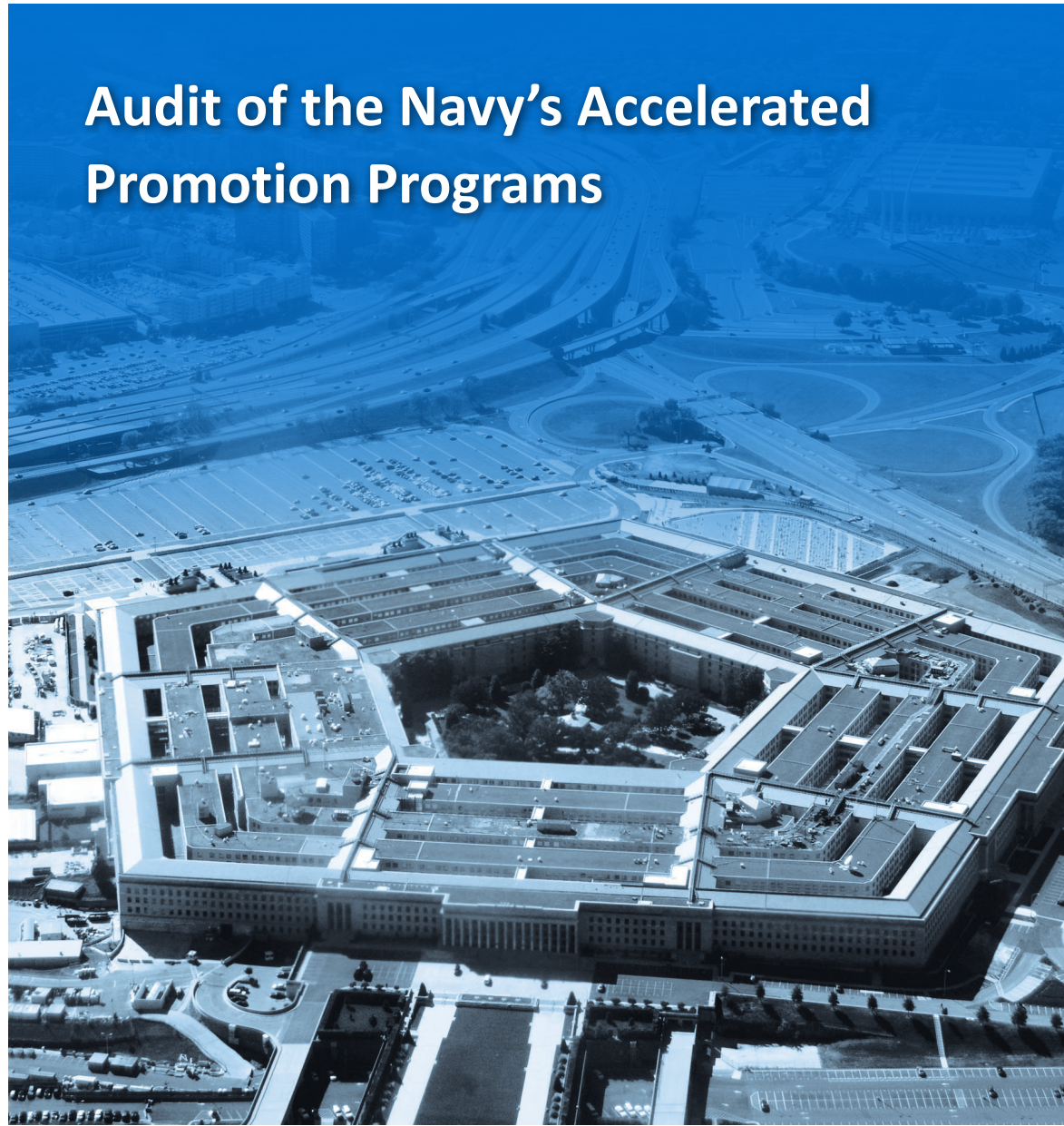




# INSPECTOR GENERAL

*U.S. Department of Defense*

DECEMBER 12, 2024



## Audit of the Navy's Accelerated Promotion Programs

INDEPENDENCE ★ INTEGRITY ★ EXCELLENCE ★ TRANSPARENCY







# Results in Brief

## *Audit of the Navy's Accelerated Promotion Programs*

**December 12, 2024**

### Objective

The objective of this audit was to determine whether employees hired at the Navy's four public shipyards from January 23, 2016, through December 22, 2016, were affected by the lack of authorization of the Accelerated Promotion Program (APP) in 2016 and, if so, determine the number of employees affected. For employees affected, determine the monetary impact to those employees and whether they were entitled to additional compensation, and identify the amount.

### Background

Public Law 117-81, "National Defense Authorization Act for Fiscal Year 2022," Section 1115, requires the DoD OIG to assess the impacts resulting from the Navy's lack of authorization of the Entry Level Naval Shipyards Engineer APP from January 23, 2016, through December 22, 2016. Although the law refers to the term suspension, we determined that the Department of the Navy did not suspend its program, but rather lacked authorization for the Entry Level Naval Shipyards Engineer APP in place since May 1991. We determined that the APP referred to in Public Law 117-81 is the Entry Level Naval Shipyards Engineer program. On December 22, 2016, the Office of Personnel Management re-authorized the Entry Level Naval Shipyards Engineer APP.

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.

### Findings

The lack of an authorized Entry Level Naval Shipyards Engineer APP in 2016 affected 92 eligible entry level engineers hired at the Navy's four public shipyards.

Specifically, from January 23, 2016, through December 22, 2016, 13 eligible entry level engineers did not receive an accelerated promotion and 79 eligible entry level engineers received a delayed accelerated promotion. We also identified that 120 eligible entry level engineers received an accelerated promotion from July 24, 2016, through December 18, 2016, when the Navy did not have an Office of Personnel Management approved APP. This occurred because Department of the Navy Office of Civilian Human Resources officials did not seek approval of its APP after the law changed in May 1991, promoted employees under an unauthorized APP prior to obtaining Office of Personnel Management approval, and after receiving approval of its APP, gave inconsistent guidance on whether it could be applied to staff hired between January 23, 2016, and December 21, 2016. As a result, there was a monetary impact of over \$582,000 to the 92 engineers.

We also determined that 11 eligible naval shipyard personnel hired in the Nuclear Shift Test Engineers and Radiological Control Technicians APPs either did not receive an accelerated promotion or had their accelerated promotion delayed due to administrative errors. This occurred because Norfolk Naval Shipyard and Portsmouth Naval Shipyard officials did not properly manage the Nuclear Shift Test Engineers and Radiological Control Technicians APPs. As a result, 11 naval shipyard personnel received delayed promotions to their full performance level, which had a collective financial impact to those personnel of \$9,300 or typically less than \$1,000 per person.



# Results in Brief

## *Audit of the Navy's Accelerated Promotion Programs*

### Recommendations

Among other recommendations, we recommend that the:

- Deputy Assistant Secretary of the Navy for Civilian Personnel ensure the Office of Civilian Human Resources determines whether to pursue legislation to authorize engineers affected by the lack of an authorized Entry Level Naval Shipyards Engineer APP in 2016 to be compensated for pay that would have been realized if the APP had not lacked authority;
- Commanders, Pearl Harbor Naval Shipyard and Puget Sound Naval Shipyard, review the facts and circumstances that resulted in insufficient documentation and determine whether the delayed or lack of accelerated promotions are a result of the lack of an authorized Entry Level Naval Shipyards Engineer APP in 2016 and whether this group of engineers should receive compensation;
- Deputy Assistant Secretary of the Navy for Civilian Personnel ensure the Office of Civilian Human Resources determines whether to pursue legislation to authorize the shipyard personnel who did not receive an accelerated promotion or received a delayed accelerated promotion due to administrative errors to be compensated for pay that would have been realized; and
- Commander, Norfolk Naval Shipyard, implement a process to differentiate which APP shipyard personnel are participating in to ensure that personnel receive accelerated promotions in accordance with the provisions of the appropriate APP.

### Management Comments and Our Response

The Deputy Assistant Secretary of the Navy for Civilian Personnel neither agreed nor disagreed with the recommendations. The Deputy Assistant Secretary stated that the Office of Civilian Human Resources will review and determine the appropriate actions for the 120 entry level engineers in receipt of an accelerated promotion during a period when the Department of the Navy shipyards did not have approval from the Office of Personnel Management. Therefore, one recommendation is resolved but will remain open. The Deputy Assistant Secretary has determined that the Department of the Navy will not pursue legislation that would authorize affected entry level engineers to be compensated for pay that would have been realized if the APP had not lacked authority. In addition, the Deputy Assistant Secretary has determined that the Department of the Navy will not pursue legislation that would authorize compensation for shipyard personnel who did not receive an accelerated promotion or received a delayed accelerated promotion due to administrative errors. Therefore, we closed three recommendations.

The Commanders, Norfolk Naval Shipyard, Pearl Harbor Naval Shipyard, and Puget Sound Naval Shipyard did not respond to the recommendations in the report. Therefore, the remaining three recommendations are unresolved. We request that the Commanders provide comments on the final report within 30 days.

Please see the Recommendations Table on the next page for the status of the recommendations.



## Recommendations Table

Management	Recommendations Unresolved	Recommendations Resolved	Recommendations Closed
Deputy Assistant Secretary of the Navy for Civilian Personnel	None	A.1.a	A.1.b, B.1.a, B.1.b
Commander, Norfolk Naval Shipyard	B.2	None	None
Commander, Pearl Harbor Naval Shipyard and Intermediate Maintenance Facility	A.2	None	None
Commander, Puget Sound Naval Shipyard and Intermediate Maintenance Facility	A.3	None	None

Please provide Management Comments by January 13, 2025.

**Note:** The following categories are used to describe agency management’s comments to individual recommendations.

- **Unresolved** – Management has not agreed to implement the recommendation or has not proposed actions that will address the recommendation.
- **Resolved** – Management agreed to implement the recommendation or has proposed actions that will address the underlying finding that generated the recommendation.
- **Closed** – The DoD OIG verified that the agreed upon corrective actions were implemented.





**OFFICE OF INSPECTOR GENERAL**  
**DEPARTMENT OF DEFENSE**  
4800 MARK CENTER DRIVE  
ALEXANDRIA, VIRGINIA 22350-1500

December 12, 2024

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

SUBJECT: Audit of the Navy's Accelerated Promotion Programs (Report No. DODIG-2025-052)

This final report provides the results of the DoD Office of Inspector General's audit. We previously provided copies of the draft report and requested written comments on the recommendations. We considered management's comments on the draft report when preparing the final report. These comments are included in the report.

The Deputy Assistant Secretary of the Navy for Civilian Personnel agreed to address one of the recommendations presented in the report; therefore, we consider the recommendation resolved and open. We will close the recommendation when you provide us documentation showing that all agreed-upon actions to implement the recommendation are completed. Therefore, please provide us within 90 days your response concerning specific actions in process or completed on the recommendation. Send your response to either [followup@dodig.mil](mailto:followup@dodig.mil) if unclassified or [rfunet@dodig.smil.mil](mailto:rfunet@dodig.smil.mil) if classified SECRET. The Deputy Assistant Secretary took action sufficient to address three recommendations, and we consider the recommendations closed.

