



ADS Chapter 495

Foreign Service National Direct-Hire Personnel Administration

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 ADS Chapter 495 - Foreign Service National Direct-Hire Personnel Administration
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ADS Chapter 495 - Foreign Service National Direct-Hire Personnel Administration

495.1 OVERVIEW

Effective Date: 06/15/2017

This ADS chapter provides Agency mandatory policies and required procedures for the administration of Foreign Service National (FSN) employees, by direct-hire appointments, who are subject to the Local Compensation Plan (LCP).

This ADS chapter does not apply to Cooperating Country National (CCN) or Third Country National (TCN) Personal Service Contractors (PSCs). For administration of CCN and TCN PSCs, see the [Federal Acquisition Regulations \(FAR\)](#); USAID Acquisition Regulation (AIDAR), including [AIDAR, Appendix J, Direct USAID Contracts with a Cooperating Country National and with a Third Country National for Personal Services Abroad](#); [ADS 309, Personal Services Contracts with Individuals](#), and [Acquisition and Assistance Policy Directives](#).

495.2 PRIMARY RESPONSIBILITIES

Effective Date: 06/15/2017

a. Mission Executive Officers (EXOs) administer all FSN direct-hire personnel. EXOs and their supervised staff are responsible for FSN direct-hire operations and for providing relevant materials, advice, guidance to assist Mission managers/supervisors/team leaders and perform personnel management responsibilities.

b. The Human Capital and Talent Management, Overseas Human Capital Initiatives, Foreign Service National Unit (HCTM/OHCI/FSN Unit):

- Recommends and formulates USAID personnel policy regarding FSN direct-hire employees;
- Manages USAID FSN direct-hire position classification, compensation and benefits programs;
- Manages the fellowship program which is open to all FSN direct-hire employees as well as all CCN PSCs;
- Provides support to field Missions on FSN direct-hire policy and operational issues; and
- Serves as the Liaison Agent for the FSN Advocacy Council (FSN AC) with Washington-based and Mission stakeholders.

The HCTM/OHCI/FSN Unit collaborates with the Bureau for Management, Office of Acquisition and Assistance, Policy Division (M/OAA/P) in the development of policies concerning all CCN PSCs.

c. The **Bureau for Management, Office of Management Services, Overseas Management Division (M/MS/OMD)** works closely with the HCTM/OHCI/FSN Unit in support of all FSN direct-hire initiatives, and fosters leadership opportunities for FSNs. M/MS/OMD organizes technical training for new EXO staff, including training covering personnel regulations, personnel issues at Post, and the position classification system. M/MS/OMD provides field assistance and advice to overseas EXOs in discharging their personnel management responsibilities, and advises field Missions of training and other professional development opportunities for staff, particularly where the focus is on administrative management. Field EXOs also receive guidance and management support from M/MS/OMD when faced with such organizational issues as Mission expansion or contraction, and Reduction in Force (RIF).

d. USAID Mission Supervisors/Team Leaders:

- Structure organizations, functions, and positions within their Office/Team to accomplish organizational objectives efficiently and effectively (as required by [3 FAM 7313, Position Management](#));
- Create and continue only those positions for which there is a valid need, based on organizational goals and objectives, workload, and funding;
- Ensure that position descriptions adequately and accurately reflect the current duties and responsibilities of staff;
- Resolve FSN direct-hire employee complaints before they become formal grievances; and
- Make individual personnel decisions for FSN direct-hire employees, such as recommendations for assignment, promotion, and training.

e. FSN Direct-Hire employees:

- Perform assigned duties in at least a “Fully Successful” manner;
- Adhere to the Standards of Conduct and Ethics rules that apply to federal employees and avoid the appearance of a conflict of interest in completing official duties and responsibilities (see [5 CFR Part 2635](#)); and
- Follow guidance from the EXO regarding relevant personnel policies.

495.3 POLICY DIRECTIVES AND REQUIRED PROCEDURES

495.3.1 Types of Employment and Recruitment

Effective Date: 06/15/2017

Historically, USAID recruited and engaged FSNs to work in USAID Missions under

direct-hire appointments. Engagement of new FSN direct-hire employees was discontinued decades ago. Current FSN direct-hires remain in direct-hire status until they are either separated or retire from USAID.

