as determined necessary. The mission of the ESO is to: Enhance customer experience through the efficient delivery of high-quality mission-enabling services; increase service transparency and accountability; and enable employees,

currently performing these functions, to dedicate more time to the unique mission needs of their organization. The expansion of CAPS coverage to include the ESO, should improve the organization's ability to recruit and retain a high -quality workforce to meet the organization's mission.

DoC's CAPS allows for modifications of procedures if no new waiver from law or regulation is added. Given that this expansion and modification is in accordance with existing law and regulation and CAPS is a permanent alternative personnel system, the DoC is authorized to make the changes described in this notice.

B. Participating Employees

Employee notification of this expansion will be accomplished by providing employees and managers electronic access to all CAPS policies and procedures, including the eleven previous Federal Register Notices. A copy of this Federal Register notice will also be accessible electronically upon approval. Supervisor training and informational briefings for employees will be conducted as the ESO undergoes full transition over a period of a few years.

III. Changes to the Project Plan

The CAPS at DoC, published in the Federal Register on December 24, 1997 (62 FR 67434), is amended as follows:

1. The following organization will be added to the project plan, Section II D –
Participating Organizations

**Office of the Secretary (OS),
Office of the Deputy Secretary, Enterprise Services Organization (ESO)**
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