This report contains three recommendations that are considered unresolved because the Commanders, Norfolk Naval Shipyard, Pearl Harbor Naval Shipyard, and Puget Sound Naval Shipyard did not respond to the recommendations in the report. Therefore, the recommendations remain open. We will track these recommendations until management has agreed to take actions that we determine to be sufficient to meet the intent of the recommendations and management officials submit adequate documentation showing that all agreed-upon actions are completed.

DoD Instruction 7650.03 requires that recommendations be resolved promptly. Therefore, within 30 days please provide us your response concerning specific actions in process or alternative corrective actions proposed on the recommendations. Send your response to [audrgo@dodig.mil](mailto:audrgo@dodig.mil).

If you have any questions, please contact me at [REDACTED].

FOR THE INSPECTOR GENERAL:

Richard B. Vasquez  
Assistant Inspector General for Audit  
Readiness and Global Operations



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# Introduction

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## Objective

The objective of this audit was to determine whether employees hired at the Navy's four public shipyards from January 23, 2016, through December 22, 2016, were affected by the lack of authorization of the Accelerated Promotion Program (APP) in 2016 and, if so, determine the number of employees affected.<sup>1</sup> For employees affected, determine the monetary impact to those employees and whether they are entitled to additional compensation, and identify the amount. See Appendix A for details on the audit scope and methodology.

## Background

Generally, personnel under a General Schedule (GS) position must have completed a minimum of 52 weeks in that position to be eligible for a promotion.<sup>2</sup> However, under an APP (also known as Accelerated Training and Promotion Program), personnel may be eligible for a promotion before completing 52 weeks in their current position.<sup>3</sup> 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.<sup>4</sup>

## Report Requirement

Public Law 117-81, "National Defense Authorization Act for Fiscal Year 2022," Section 1115, requires the DoD OIG to conduct an assessment of the impacts resulting from the Navy's lack of authorization of the Entry Level Naval Shipyards Engineer APP from January 23, 2016, through December 22, 2016.<sup>5</sup> We determined that the APP referred to in Public Law 117-81 is the Entry Level Naval Shipyards Engineer program. The DoD OIG issued a management advisory on September 21, 2022, which included the number of naval shipyard personnel

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<sup>1</sup> For the purposes of our report, we use the terms "lack of authorization" when referring to the time period the Entry Level Naval Shipyards Engineer APP was not authorized.

<sup>2</sup> Title 5 Code of Federal Regulations section 300.604.

The GS classification and pay system covers the majority of civilian 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.

<sup>3</sup> Title 5 Code of Federal Regulations section 300.603(b).

<sup>4</sup> Title 5 Code of Federal Regulations section 410.307.

<sup>5</sup> Although the law refers to the term suspension, we determined that the Department of the Navy did not suspend its program, but rather lacked authorization for the Entry Level Naval Shipyards Engineer APP in place since May 1991.

The DoD OIG was required to 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.

who received or did not receive accelerated promotions through a Navy APP from January 23, 2016, through December 22, 2016.<sup>6</sup> See Appendix B for details on our requirements for Public Law 117-81.

We also received a congressional request to expand the scope of the review to include science and engineering job series at the four public shipyards with approved APPs during the same time period. To address this additional request, we included three additional Navy APPs in our review for naval shipyard personnel hired from January 23, 2016, through December 22, 2016. The three additional APPs were Nuclear Shift Test Engineers (STEs), Nuclear STE Technicians, and Radiological Control Technicians (RCTs).

For these three additional APPs, we determined whether employees hired at the Navy's four public shipyards from January 23, 2016, through December 22, 2016, received accelerated promotions and, if not, we determined why those employees did not receive an accelerated promotion. For eligible employees who did not receive an accelerated promotion, and were eligible to receive at least one, we determined the monetary impact to those employees, whether they were entitled to additional compensation, and we calculated the amount.

### ***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 to provide combat-ready ships to the fleet. The four public shipyards are:

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

APPs are intended to enable the Department of the Navy (DON) to recruit and retain the most qualified individuals and to compete more effectively with the private sector. From June 26, 2012, through December 22, 2016, the Office of Personnel Management (OPM) approved four Navy APPs for specific occupational series and position descriptions at the Navy's four public shipyards.

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<sup>6</sup> Report No. DODIG-2022-134, "Management Advisory: Audit of the Navy's Accelerated Promotion Programs," September 21, 2022. The management advisory is available on our public website. The numbers we previously reported in the management advisory have changed and are updated in this report as a result of the completion of our audit work.

Table 1 provides the four Navy APPs by positions and the dates OPM approved the APP for each.

*Table 1. OPM-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 Engineers	December 22, 2016

Source: The DoD OIG.

### ***History of the Entry Level Naval Shipyards Engineer APP***

On November 1, 1988, the DON issued a training agreement for GS-05 and GS-07 engineers in Appendix G of Office of Civilian Personnel Management Instruction 12410.1. On May 20, 1991, the Code of Federal Regulations (CFR) was updated to require OPM approval of training agreements that provide promotion rates that exceed those permitted by title 5 CFR section 300.604.<sup>7</sup> From May 20, 1991, through December 21, 2016, the Navy provided accelerated promotions to Entry Level Naval Shipyard Engineers without an approved APP. In January 2016, the DON Office of Civilian Human Resources (OCHR) determined that the shipyards did not have the legal authority or an approved APP to authorize accelerated promotions for Entry Level Naval Shipyards Engineers.

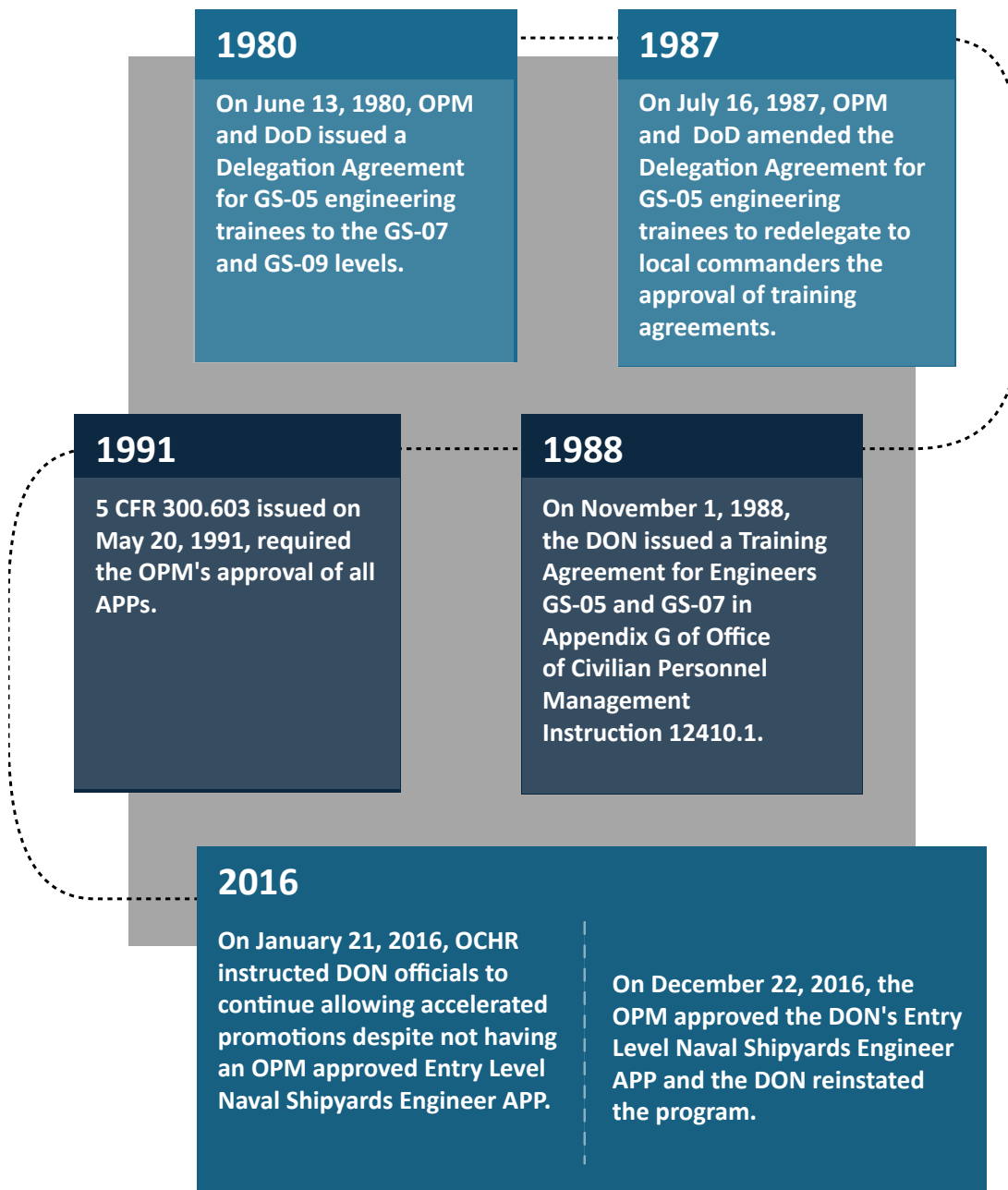
On January 21, 2016, the Director of Human Resources Policy and Programs, OCHR, sent an email that instructed DON officials to continue allowing accelerated promotions despite not having an OPM approved Entry Level Naval Shipyards Engineer APP. The rationale provided by OCHR for this action was to honor the Navy's prior commitments and job offers made, while minimizing any negative impact to college recruiting. 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.

<sup>7</sup> Title 5 CFR section 300.603(b)(6).



Figure 1 provides a timeline of the Entry Level Naval Shipyards Engineer APP.

*Figure 1. Timeline of Entry Level Naval Shipyards Engineer APP*



Source: The DoD OIG.

### ***Navy Requirements for Accelerated Promotion Programs***

For the four APPs, 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 STEs, Nuclear STE Technicians, and RCTs must pass written and oral testing requirements. Table 2 outlines Navy APP occupational series and grade levels eligible to participate in one of the approved APPs.

*Table 2. Naval Shipyard Occupational Series and Grade Levels by APP Position*

APP Position	Occupational Series	GS Pay Plan and Grade Level
Nuclear Shift Test Engineers	0840	GS-05 through GS-11 Full Performance GS-12
Nuclear Shift Test Engineer Technicians	0802	GS-07 through GS-11 Full Performance GS-12
Radiological Control Technicians	1311	GS-04 through GS-09 Full Performance GS-10
Entry Level Naval Shipyards Engineers	0801, 0806, 0810, 0819, 0830, 0840, 0850, 0855, 0871, 0893, 0896	GS-05 through GS-07 Full Performance GS-11/12

Source: The DoD OIG.

### ***Eligible Number of Accelerated Promotions***

For the four APPs we reviewed, the Navy established the number of accelerated promotions personnel may receive. Nuclear STEs, Nuclear STE Technicians, and RCTs may be eligible for up to two non-consecutive accelerated promotions, depending on the grade level upon entry into the APP. For example, Nuclear STE Technicians who entered the APP at the GS-07 level were eligible for an accelerated promotion to the GS-08 level after satisfactory completion of 26 weeks at the GS-07 level.