USAID currently uses only Personal Services Contracts to fill new CCN and TCN positions. When FSN or TCN direct-hire employees separate, either through retirement or for other reasons, their continuing position will be converted to a CCN PSC position. If an FSN or TCN direct-hire employee applies for, and is selected for any CCN or TCN PSC position, the employee must agree to accept a Personal Services Contract, unless the employee is currently enrolled in the U.S. Civil Service Retirement System (CSRS) and requests to remain in direct-hire status in order to maintain CSRS coverage.

- a. Regulation and Policy: **For direct-hire FSNs and TCNs, USAID's employment practices adhere to all legal requirements outlined in [3 FAM 7000, Overseas Employment](#), specifically:**
 - [3 FAM 7231, Direct-Hire Appointment](#);
 - [3 FAM 7240, Appointment](#);
 - [3 FAM 7250, Assignments, Transfers, and Details](#); and
 - [3 FAM 7270, Third-Country National](#).
- b. **U.S. Citizenship:** For FSN and TCN direct-hire employees, the HCTM/OHCI/FSN Unit provides guidance on issues concerning the termination of employment when such employees obtain U.S. citizenship.

495.3.2 Basic Conditions of Employment and Prohibitions

Effective Date: 06/15/2017

For FSN/TCN direct-hire employees, applicable policies and procedures for conditions of employment are outlined in [3 FAM 7000, Overseas Employment](#). Direct-hire employees are subject to the requirements in [3 FAM 7130, Medical](#).

- a. USAID Mission Executive Officers must ensure that all FSN direct-hire staff understand that they are covered by the Standards of Conduct and Ethics rules that apply to U.S. federal employees; that they have received and understand the USAID Standards of Conduct; and that they have met Agency conflict of interest requirements prior to employment.
- b. Funds for social security, retirement, pension, vacation, or other cooperating country programs as required by local law will be deducted and withheld in accordance with laws and regulations and rulings of the cooperating country or any agreement concerning such withholding entered into between the cooperating government and the United States.
- c. Direct-hire FSN and TCN employees are prohibited from striking against the

U.S. Government as stated in [3 FAM 7224.2-5, Prohibition Against Striking](#). Such participation is grounds for immediate dismissal.

495.3.3 Assignments, Transfers, Details, and TDYs
Effective Date: 06/15/2017

FSN direct-hire assignments, transfers, and details must be in compliance with [3 FAM 7250 Assignments, Transfers, and Details](#).

495.3.4 Delegations of Authority for FSN and TCN Direct-Hires
Effective Date: 06/15/2017

USAID's policy is to encourage FSN and TCN employees to assume a level of professional responsibility commensurate with their experience. In accordance with [ADS 103.3.1.1](#), FSN direct-hire employees may be delegated any authority, duty, or responsibility, except as limited in [ADS 103.3.1.1\(b\)](#). USAID Missions must submit requests to the Assistant Administrator for the Bureau for Management (AA/M) for exceptions to the limitations in [ADS 103.1.1.1\(b\)](#).

495.3.5 Position Classification and Compensation
Effective Date: 06/15/2017

Agency FSN/TCN position classification and pay setting policies for direct-hire employees are outlined in [3 FAM 7300, Position Classification and Pay Administration](#) as follows:

- a. [3 FAM 7310, FSN Position Classification and Position Management](#)
The Department of State and USAID jointly classify and manage the FSN direct-hire position classification and management system using joint local compensation plans. The Embassy Human Resources Officer or Management Officer classifies FSN/TCN direct-hire positions and administers the classification system in consultation with the HCTM/OHCI/FSN Unit and the Mission EXO.
- b. [3 FAM 7330, Position Classification and Management Evaluation](#)
- c. [3 FAM 7340, FSN Position Classification Appeals](#)
- d. [3 FAM 7350, Pay Administration](#)
- e. [3 FAM 7360, General Policy and Authority](#)
- f. [3 FAM 7380, Within-Grade Increases](#)
- g. [3 FAM 7390, Downgradings](#)

495.3.6 Employee Attendance and Leave
Effective Date: 06/15/2017

The regulations in the table below describe the policies and required procedures for attendance and leave for FSN/TCN direct-hire employees.

