



Highlights of [GAO-06-381](#), a report to congressional requesters

## Why GAO Did This Study

A federal employee conversion occurs whenever an individual changes from one personnel status or service to another without a break in federal government service of more than 3 days. This report focuses on conversions of individuals from noncareer to career positions. Federal agencies must use appropriate authorities and follow proper procedures in making these conversions. GAO was asked to determine for departments and selected agencies (1) the number and characteristics of all noncareer to career conversions occurring during the period from May 1, 2001, through April 30, 2005, and (2) whether appropriate authorities were used and proper procedures were followed in making these conversions at the GS-12 level and above.

## What GAO Recommends

GAO recommends that (1) OPM review the 18 conversions GAO identified where it appears that certain agencies did not use appropriate authorities and/or follow proper procedures and determine whether additional actions are needed, and (2) determine whether conversions to career excepted service positions should be subject to OPM's review. OPM generally agreed with these recommendations.

[www.gao.gov/cgi-bin/getrpt?GAO-06-381](http://www.gao.gov/cgi-bin/getrpt?GAO-06-381).

To view the full product, including the scope and methodology, click on the link above. For more information, contact George H. Stalcup at (202) 512-6806 or [stalcupg@gao.gov](mailto:stalcupg@gao.gov).

## PERSONNEL PRACTICES

# Conversions of Employees from Noncareer to Career Positions, May 2001 - April 2005

## What GAO Found

Twenty-three of the 41 departments and agencies selected for review reported converting 144 individuals from noncareer to career positions from May 1, 2001, through April 30, 2005. The other 18 departments and agencies reported making no conversions during this period. Four agencies accounted for 95, or 66 percent, of the 144 reported conversions: the Departments of Health and Human Services (36), Justice (23), Defense (21), and Treasury (15). Of the 144 reported conversions, almost two-thirds were from Limited Term Senior Executive Service (SES) positions (47) and Schedule C positions (46). Limited Term SES appointments may be made for up to 36 months and can include federal employees who previously held career positions. Schedule C appointments are generally noncompetitive and are for positions graded GS-15 and below that involve determining policy or that require a close confidential relationship with key agency officials. Of these 144 individuals, 64 were converted to career SES positions, 47 to career competitive service positions, and 33 to career excepted service (non-Schedule C) positions.

Agencies used appropriate authorities and followed proper procedures in making the majority (93) of the 130 conversions reported at the GS-12 level or higher. However, for 37 of these conversions it appears that agencies did not follow proper procedures or agencies did not provide enough information for us to make an assessment. For 18 of the 37 of these conversions, it appears that agencies did not follow proper procedures. Some of the apparent improper procedures included: selecting former noncareer appointees who appeared to have limited qualifications and experience for career positions, creating career positions specifically for particular individuals, and failing to apply veteran's preference in the selection process. Seven of the 18 conversions were subject to OPM review and approval; 2 because they fell within the presidential election pre-appointment review period as prescribed by OPM and 5 because they were to SES level positions. For the remaining 19 conversions, agencies did not provide enough information for GAO to fully assess the process used by the agency in making the conversion. This was largely attributable to the types of appointments involved. Sixteen of these 19 conversions were to career excepted service (non-Schedule C) positions at the Department of Justice. For appointments to excepted service positions, OPM does not require agencies to follow OPM's competitive hiring provisions or to maintain records of the rating, ranking, and selection process, as it requires for competitive service appointments (although most of these conversions are subject to the merit system principles). These unique hiring procedures and limited documentation requirements for excepted service positions resulted in GAO having insufficient information to reconstruct the Department of Justice's decision-making process to convert these individuals. For the remaining three cases, the Department of Health and Human Services could not locate certain files.