In addition, after the first accelerated promotion, Nuclear STE Technicians were eligible for an annual promotion to the GS-09 level after satisfactory completion of 52 weeks at the GS-08 level, and another accelerated promotion to the GS-10 level after satisfactory completion of 26 weeks at the GS-09 level. However, Nuclear STE Technicians entering at GS-10 or GS-11 are eligible to receive only one accelerated promotion because they would have reached full performance level thereafter.

Nuclear STEs may be eligible to receive up to two non-consecutive accelerated promotions if the grade level upon entry into the APP was a GS-07 and the Nuclear STE satisfactorily passes the Naval Sea Systems Command final written examination and shipyard oral exam from promotion to the GS-12 level. Entry

Level Naval Shipyards Engineers are eligible to receive one accelerated promotion at the given entry grade levels, GS-05 or GS-07. Table 3 illustrates the eligible number of accelerated promotions for each APP by entry grade level.

Table 3. Eligible Number of Accelerated Promotions at Entry Grade Level

APP Position	Entry Grade Level	Eligible Number of Accelerated Promotions
Nuclear Shift Test Engineers	GS-05 and GS-07	2
	GS-09 and GS-11	1
Nuclear Shift Test Engineer Technicians	GS-07 through GS-09	2
	GS-10 and GS-11	1
Radiological Control Technicians	GS-04 through GS-06	2
	GS-07 and GS-08	1
Entry Level Naval Shipyards Engineers	GS-05 and GS-07	1

Source: The DoD OIG.

## What We Reviewed

We identified 600 personnel who were hired at the four naval shipyards from January 23, 2016, through December 22, 2016. We determined their eligibility for accelerated promotions, whether they received an accelerated promotion through a Navy APP, and whether their accelerated promotions were delayed. The first date that the entry level engineers, Nuclear STEs, and Nuclear STE Technicians would have been eligible for an accelerated promotion was July 24, 2016.

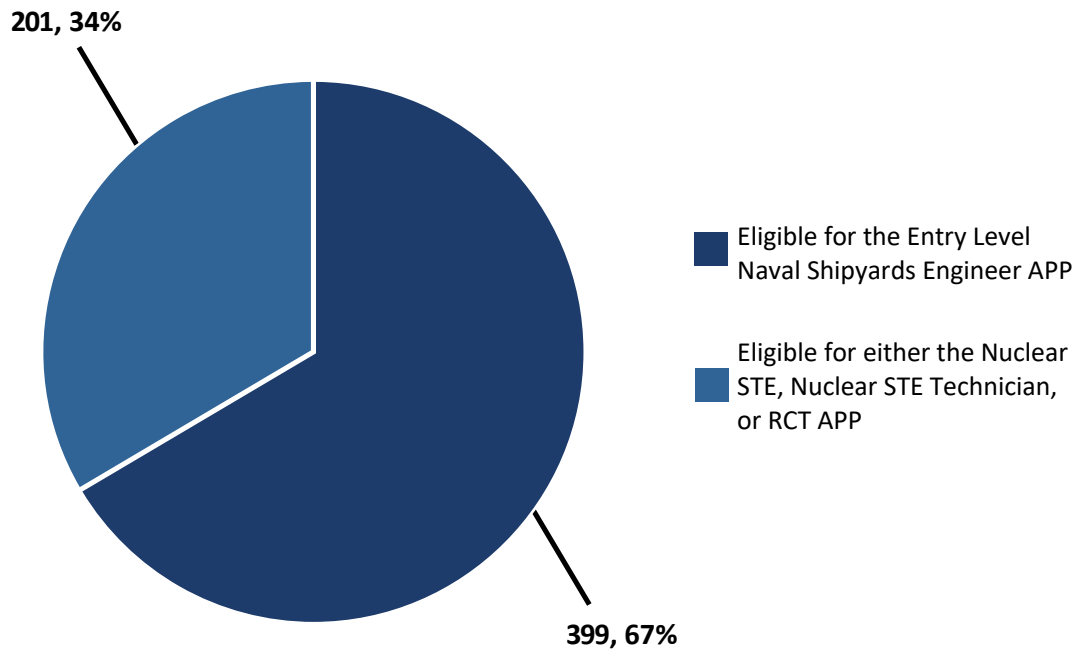
Of the 600 naval shipyard personnel, 399 (67 percent) were eligible for the Entry Level Naval Shipyards Engineer APP and 201 (34 percent) of 600 naval shipyard personnel were eligible for either the Nuclear STE, Nuclear STE Technician, or RCT APP.<sup>8</sup> We discuss in detail the Entry Level Navy Shipyards Engineer APP in Finding A and the other APPs in Finding B.

<sup>8</sup> Totals do not equal 100 percent because of rounding.



Figure 2 identifies the number of naval shipyard personnel who were eligible to participate in an APP.

*Figure 2. Number of Naval Shipyard Personnel Eligible for a Navy Accelerated Promotion Program*



Note: Totals do not equal 100 percent because of rounding.

Source: The DoD OIG.

## Finding A

### Lack of an Authorized Entry Level Naval Shipyards Engineer APP Affected Eligible Engineers

Of the 399 eligible entry level engineers, we determined that 278 (70 percent) received an accelerated promotion within 4 weeks of completing the 26-week, time-in-grade requirement or naval shipyard officials provided valid reasons to support why the engineers did not receive an accelerated promotion. We identified that 120 (43 percent) of the 278 eligible entry level engineers received an accelerated promotion from July 24, 2016, through December 18, 2016, when the Navy did not have an OPM approved APP.

We also determined that of the 399 eligible entry level engineers, 92 (23 percent) were affected by the lack of an authorized Entry Level Naval Shipyards Engineer APP. For those individuals, we determined that 13 (3 percent) of 399 eligible entry level engineers did not receive an accelerated promotion and 79 (20 percent) of 399 eligible entry level engineers received a delayed accelerated promotion.<sup>9</sup> This occurred because DON OCHR officials did not seek approval of its APP after the law changed in May 1991, promoted employees under an unauthorized APP prior to obtaining OPM approval, and after receiving approval of its APP, gave inconsistent guidance on whether it could be applied to staff hired between January 23, 2016 and December 21, 2016.

Additionally, we could not determine whether 29 (7 percent) of the 399 eligible entry level engineers were affected by the lack of an authorized Entry Level Naval Shipyards Engineer APP in 2016 because the Navy did not maintain adequate documentation on these individuals.

DON OCHR officials' mismanagement of the Entry Level Naval Shipyards Engineer APP had an impact on morale, as well as a financial impact to those entry level engineers affected. According to some entry level engineers we interviewed, they were discouraged, felt forgotten, and wanted to resign from the Department. The monetary impact to the 92 engineers affected by the lack of an authorized Entry Level Naval Shipyards Engineer APP in 2016 totaled over \$582,000. Further,

<sup>9</sup> The National Defense Authorization Act for Fiscal Year 2022 required the DoD OIG to determine the average promotion timeframe for participants hired in the 5-year period prior to the lack of authorization. However, based on the documentation provided by Navy officials, we were unable to determine the average promotion timeframe for participants hired in the 5-year period before the lack of authorization. Therefore, we determined the average promotion timeframe for shipyard personnel hired from January 23, 2016, through December 21, 2016, and to account for short-term delays such as approval and processing time, we considered 30 weeks as a reasonable accelerated promotion timeframe. In addition, we considered accelerated promotions received from 31 to 51 weeks as delayed accelerated promotions.

the monetary impact to the 29 entry level engineers who lacked adequate documentation to determine why their accelerated promotions were not received or delayed totaled over \$287,000.

### **Eligible Engineers Generally Received Accelerated Promotions During the Time the Entry Level Naval Shipyards Engineer APP Lacked Authority**

We determined that 399 (67 percent) of 600 naval shipyard personnel were eligible to participate in the Entry Level Naval Shipyards Engineer APP, based on the parameters established by the Navy.<sup>10</sup> We determined that 278 (70 percent) of 399 eligible entry level engineers received an accelerated promotion within 4 weeks of completing the 26-week, time-in-grade requirement, or naval shipyard officials provided valid reasons to support why the engineers did not receive an accelerated promotion. We identified that 120 (43 percent) of the 278 eligible entry level engineers received an accelerated promotion from July 24, 2016, through December 18, 2016, before OPM's approval of the APP on December 22, 2016.

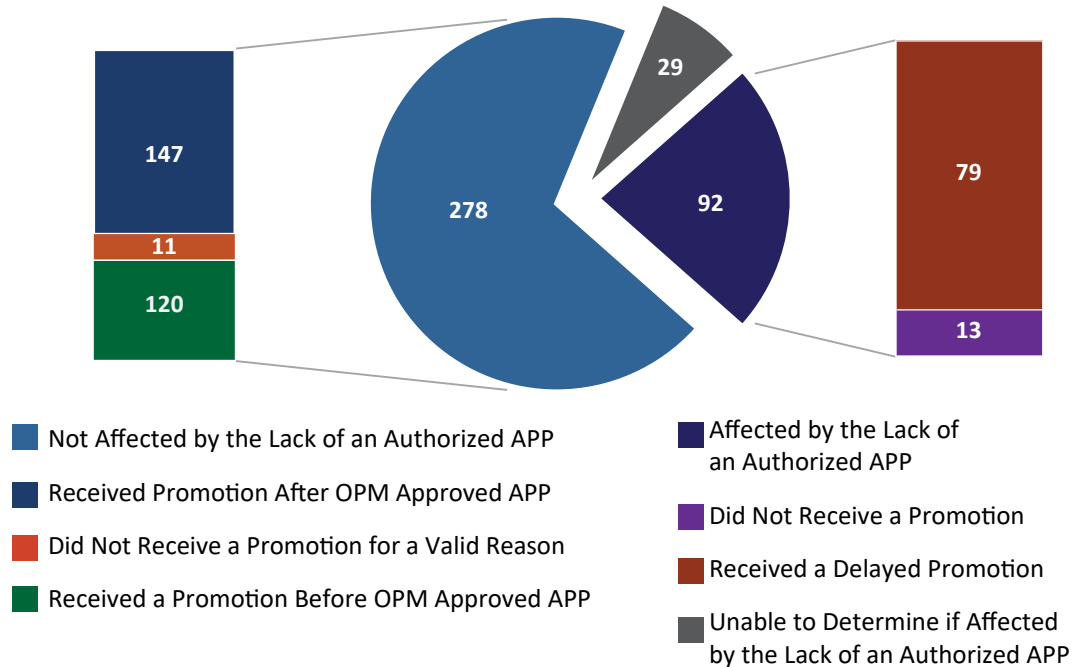
In addition, we determined that 13 (3 percent) of 399 eligible entry level engineers did not receive an accelerated promotion and 79 (20 percent) of 399 eligible entry level engineers received a delayed accelerated promotion as a result of the Navy not having an authorized APP. The accelerated promotions that were delayed or not received were due to each shipyard's different interpretation of the internal guidance provided to shipyard officials on the Entry Level Naval Shipyards Engineers APP. The misinterpretations resulted in inconsistencies in how promotions were issued across the four shipyards.

Further, naval shipyard officials lacked personnel, training, and performance documentation for us to use to determine whether 29 (7 percent) of 399 eligible entry level engineers' accelerated promotions were affected by the lack of an authorized Entry Level Naval Shipyards Engineer APP in 2016, or for training or performance issues.

<sup>10</sup> To reach this conclusion, we applied the Navy criteria equally to all employees, regardless of whether the Navy had an approved APP in place or not.