Policy	FSN/TCN Direct-Hire
Establishment of Workweeks	3 FAM 7410
Time and Attendance Reports	3 FAM 7420
Annual and Sick Leave	3 FAM 7430
Holidays	3 FAM 7440
Excused Absences	3 FAM 7450
Leave Without Pay (LWOP)	3 FAM 7460
Absence Without Leave (AWOL)	3 FAM 7470
Leave Records	3 FAM 7480

495.3.7 Employee Performance Evaluation, Incentive Awards, and Training Effective Date: 06/15/2017

The table below describes the regulations and policies for employee performance evaluation, incentive awards, and training processes. These processes must be administered in compliance with Mission and /or Post FSN policy (for direct-hire employees).

Policy	Direct-Hire
Performance Evaluation	3 FAM 7610
Incentive Awards	3 FAM 7620 Employees can be nominated for only one meritorious step increase in any 52-week period.
Training	3 FAM 7630 and 13 FAM 510

495.3.8 Employee Benefits, Disciplinary Actions, Separations, and Re-employment Effective Date: 06/15/2017

The table below describes the regulations and policies for employee benefits, disciplinary actions, separations, and re-employment for FSN/TCN direct-hire employees. In addition, Missions must consult local labor law when considering actions that will impact FSN and/or TCN direct-hire employment.

Policy	FSN/TCN Direct-Hire
Employee Benefits ¹	3 FAM 7710

¹ Note: [3 FAM 7711](#) applies to FSN/Direct-Hire and TCN employees covered under the Civil Service Retirement System (CSRS); retired FSNs and TCNs who are later awarded PSCs will not incur any reduction or offset against their Government CSRS annuity, in accordance with [AIDAR Appendix J, Section 4.\(c\)\(2\)\(vii\)](#).

Policy	FSN/TCN Direct-Hire
Emergency Health and Accident Coverage	ADS 496, FSN Health and Accident Coverage
Disciplinary Actions	3 FAM 7720
Employee Separations	3 FAM 7730 and ADS 451, Separations and Exit Clearance
Claims for Private Personal Property Losses	3 FAM 7750
FSN Employee Affairs Committee	Employees are entitled to participate.

495.3.9 Personnel Records Management and Reporting

Effective Date: 06/15/2017

- a. The official file for FSN/TCN direct-hire is the Official Personnel File (OPF). These files must be maintained at Post, and are the legal record of employment.
- b. The official personnel records of all FSN/TCN direct-hire employees must be disposed of in accordance with the Agency's records disposition policy and procedures contained in [ADS 502.3.6.1](#).
- c. Missions must submit staffing pattern data covering all Mission personnel to HCTM/PPSM on a semi-annual basis in compliance with guidance issued periodically by USAID/Washington, HCTM/PPSM. Missions must submit their reports to HCTM/PPSM by March 30 and September 30, or as otherwise required.

495.3.10 Employee-Management Relations

Effective Date: 06/15/2017

For FSN/TCN direct-hire employees, employee-management relations will be guided by [3 FAM 7290](#). Grievances at Post will be managed in compliance with Post Grievance Procedures.

495.3.11 Foreign Service National Advocacy Council

Effective Date: 06/15/2017

FSN direct-hire employees, as well as Cooperating Country National Personal Services Contractors (CCNPSCs) are eligible to participate in the Foreign Service National Advocacy Council (FSN AC). The FSN AC provides a voice and a platform for all USAID FSN direct-hires and CCNPSCs. It promotes greater participation of FSN direct-hires and CCNPSCs through more active involvement in the Agency's strategic direction and operations. The FSN AC meets with Agency leadership on a quarterly basis to inform and provide advice on Agency FSN direct-hire and CCNPSC initiatives.

The FSN AC is comprised of FSN direct-hires, CCNPSCs, as well as Washington-based Senior Foreign and Civil Service Officers and regional representatives. The members are elected by the Agency's FSN direct-hire and CCNPSC community. The Council is coordinated by the HCTM FSN Unit.

495.3.12 Fellowship Program

Effective Date: 06/15/2017

The Fellowship Program is open to all FSN direct-hires and CCNPSCs, as outlined in [ADS 495maa, Foreign Service National Fellowship Program](#).