Figure 3 identifies the number of eligible engineers affected by the lack of an authorized Entry Level Naval Shipyards Engineer APP.

*Figure 3. Number of Eligible Engineers Affected by the Lack of an Authorized Entry Level Naval Shipyards Engineer APP*



Source: The DoD OIG.

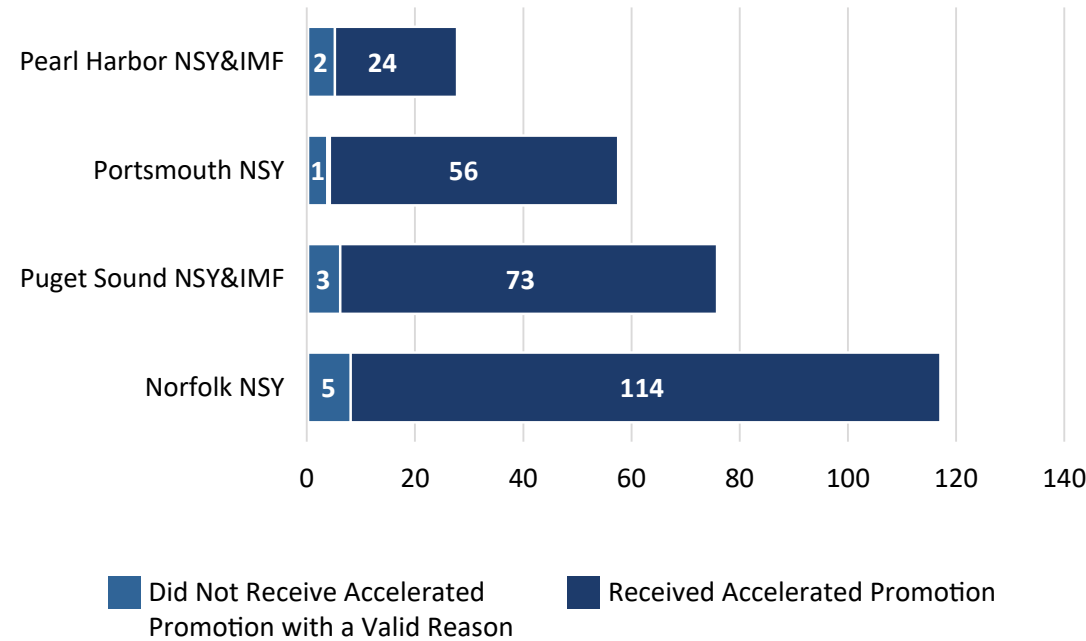
### ***Eligible Entry Level Engineers Generally Received an Accelerated Promotion***

For 278 (70 percent) of 399 eligible entry level engineers, naval shipyard personnel received an accelerated promotion within 4 weeks of completing the 26-week, time-in-grade requirement, or naval shipyard officials provided valid reasons to support why the engineers did not receive an accelerated promotion. Specifically, 267 (96 percent) of 278 eligible entry level engineers received an accelerated promotion within 4 weeks of completing the 26-week, time-in-grade requirement; of those 267, 120 (45 percent) received an accelerated promotion from July 24, 2016, through December 18, 2016, before OPM's approval of the APP on December 22, 2016.

In addition, for 11 (4 percent) of 278 eligible entry level engineers, naval shipyard officials provided valid reasons to support why the engineers did not receive an accelerated promotion.

Figure 4 identifies the number of engineers eligible for the Entry Level Naval Shipyards Engineer APP, by shipyard, who received an accelerated promotion within 30 weeks, and those who did not receive an accelerated promotion with a valid reason.

Figure 4. Number of Eligible Engineers Who Received Accelerated Promotions and Who Did Not Receive Accelerated Promotions with a Valid Reason



Source: The DoD OIG.

For the 11 entry level engineers for whom naval shipyard officials provided valid reasons to support why the engineers did not receive an accelerated promotion, we determined that:

- 7 resigned or transferred before meeting time-in-grade requirements,
- 3 did not meet the training or performance requirements, and
- 1 previously participated in an APP.

For the 120 eligible entry level engineers who received an accelerated promotion, from July 24, 2016, through December 18, 2016, we determined that on January 21, 2016, the Director of Human Resources Policy and Programs, OCHR, sent an email that instructed DON officials 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, which was approved by OPM on December 22, 2016.



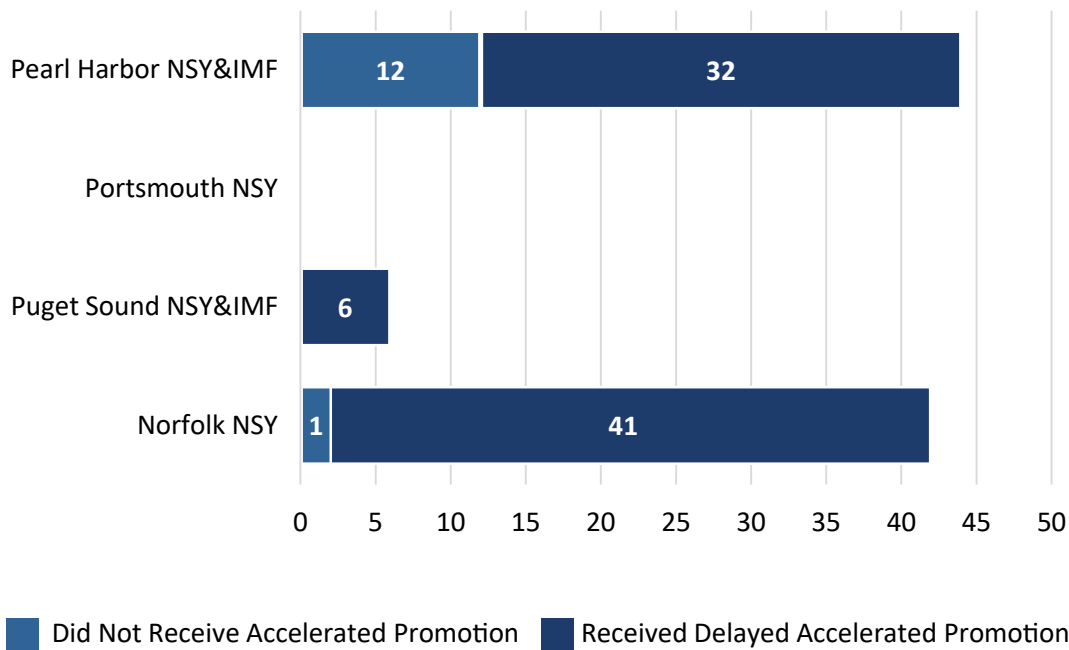
**Not All Eligible Entry Level Engineers Received Accelerated Promotions**

We determined that 92 (23 percent) of 399 eligible entry level engineers hired at the Navy’s four public shipyards were affected by the lack of an authorized Entry Level Naval Shipyards Engineer APP in 2016. To determine which engineers were affected by the lack of an authorized Entry Level Naval Shipyards Engineer APP in 2016, we reviewed training records, SF 50s, SF 52s, position descriptions, shipyard policies, termination memorandums, and testimonial evidence from naval shipyard officials.<sup>11</sup> Once we determined the engineers who did not receive accelerated promotions or received delayed accelerated promotions, we reviewed personnel, training, and performance documentation to determine why. Of the 92 entry level engineers, we determined that because of the lack of an authorized Entry Level Naval Shipyards Engineer APP in 2016:

- 13 (14 percent) did not receive an accelerated promotion, and
- 79 (86 percent) received a delayed accelerated promotion.

Figure 5 shows the total number of affected entry level engineers, by shipyard, who did not receive an accelerated promotion or received a delayed accelerated promotion through the Entry Level Naval Shipyards Engineer APP.

*Figure 5. Number of Affected Entry Level Engineers Who Did Not Receive an Accelerated Promotion or Received a Delayed Accelerated Promotion*



Source: The DoD OIG.

<sup>11</sup> For the purposes of this report, we will collectively refer to this information as personnel, training, and performance documentation.

## **DON Officials Did Not Properly Manage the Entry Level Naval Shipyards Engineer APP**

DON OCHR officials did not properly manage the Navy's Entry Level Naval Shipyards Engineer APP. Specifically, the DON OCHR did not seek approval of the Entry Level Naval Shipyards Engineer APP after the law changed in May 1991 and promoted employees under an unauthorized APP. We identified 120 eligible entry level engineers who received an accelerated promotion from July 24, 2016, through December 18, 2016, before OPM's approval of the APP on December 22, 2016. In addition, once the OPM approved the Navy's Entry Level Naval Shipyards Engineer APP on December 22, 2016, DON OCHR officials provided inconsistent guidance to the Navy's four public shipyards on how to process accelerated promotions.

Due to these actions, we determined that 92 eligible entry level engineers hired at the Navy's four public shipyards from January 23, 2016, through December 22, 2016, were negatively affected by the lack of an authorized Entry Level Naval Shipyards Engineer APP in 2016. Specifically, we determined that 13 of the 92 entry level engineers did not receive an accelerated promotion and 79 of the 92 entry level engineers received a delayed accelerated promotion.

## ***DON Officials Lacked Authority to Issue Accelerated Promotions Under the Entry Level Naval Shipyards Engineer APP***

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 DON OCHR determined that the shipyards did not have the legal authority nor an approved APP to authorize accelerated promotions for Entry Level Naval Shipyards Engineers. However, on January 21, 2016, the Director of Human Resources Policy and Programs, OCHR, sent an email that instructed DON officials to continue allowing accelerated promotions before OPM approval of the Entry Level Naval Shipyards Engineer APP to honor prior commitments and job offers made, while minimizing any negative impact to college recruiting. As a result, we identified 120 eligible entry level engineers who were hired after the DON's determination that the APP lacked OPM approval and received an accelerated promotion within 4 weeks of completing the 26-week, time-in-grade requirement, from July 24, 2016, through December 18, 2016, which was before OPM's approval of the APP on December 22, 2016.<sup>12</sup>

<sup>12</sup> Our audit scope included all naval shipyard personnel hired at the Navy's four public shipyards from January 23, 2016, through December 22, 2016, who were eligible to participate in an APP. Considering our scope, we do not know the number of Naval shipyard personnel beyond the 120 we reported who may have received an accelerated promotion before OPM's approval of the APP.

According to OPM officials, they required 90 days on average to review and approve Federal organization APPs. To prevent a future lapse in coverage, in August 2022, the DON OCHR issued guidance to the Navy major commands stating that the commands must submit completed APP extension requests to the DON OCHR for endorsement no later than 8 months before the agreement expiration date to account for the processing timelines. Because the Navy provided accelerated promotions to some Entry Level Naval Shipyards engineers without the authority to do so, we recommend that the Deputy Assistant Secretary of the Navy for Civilian Personnel ensure the OCHR reviews the circumstances for the 120 entry level engineers we identified who received an accelerated promotion before the OPM's approval of the APP on December 22, 2016 and determines the appropriate actions to take regarding those circumstances.

### ***DON OCHR Officials Provided Inconsistent Guidance for Processing Accelerated Promotions***

Once the OPM approved the Navy's Entry Level Naval Shipyards Engineer APP on December 22, 2016, DON OCHR officials provided inconsistent guidance to the Navy's four public shipyards on how to process accelerated promotions. Over a span of three months DON OCHR officials provided inconsistent guidance to the four public shipyards on whether the Entry Level Naval Shipyards Engineer APP could be applied to staff hired between January 23, 2016, and December 21, 2016. For example, on January 3, 2017, DON OCHR officials provided guidance through email to officials at the four shipyards that the Entry Level Naval Shipyards Engineer APP only applied to entry level engineers entering the APP on or after December 22, 2016.

However, on March 30, 2017, a DON OCHR official provided additional guidance through email to officials at the four shipyards that stated entry level engineers were eligible to participate in the Entry Level Naval Shipyards Engineer APP and could receive an accelerated promotion, regardless of how or when the engineer was hired and when the APP was approved. For example, if an entry level engineer was hired in August 2016, when the Entry Level Naval Shipyards Engineer APP was not authorized, that engineer could be placed into the APP and receive an accelerated promotion.

The DON OCHR issued formal guidance in August 2022 that stated eligible engineers may enter into an approved APP any time after the OPM approval date, and, if eligible, the engineer could receive an accelerated promotion in accordance with the provisions of the APP. The August 2022 guidance complied with the terms of 5 CFR 300.603, which required OPM's approval of the APP before an employee entered into the program. Because DON OCHR officials issued formal guidance in August 2022 related to implementing the Entry Level Naval Shipyards Engineer APP, we are not making a recommendation.

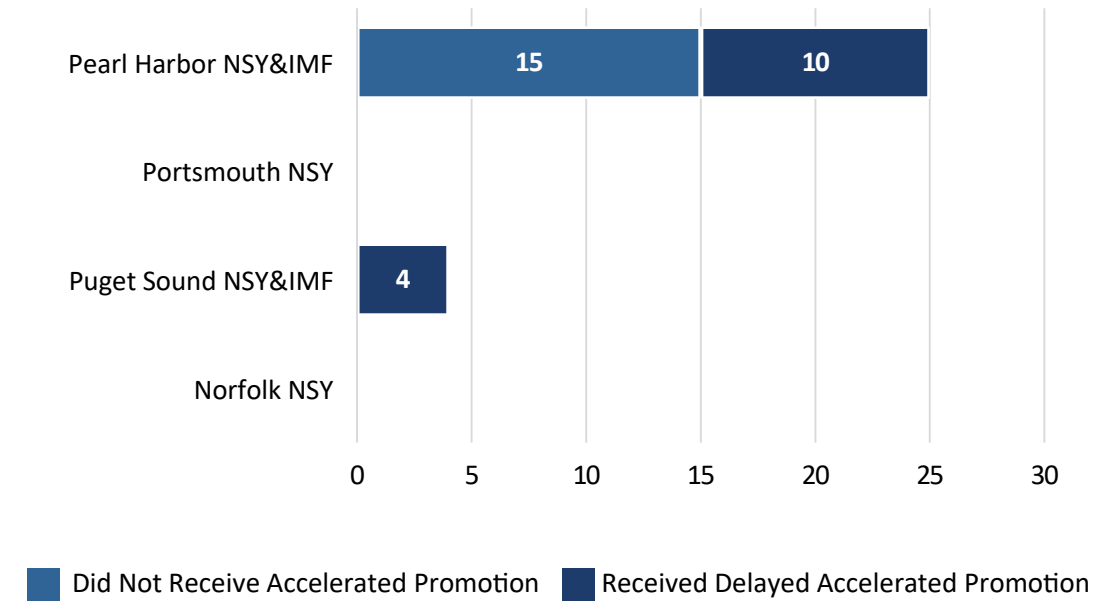
## Naval Shipyard Officials Did Not Maintain Adequate Documentation to Determine Whether Engineers Were Affected

Naval shipyard officials did not maintain adequate documentation to determine whether 29 (7 percent) of 399 eligible entry level engineers were affected by the lack of an authorized Entry Level Naval Shipyards Engineer APP in 2016. We requested personnel, training, and performance documentation from naval shipyard officials to determine whether the eligible entry level engineers either did not receive an accelerated promotion or received a delayed accelerated promotion due to the lack of an authorized Entry Level Naval Shipyards Engineer APP. Naval shipyard officials at Pearl Harbor NSY&IMF and Puget Sound NSY&IMF did not maintain adequate documentation to determine whether these instances were directly attributed to the time period of which the Entry Level Naval Shipyards APP lacked authority. Therefore, we could not determine whether the entry level engineers' lack of promotions were associated with the lack of an authorized Entry Level Naval Shipyards Engineer APP and why those engineers either did not receive an accelerated promotion or received a delayed accelerated promotion.

Pearl Harbor NSY&IMF and Puget Sound NSY&IMF officials stated that they were unable to locate training or performance documentation associated with 14 (48 percent) of 29 eligible entry level engineers' accelerated promotions that could explain why the engineers received a delayed accelerated promotion. In addition, according to Pearl Harbor NSY&IMF officials, 15 (52 percent) of 29 eligible entry level engineers did not receive an accelerated promotion because they did not meet the training requirements. However, shipyard officials could not provide documentation that identified the specific training requirements the entry level engineers had not met to receive their accelerated promotions.

Figure 6 shows the number of eligible entry level engineers who did not have adequate documentation to determine whether the entry level engineer was affected by the lack of an authorized Entry Level Naval Shipyards Engineer APP.

Figure 6. Number of Potentially Affected Entry Level Engineers, but Naval Shipyard Officials Did Not Maintain Adequate Documentation.



Source: The DoD OIG.

Therefore, we recommend that the Commanders, Pearl Harbor NSY&IMF and Puget Sound NSY&IMF, review the facts and circumstances that resulted in insufficient documentation and determine whether the delayed accelerated promotions or lack of accelerated promotions are a result of the lack of an authorized Entry Level Naval Shipyards Engineer APP in 2016, and whether this group of engineers should receive compensation.

### Lack of an Authorized Entry Level Naval Shipyards Engineer APP Had Morale and Financial Impacts

Entry level engineers hired at the Navy’s four public shipyards were negatively affected by the lack of an authorized Entry Level Naval Shipyards Engineer APP in 2016. APPs enable the DON to compete more effectively with the private sector and to recruit and retain the most qualified college graduates in disciplines critical to the DON. In January 2016, the DON OCHR notified the shipyards that they did not have legal authority to provide accelerated promotions through the Entry Level Naval Shipyards Engineers Program.

DON OCHR officials' mismanagement of the Entry Level Naval Shipyards Engineer APP had an impact on morale as well as a financial impact to those entry level engineers affected. Based on interviews with the affected engineers, they felt discouraged, forgotten, and wanted to resign. Specifically, affected engineers:

- felt discouraged and forgotten for not receiving an accelerated promotion at 26 weeks;
- met all the requirements to receive an accelerated promotion but were not eligible to participate in the APP since the engineers were offered a job after January 23, 2016, and the engineers were upset with this decision and wanted to resign; and
- participated in the internship program and converted to a full-time engineer after January 23, 2016, and stated that they would have been better off if they did not complete an internship since the engineers who did not complete an internship were promoted faster.

Due to the lack of an authorized Entry Level Naval Shipyards Engineer APP in 2016, 13 engineers did not receive an accelerated promotion and 79 engineers received a delayed accelerated promotion. In total, 92 engineers affected by the lack of an authorized Entry Level Naval Shipyards Engineer APP experienced a monetary impact. The 29 entry level engineers who did not have adequate documentation to determine whether they were affected by the lack of an authorized APP or why they either did not receive, or received a delayed accelerated promotion also experienced a monetary impact.

The monetary impact to the 92 engineers affected by the lack of an authorized Entry Level Naval Shipyards Engineer APP in 2016 totaled over \$582,000 and the monetary impact to the 29 engineers who lacked adequate documentation to determine why their accelerated promotions were not received or delayed totaled over \$287,000.<sup>13</sup> We will provide a list of all affected entry level engineers to the DON.

In addition, we reviewed section 5596, title 5, United States Code, and title 5 CFR part 550, subpart H, that require evidence of unjustified or unwarranted personnel action which resulted in the withdrawal, reduction, or denial of all or part of the pay, allowances, and differentials otherwise due to the employee. We also reviewed the U.S. Comptroller General's decision that stated retroactive promotions may be approved, but only on the grounds of administrative or clerical error, and did not allow for back pay.<sup>14</sup> However, we determined these authorities would not allow

<sup>13</sup> We calculated this amount based on basic pay (80-hour, biweekly) and did not include premium pay or bonuses. This total amount includes the short-term Federal interest rate plus 3 percent, as of February 2022 when we announced this audit.

<sup>14</sup> Matter of: Marianna Mehtcs File: B-261592 Date: November 13, 1995.



the 92 employees affected by the lack of an authorized Entry Level Naval Shipyards APP to receive compensation for this monetary impact or retroactive promotions since there was no evidence of unjustified or unwarranted personnel actions or grounds for administrative or clerical error in determining the engineers' eligibility for accelerated or retroactive promotions. Therefore, we recommend the Deputy Assistant Secretary of the Navy for Civilian Personnel ensure the OCHR determines whether to pursue legislation to authorize engineers affected by the lack of an authorized Entry Level Naval Shipyards Engineer APP in 2016 to be compensated for pay that would have been realized if the APP had not lacked authority.

## **Recommendations, Management Comments, and Our Response**

### ***Recommendation A.1***

**We recommend that the Deputy Assistant Secretary of the Navy for Civilian Personnel:**

- a. Ensure the Office of Civilian Human Resources reviews the circumstances for the 120 entry level engineers we identified who received an accelerated promotion before the Office of Personnel Management's approval of the Accelerated Promotion Program on December 22, 2016, and determines the appropriate actions to take regarding those circumstances.**

### ***Deputy Assistant Secretary of the Navy for Civilian Personnel Comments***

The Deputy Assistant Secretary of the Navy for Civilian Personnel neither agreed nor disagreed with the recommendation. The Deputy Assistant Secretary stated that the OCHR is currently investigating the circumstances surrounding the 120 entry level engineers in receipt of an accelerated promotion during a period when the DON shipyards did not have approval from the OPM for the DON's Naval Shipyards and Fleet Maintenance Entry Level Engineers APP. The Deputy Assistant Secretary also stated that the OCHR will determine appropriate actions upon completion of their review.

### ***Our Response***

Although the Deputy Assistant Secretary did not agree or disagree, the Deputy Assistant Secretary's comments addressed the intent of the recommendation; therefore, the recommendation is resolved but will remain open. We will close

the recommendation once we verify that the OCHR has completed their review and that actions are in place to address the circumstances surrounding the 120 entry level engineers.

- b. Ensure the Office of Civilian Human Resources determines whether to pursue legislation to authorize engineers affected by the lack of an authorized Entry Level Naval Shipyards Engineer Accelerated Promotion Program in 2016 to be compensated for pay that would have been realized if the Accelerated Promotion Program had not lacked authority.**

### ***Deputy Assistant Secretary of the Navy for Civilian Personnel Comments***

The Deputy Assistant Secretary of the Navy for Civilian Personnel neither agreed nor disagreed with the recommendation. The Deputy Assistant Secretary stated that the DON does not intend to pursue legislative options to authorize compensation for engineers who would have received pay had there not been a lapse in authority of an approved APP and stated that the DON is unable to grant relief to the documented employees due to the absence of an OPM-approved APP agreement during the stated period. In addition, the Deputy Assistant Secretary stated that the affected engineers do not meet the criteria outlined in section 5596, title 5, United States Code, "Back-Pay Due to Unjustified Personnel Actions." Furthermore, the Deputy Assistant Secretary stated that a legislative fix would not be appropriate as the DON took prompt remedial measures to bring the APP into regulatory compliance by securing OPM approval. The Deputy Assistant Secretary also stated that the harm was temporary and corrected upon issuance and implementation of accurate guidance to place the affected employees into the OPM approved APP for promotions.

### ***Our Response***

Although the Deputy Assistant Secretary did not agree or disagree, the Deputy Assistant Secretary's comments addressed the intent of the recommendation to determine whether to seek legislative relief; therefore, the recommendation is closed.

### ***Recommendation A.2***

**We recommend that the Commander, Pearl Harbor Naval Shipyard and Intermediate Maintenance Facility review the facts and circumstances that resulted in insufficient documentation and determine whether the delayed accelerated promotions or lack of accelerated promotions are a result of the lack of an authorized Entry Level Naval Shipyards Engineer APP in 2016 and whether this group of engineers should receive compensation.**

### ***Management Comments Required***

The Commander, Pearl Harbor Naval Shipyard and Intermediate Maintenance Facility did not respond to the recommendation in the report; therefore, the recommendation is unresolved. We request that the Commander, Pearl Harbor Naval Shipyard and Intermediate Maintenance Facility provide comments within 30 days of the final report.

### ***Recommendation A.3***

**We recommend that the Commander, Puget Sound Naval Shipyard and Intermediate Maintenance Facility review the facts and circumstances that resulted in insufficient documentation and determine whether the delayed accelerated promotions or lack of accelerated promotions are a result of the lack of an authorized Entry Level Naval Shipyards Engineer APP in 2016 and whether this group of engineers should receive compensation.**

### ***Management Comments Required***

The Commander, Puget Sound Naval Shipyard and Intermediate Maintenance Facility did not respond to the recommendation in the report; therefore, the recommendation is unresolved. We request that the Commander, Puget Sound Naval Shipyard and Intermediate Maintenance Facility provide comments within 30 days of the final report.

## Finding B

### Naval Shipyard Personnel Generally Received Accelerated Promotions for Other Science and Engineering APPs

We determined that naval shipyard personnel at the four shipyards, in the Nuclear STE, Nuclear STE Technician, and RCT APPs, generally received the eligible number of accelerated promotions, or naval shipyard officials provided valid reasons to support why shipyard personnel either did not receive an accelerated promotion or received a delayed accelerated promotion. Specifically, of the 201 naval shipyard personnel who were eligible to participate in either the Nuclear STE, Nuclear STE Technician, or RCT APP from January 23, 2016 through December 22, 2016:

- 96 (48 percent) received the eligible number of accelerated promotions, and
- 105 (52 percent) either did not receive an accelerated promotion or received a delayed accelerated promotion.

Although 105 of 201 eligible naval shipyard personnel either did not receive an accelerated promotion or received a delayed accelerated promotion, naval shipyard officials provided a valid reason for 94 of the 105 naval shipyard personnel, such as personnel not meeting time-in-grade, training, or performance requirements. The remaining 11 of 105 Norfolk NSY and Portsmouth NSY personnel either did not receive an accelerated promotion or received a delayed accelerated promotion due to various types of administrative errors.

The administrative errors occurred because Norfolk NSY and Portsmouth NSY officials did not properly manage the Nuclear STE and RCT APPs to ensure that naval shipyard personnel received the eligible number of accelerated promotions within 4 weeks of completing the APP requirements. Specifically, five Nuclear STEs received a delayed accelerated promotion because shipyard officials thought the personnel participated in the Entry Level Naval Shipyards Engineer APP, which was not authorized at the time; another STE and five RCTs' supervisors or administrative offices did not submit or process the required paperwork in a timely manner.

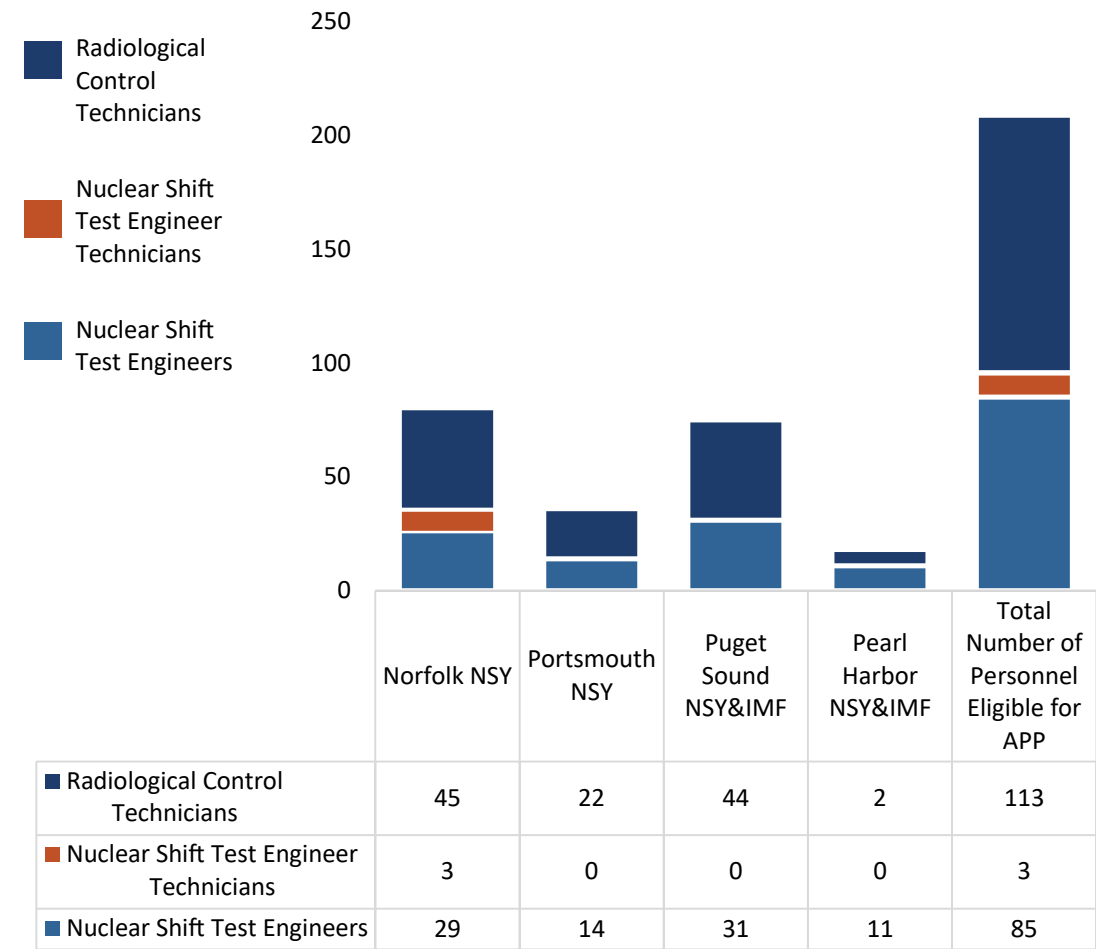
According to the DON, the Nuclear STE, Nuclear STE Technician, and RCT APPs provided a strong incentive for recruitment and retention at the four naval shipyards. The Navy's mission of overhauling and repairing nuclear-powered ships

is dependent on the successful recruitment and retention of qualified Nuclear STEs, Nuclear STE Technicians, and RCTs. As a result of not properly managing the Nuclear STE and RCT APPs, 11 Norfolk NSY and Portsmouth NSY personnel received delayed promotions to their full performance level, which had a collective financial impact to those shipyard personnel of \$9,300 or typically less than \$1,000 per person.

### Naval Shipyard Personnel Generally Received the Eligible Number of Accelerated Promotions

We determined that 201 (34 percent) of 600 naval shipyard personnel were eligible to participate in either the Nuclear STE, Nuclear STE Technician, or RCT APPs. Figure 7 presents the number of naval shipyard personnel eligible for the Nuclear STE, Nuclear STE Technician, or RCT APPs.

Figure 7. Number of Naval Shipyard Personnel Eligible for the Nuclear STE, Nuclear STE Technician, or RCT APPs



Source: The DoD OIG.

Of the 201 naval shipyard personnel, 96 (48 percent) shipyard personnel received the eligible number of accelerated promotions and 105 (52 percent) shipyard personnel either did not receive an accelerated promotion or received a delayed accelerated promotion. Naval shipyard personnel in the Nuclear STE, Nuclear STE Technician, and RCT APPs may be eligible for up to two non-consecutive accelerated promotions, depending on the grade level on entry into the APP.

Table 4 shows the number of naval shipyard personnel at the four shipyards who received or did not receive accelerated promotions, or received delayed accelerated promotions through the Nuclear STE, Nuclear STE Technician, and RCT APPs.

*Table 4. Number of Naval Shipyard Personnel Who Received, Did Not Receive, or Received Delayed Accelerated Promotions Through the Nuclear STE, Nuclear STE Technician, and RCT APPs*

APP	Total Number of Personnel Eligible for APP	Received Eligible Number of Accelerated Promotions	Eligible for Two Accelerated Promotions		Eligible for Only One Accelerated Promotion
			Did Not Receive One (or Received Delayed)	Did Not Receive Two (or Received Delayed)	Did Not Receive One (or Received Delayed)
Nuclear Shift Test Engineers	85	23	55	6	1*
Nuclear Shift Test Engineer Technicians	3	0	2	0	1*
Radiological Control Technicians	113	73	18	17	5*
<b>Total</b>	<b>201</b>	<b>96</b>	<b>105</b>		

\* Based on the GS grade level these personnel were only eligible for one accelerated promotion.

Source: The DoD OIG.

Although 105 (52 percent) of 201 naval shipyard personnel either did not receive an accelerated promotion or received a delayed accelerated promotion, officials at the four naval shipyards provided valid reasons for 94 (90 percent) of the 105 shipyard personnel. Specifically:

- 53 (50 percent) did not meet the training or performance requirements;
- 40 (38 percent) did not meet time-in-grade requirements; and
- 1 (less than 1 percent) had their promotions affected by training and processing issues.



The remaining 11 (10 percent) of 105 Norfolk NSY and Portsmouth NSY personnel either did not receive an accelerated promotion or received a delayed accelerated promotion due to various types of administrative errors.

## **Shipyard Officials Did Not Properly Manage the Nuclear STE and RCT APPs**

Norfolk NSY and Portsmouth NSY officials did not properly manage the Nuclear STE and RCT APPs to ensure that 11 of 105 naval shipyard personnel received the eligible number of accelerated promotions within 4 weeks of completing the APP requirements. The 11 shipyard personnel either did not receive an accelerated promotion or received a delayed accelerated promotion due to various types of administrative errors.

Five Norfolk NSY personnel who participated in the Nuclear STE APP were negatively affected by the lack of an authorized Entry Level Naval Shipyards Engineer APP in 2016. The five shipyard personnel entered the Nuclear STE APP under the occupational series code 0840 at the GS-07 level. Although these personnel participated in the Nuclear STE APP, they received a delayed accelerated promotion because shipyard officials thought the personnel participated in the Entry Level Naval Shipyards Engineer APP, which did not have authorization at the time.

According to a Norfolk NSY official, there was no clear distinction between the Entry Level Naval Shipyards Engineer APP and the Nuclear STE APP, both of which covered the 0840 occupational series code. We reviewed section 5596, title 5, United States Code, and title 5 CFR part 550, subpart H, that require evidence of unjustified or unwarranted personnel action which resulted in the withdrawal, reduction, or denial of all or part of the pay, allowances, and differentials otherwise due to the employee.

We also reviewed the U.S. Comptroller General's decision that stated retroactive promotions may be approved, but only on the grounds of administrative or clerical error, and did not allow for back pay. However, we determined these authorities would not allow the five employees affected by the lack of an authorized Entry Level Naval Shipyards APP to receive compensation since there was no evidence of unjustified or unwarranted personnel actions or grounds for administrative or clerical error in determining the personnel's eligibility for accelerated promotions. Therefore, we recommend the Deputy Assistant Secretary of the Navy for Civilian Personnel ensure the OCHR determines whether to pursue legislation to authorize shipyard personnel affected by the lack of an authorized Entry Level Naval Shipyards Engineer APP in 2016 to be compensated for pay that would have

been realized if the APP had not lacked authority. In addition, we recommend that the Commander, Norfolk NSY, implement a process to differentiate which APP shipyard personnel are participating in, to ensure that personnel receive accelerated promotions in accordance with the provisions of the appropriate APP.

Four Norfolk NSY personnel entered the RCT APP as a GS-08 and were eligible for one accelerated promotion. According to the RCT APP, shipyard personnel who entered the program as a GS-08 were eligible for a promotion to GS-09 after satisfactory completion of 52 weeks at the GS-08 level and an accelerated promotion to GS-10 after satisfactory completion of 26 weeks at the GS-09 level. The four naval shipyard personnel did not receive their accelerated promotion to GS-10 within 4 weeks of completing the APP requirements.

According to a Norfolk NSY official, in 2016 the RCT department and the administrative office experienced delays in processing accelerated promotions for personnel who entered the RCT APP at the GS-08 level. Generally, personnel enter the RCT APP at the GS-05 level; therefore, the RCT supervisors and the administrative office were unaware that these personnel were eligible for the accelerated promotion.

Norfolk NSY officials confirmed that the four Norfolk NSY personnel should have received a promotion to GS-10 after 26 weeks as a GS-09. Additionally, according to a Norfolk NSY official, an RCT supervisor and the administrative office experienced another delay in processing the accelerated promotion for a Norfolk NSY RCT who entered the RCT APP at the GS-06 level. The supervisor provided the required documents to the administrative office 13 days later and the administrative office processed the accelerated promotion 4 weeks later. Because DON OCHR officials issued formal guidance in August 2022 related to implementing the RCT APP, we are not making a recommendation.

For one Portsmouth NSY STE, Portsmouth NSY officials stated that the STE received a delayed accelerated promotion due to an administrative error. The STE entered the Nuclear STE APP at the GS-07 level and was eligible for two accelerated promotions. According to the Nuclear STE APP, shipyard personnel who entered the program at the GS-07 level were eligible for up to two non-consecutive accelerated promotions.

Shipyard personnel must satisfactorily pass the Naval Sea Systems Command final written examination and shipyard oral exam for promotion to the GS-12 level. The Portsmouth NSY STE did not receive their second accelerated promotion within 4 weeks of completing the APP requirements. Portsmouth NSY officials confirmed that the STE was eligible for an accelerated promotion to the GS-12 level within 4 weeks after passing the oral exam; however, the STE's supervisor

did not notify the Portsmouth NSY Human Resources department to process the accelerated promotion until 6 weeks after the STE passed the oral exam. However, we determined that existing authorities would not allow for the six employees affected by the improper management of the Nuclear STE and RCT APPs to receive compensation since there was no evidence of unjustified or unwarranted personnel actions or grounds for administrative or clerical error in determining the personnel's eligibility for accelerated promotions. Therefore, we recommend that the Deputy Assistant Secretary of the Navy for Civilian Personnel ensure the OCHR determines whether to pursue legislation to authorize the shipyard personnel who did not receive an accelerated promotion or received a delayed accelerated promotion due to administrative errors to be compensated for pay that would have been realized.

### **Mismanagement of the Nuclear STE and RCT APPs Delayed Naval Shipyard Personnel in Reaching Full Performance Level and Had a Financial Impact**

According to the DON, the Nuclear STE, Nuclear STE Technician, and RCT APPs provided a strong incentive for recruitment and retention. The Navy's mission of overhauling and repairing nuclear-powered ships is dependent on the successful recruitment and retention of qualified Nuclear STEs, Nuclear STE Technicians, and RCTs. As a result of not properly managing the Nuclear STE and RCT APPs, 11 naval shipyard personnel received delayed promotions to their full performance level that had a collective financial impact to those shipyard personnel of \$9,300 or typically less than \$1,000 per person.<sup>15</sup>

Although naval shipyard officials properly managed the Nuclear STE Technician APP, shipyard officials mismanaged the Nuclear STE and RCT APPs. Specifically, naval shipyard personnel met the requirements to reach their full performance level; however, shipyard officials delayed the promotions due to their confusion on which APP the shipyard personnel were eligible for. This confusion caused supervisor delays in submitting required documentation to process the accelerated promotions. We will provide a list of all affected naval shipyard personnel to the DON.

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<sup>15</sup> We calculated this amount based on basic pay (80 hour, biweekly) and did not include premium pay or bonuses. This total amount includes the Federal short-term Federal interest rate plus 3 percent, as of February 2022 when we announced this audit.

## Recommendations, Management Comments, and Our Response

### ***Recommendation B.1***

**We recommend that the Deputy Assistant Secretary of the Navy for Civilian Personnel:**

- a. Ensure the Office of Civilian Human Resources determines whether to pursue legislation to authorize shipyard personnel affected by the lack of an authorized Entry Level Naval Shipyards Engineer Accelerated Promotion Program in 2016 to be compensated for pay that would have been realized if the Accelerated Promotion Program had not lacked authority.**
- b. Ensure the Office of Civilian Human Resources determines whether to pursue legislation to authorize the shipyard personnel who did not receive an accelerated promotion or received a delayed accelerated promotion due to administrative errors to be compensated for pay that would have been realized.**

### ***Deputy Assistant Secretary of the Navy for Civilian Personnel Comments***

The Deputy Assistant Secretary of the Navy for Civilian Personnel neither agreed nor disagreed with the recommendation. The Deputy Assistant Secretary stated that the DON does not intend to pursue legislative options to authorize compensation for engineers who would have received pay had there not been a lapse in authority of an approved APP and stated that the DON is unable to grant relief to the documented employees due to the absence of an OPM-approved APP agreement during the stated period. In addition, the Deputy Assistant Secretary stated that the affected engineers do not meet the criteria outlined in section 5596, title 5, United States Code, "Back-Pay Due to Unjustified Personnel Actions." Furthermore, the Deputy Assistant Secretary stated that a legislative fix would not be appropriate as the DON took prompt remedial measures to bring the APP into regulatory compliance by securing OPM approval. The Deputy Assistant Secretary also stated that the harm was temporary and corrected upon issuance and implementation of accurate guidance to place the affected employees into the OPM-approved APP for promotions.

### ***Our Response***

Although the Deputy Assistant Secretary did not agree or disagree, the Deputy Assistant Secretary's comments addressed the intent of the recommendation to determine whether to seek legislative relief; therefore, the recommendation is closed.

### ***Recommendation B.2***

**We recommend that the Commander, Norfolk Naval Shipyard, implement a process to differentiate which accelerated promotion program shipyard personnel are participating in to ensure that personnel receive accelerated promotions in accordance with the provisions of the appropriate Accelerated Promotion Program.**

### ***Management Comments Required***

The Commander, Norfolk Naval Shipyard did not respond to the recommendation in the report; therefore, the recommendation is unresolved. We request that the Commander, Norfolk Naval Shipyard provide comments within 30 days of the final report.

## Appendix A

### Scope and Methodology

We conducted this performance audit from February 2022, through August 2024 in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

#### ***Audit Scope***

The audit included all naval shipyard personnel hired at the Navy's four public shipyards from January 23, 2016, through December 22, 2016, who were eligible to participate in an APP. The Navy's four public shipyards are Norfolk NSY, Portsmouth NSY, Puget Sound NSY&IMF, and Pearl Harbor NSY&IMF. The shipyards had four positions that were eligible to participate in an APP: Nuclear STE, Nuclear STE Technician, RCT, and Entry Level Naval Shipyards Engineer. Table 2, in the report Introduction section, outlines Navy APP occupational series and grade levels eligible to participate in the APPs for these positions.

The Navy identified 8,566 personnel hired at the Navy's four public shipyards from January 23, 2016, through December 22, 2016. We reviewed documentation provided by the DON OCHR for the 8,566 personnel and identified 1,069 personnel with an occupational series and grade level eligible for one of the Navy APPs. Based on our review of Notice of Personnel Action SF 50s and Request for Personnel Action SF 52s, available in OPM's Electronic Official Personnel Folder (eOPF) for the 1,069 naval shipyard personnel, we excluded an additional 469 naval shipyard personnel from our scope, which narrowed our final audit scope to 600 naval shipyard personnel.

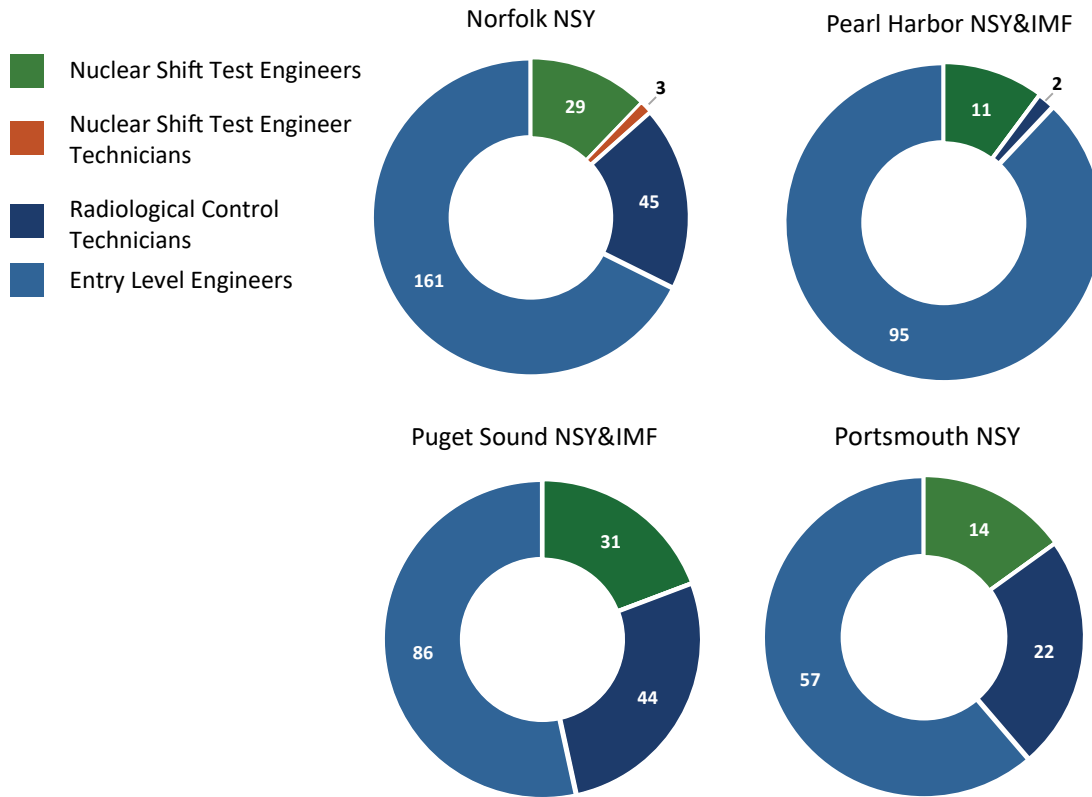
Specifically, we could not obtain personnel records from OPM's eOPF for 150 of the 469 naval shipyard personnel because they were no longer employed by the Navy as of March 2022. The personnel records for the 150 naval shipyard personnel had either been archived to the National Personnel Records Center or transferred to the Government agency where they were currently employed.

For the remaining naval shipyard personnel, 114 of the 469 hiring documentation showed that they were hired by the Navy before January 23, 2016, and 205 of the 469 were in positions that were ineligible to participate in an APP. Therefore,



we excluded these naval shipyard personnel from the audit scope. Figure 8 shows the number of naval shipyard personnel eligible to participate in each of the APP positions at the Navy's four public shipyards.

*Figure 8. Number of Naval Shipyard Personnel Eligible to Participate in an APP at the Navy's Four Public Shipyards*



Source: The DoD OIG.

### **Documentation Reviewed**

To answer the audit objective and meet congressionally required or requested actions, we:

- identified naval shipyard personnel eligible to participate in APPs at the Navy's four public shipyards;
- determined whether the naval shipyard personnel received accelerated promotions in accordance with the APPs; and
- determined the causes for naval shipyard personnel who did not receive an accelerated promotion or received a delayed accelerated promotion.

To identify the naval shipyard personnel eligible to participate in the APPs, we reviewed hiring reports containing all personnel hired at the shipyard during the period of review. We met with Navy human resources personnel to determine what APPs were used by the Navy's four public shipyards. We reviewed the APPs to identify the requirements to participate in the program, such as grade level and position. We compared those requirements to personnel records, such as the Notice of Personnel Action SF 50, available in OPM's eOPF for all personnel on the hiring reports.

To determine whether naval shipyard personnel received accelerated promotions in accordance with the APP, we reviewed the APPs to determine how many, and at what intervals, personnel could receive accelerated promotions through the program. We also reviewed the Notice of Personnel Action SF 50s and Request for Personnel Action SF 52s for the personnel's promotions. Specifically, we counted the number of weeks between each promotion date and compared it to the intervals documented in the APPs.

For those naval shipyard personnel who did not receive an accelerated promotion or received a delayed accelerated promotion, we determined a cause by reviewing training records, Notice of Personnel Action SF 50s, Request for Personnel Action SF 52s, position descriptions, shipyard policies, and termination memorandums.

### ***Site Visits and Interviews***

We conducted site visits to the following locations.

- Norfolk NSY, Portsmouth, Virginia
- Portsmouth NSY, Kittery, Maine
- Puget Sound NSY&IMF, Bremerton, Washington
- Pearl Harbor NSY&IMF, Pearl Harbor, Hawaii

At each naval shipyard, we met with supervisors, human resources personnel, recruiters, and union representatives to understand the Navy's eligibility requirements and the process for approving accelerated promotions within the Navy's APP. We also discussed and obtained personnel records related to the causes for naval shipyard personnel who did not receive accelerated promotions or received a delayed accelerated promotion.

We also interviewed a nonstatistical sample of personnel and their managers at the shipyards. The purpose of these naval shipyard personnel interviews was to understand how the lack of authorization of the Entry Level Naval Shipyards Engineer APP affected personnel both personally and professionally. See Table 5 for the number of interviews conducted at each shipyard.

Table 5. Number of Interviews Conducted During Shipyard Site Visits

Shipyard	Number of Personnel Interviewed	Number of Managers Interviewed
Norfolk NSY	28	5
Portsmouth NSY	13	6
Puget Sound NSY&IMF	16	5
Pearl Harbor NSY&IMF	7	4
Total	64	20

Source: The DoD OIG.

Additionally, we met with the:

- DON OCHR to discuss the Navy’s APPs and data and documentation related to the audit topic;
- International Federation of Professional and Technical Engineers Union to discuss naval shipyard personnel concerns related to APPs; and
- OPM to discuss the APP approval process and the Navy’s APPs.

## Internal Control Assessment and Compliance

We assessed internal controls and compliance with laws and regulations necessary to satisfy the audit objective. In particular, we assessed the control components and underlying principles related to the lack of authorization of the Entry Level Naval Shipyards Engineer APP in 2016 and issuing accelerated promotions within the Navy’s Nuclear STE, Nuclear STE Technician, and RCT APPs. However, because our review was limited to these internal control components and underlying principles, it may not have disclosed all internal control deficiencies that may have existed at the time of this audit.

## Use of Computer-Processed Data

We used computer-processed data from HRLink, eOPF, and Defense Civilian Pay System Self Service Reporting. To determine the reliability of these systems, we reviewed system controls, interviewed Navy officials about the systems’ capabilities, and tested the data for completeness. We determined that the data were sufficiently reliable for use in the audit.

### ***HRLink***

HRLink is a web-based database that maintains human resources-related data. It provides standard dashboards, metrics, personnel reports and extracts to eligible users as designated and approved by command. We used this data to identify naval shipyard personnel who were eligible to participate in the Navy's APPs. We generated a report from HRLink that listed all personnel hired at the naval shipyards during the period of review, including data such as occupational code and grade level. We compared this data to the requirements in the Navy's APPs to determine which naval shipyard personnel were eligible to participate in the programs.

### ***eOPF***

The eOPF is a system that maintains an electronic version of the paper documents used by a human resources office. We used documents maintained in eOPF, such as SF 50s, to determine whether shipyard personnel eligible to participate in the Navy's APPs received or did not receive accelerated promotions in accordance with the APPs.

### ***Defense Civilian Pay System Self Service Reporting***

Defense Civilian Pay System Self Service Reporting is a system that maintains historical payroll data. Specifically, Defense Civilian Pay System Self Service Reporting allows customers to review payroll data quickly and easily. We used Defense Civilian Pay System Self Service Reporting to obtain Leave and Earnings Statements to determine back pay for lost compensation.

## **Use of Technical Assistance**

We received assistance from the DoD OIG Data Analytics Team to determine the amount of lost compensation for naval shipyard personnel who did not receive or received delayed accelerated promotions, without sufficient justification from the Navy.

## **Prior Coverage**

During the last 5 years, the DoD Office of Inspector General (DoD OIG) and DON issued two reports discussing the Navy's APP. The DoD OIG report can be accessed at <http://www.dodig.mil/reports.html/>.

## **DoD OIG**

Report No. DODIG-2022-134, “Management Advisory: Audit of the Navy’s Accelerated Promotions Program,” September 21, 2022

The DoD OIG determined that the majority of naval 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 (90 percent) of 603 naval shipyard personnel received accelerated promotions, and 59 (10 percent) of 603 naval shipyard personnel did not receive accelerated promotions through a Navy APP. For the 59 naval shipyard personnel who did not receive accelerated promotions, the DoD OIG reviewed Navy documentation to determine whether these individuals met the Navy APP eligibility requirements for accelerated promotions. From this review, the DoD OIG determined that 11 naval shipyard personnel were eligible for a promotion through a Navy APP, and 48 naval shipyard personnel were not.

## **Navy**

National Defense Authorization Act Fiscal Year 2022 Section 1113, “Assessment of Accelerated Promotion Program Suspension,” July 2020

The DON identified 27 shipyard personnel, hired from January 23, 2016, through December 22, 2016, who would have been eligible but did not receive an accelerated promotion within 6 months of their date of hire, due to the APP lack of authorization. The DON concluded that because all 27 personnel were hired during the time frame in which the shipyards did not have an approved APP, none of the personnel were entitled to back pay or any other legal remedy. According to the DON, its actions to promote the 27 shipyard personnel at a later date, after an approved APP was in place, were appropriate.

## Appendix B

### 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 2016 suspension 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). Under Public Law 117-81, Section 1115(b), 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 (1) 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 (1) 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 (2) and directly promote the employee to the grade and step identified in paragraph (3).

## Management Comments

### Office of the Assistant Secretary of the Navy (Manpower and Reserve Affairs)



DEPARTMENT OF THE NAVY  
OFFICE OF THE ASSISTANT SECRETARY  
(MANPOWER AND RESERVE AFFAIRS)  
1000 NAVY PENTAGON  
WASHINGTON, D.C. 20350-1000

October 21, 2024

MEMORANDUM FOR DEPARTMENT OF DEFENSE OFFICE OF INSPECTOR GENERAL

SUBJECT: Department of the Navy's Consolidated Response – Draft Report "Audit of the Navy's Accelerated Promotions Programs"

Reference: (a) Department of Defense, Office of the Inspector General, Audit of the Navy's Accelerated Promotion Program (DRAFT), Project No. D2022-D000RK-0090.000

In response to the recommendations put forth in reference (a) the Office of Civilian Human Resources (OCHR) is currently investigating the circumstances surrounding the 120 entry level engineers in receipt of an accelerated promotion during a period when the Department of the Navy (DON) shipyards did not have approval from the Office of Personnel Management (OPM) for the DON's Naval Shipyards and Fleet Maintenance Entry Level Engineers Accelerated Training and Promotion Program (ATPP). OCHR will determine appropriate actions upon completion of this review.

The DON does not intend to pursue legislative options to authorize compensation for engineers who would have received pay had there not been a lapse in authority of an approved ATPP. Since there was an absence of an OPM-approved ATPP agreement during the stated period, the DON is unable to grant relief to the documented employees because they do not meet the criteria outlined in 5 United States Code 5596, Back-Pay Due to Unjustified Personnel Actions.

Further, a legislative fix would not be appropriate as the DON promptly undertook remedial measures to bring the subject ATPP into regulatory compliance by securing OPM approval. The harm sustained was temporary and corrected upon issuance and implementation of accurate guidance to place the affected employees into the OPM-approved ATPP for promotions as appropriate.

My point of contact regarding this matter is [REDACTED] at [REDACTED]

VERDUCCI, ANTHONY JOHN

Anthony J. Verducci  
Deputy Assistant Secretary of the Navy  
(Civilian Personnel)



## Office of the Assistant Secretary of the Navy (Manpower and Reserve Affairs) (cont'd)

Distribution:

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Director, Civilian Human Resources, USFFC

# Acronyms and Abbreviations

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- APP** Accelerated Promotion Program
- CFR** Code of Federal Regulations
- DON** Department of the Navy
- eOPF** Electronic Official Personnel Folder
- GS** General Schedule
- NSY** Naval Shipyard
- NSY&IMF** Naval Shipyard and Intermediate Maintenance Facility
- OCHR** Office of Civilian Human Resources
- OPM** Office of Personnel Management
- RCT** Radiological Control Technician
- STE** Shift Test Engineer

# **Whistleblower Protection**

## **U.S. DEPARTMENT OF DEFENSE**

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