495.4 MANDATORY REFERENCES

495.4.1 External Mandatory References

Effective Date: 06/15/2017

- a. [3 FAM 7000 Overseas Employment](#)
- b. [3 FAM 7130 Medical](#)
- c. [3 FAM 7224.2-5 Prohibition Against Striking](#)
- d. [3 FAM 7231 Direct-Hire Appointment](#)
- e. [3 FAM 7240, Appointment](#)
- f. [3 FAM 7250, Assignments, Transfers, and Details](#)
- g. [3 FAM 7270, Third-Country National](#)
- h. [3 FAM 7290, Employee-Management Relations](#)
- i. [3 FAM 7330, Position Classification and Management Evaluation](#)
- j. [3 FAM 7340, FSN Position Classification Appeals](#)
- k. [3 FAM 7350, Pay Administration](#)
- l. [3 FAM 7360, General Policy and Authority](#)
- m. [3 FAM 7380, Within-Grade Increases](#)
- n. [3 FAM 7390, Downgradings](#)
- o. [3 FAM 7410, Establishment of Workweeks](#)
- p. [3 FAM 7420, Time and Attendance Reports](#)
- q. [3 FAM 7430, Annual and Sick Leave](#)
- r. [3 FAM 7440, Holidays](#)
- s. [3 FAM 7450, Excused Absences](#)

- t. [3 FAM 7460, Leave without Pay](#)
- u. [3 FAM 7470, Absence without Leave \(AWOL\)](#)
- v. [3 FAM 7480, Leave Records](#)
- w. [3 FAM 7610, Performance Evaluation](#)
- x. [3 FAM 7620, Incentive Awards](#)
- y. [3 FAM 7630, Training](#)
- z. [3 FAM 7710, Locally Employed Staff Benefits under U.S. Law](#)
- aa. [3 FAM 7711, Civil Service Retirement System \(CSRS\)](#)
- bb. [3 FAM 7720, FSN Employee Disciplinary Actions](#)
- cc. [3 FAM 7730, FSN Employee Separations](#)
- dd. [3 FAM 7750, Claims for Private Personal Property Losses](#)
- ee. [13 FAM 510, Training for Foreign Service Nationals](#)
- ff. [5 CFR Part 2635](#)

495.4.2 Internal Mandatory References

Effective Date: xx/xx/xxxx

- a. [ADS 103, Delegations of Authority](#)
- b. [ADS 309, Personal Services Contracts with Individuals](#)
- c. [ADS 451, Separations and Exit Clearance](#)
- d. [ADS 495maa, Foreign Service National Fellowship Program](#)
- e. [ADS 496, FSN Health and Accident Coverage \(HAC\)](#)
- f. [ADS 502, The USAID Records Management Program](#)

495.5 ADDITIONAL HELP

Effective Date: xx/xx/xxxx

There are no Additional Help documents for this chapter.

495.6 DEFINITIONS

Effective Date: xx/xx/xxxx

See the [ADS Glossary](#) for all ADS terms and definitions.

cooperating country (See also host country and local country)

The country receiving the USAID assistance. ([Chapter 305](#), [322](#), 495)

cooperating country national (CCN)

An individual who is a cooperating country citizen or a non-cooperating country citizen lawfully admitted for permanent residence in the cooperating country. ([Chapter 322](#), 495)

Foreign Service National Direct-Hire

A non-U.S. citizen employee hired by a USAID Mission abroad, whether full- or part-time, intermittent or temporary, and inclusive of a Third Country National (TCN) who is paid under the local compensation plan (LCP), and who was appointed under the authority of the Foreign Service Act of 1980 (the ACT). (**Chapter 495**)

Head of Overseas Establishment

A principal officer, as defined in section 102 of the Foreign Service Act, for example, a USAID Mission Director or USAID Representative, a Peace Corps Director, or a ranking Department of Commerce Officer in-country. (**Chapter 495**)

host country

The country in which the USAID Mission is located, and the country for whose benefit a USAID program is being implemented. The country in which a USAID funded activity takes place. ([Chapter 252](#), [253](#), [301](#), [305](#), [322](#), 495)

Local Compensation Plan (LCP)

Each Post's official system of FSN pay, consisting of the local salary schedule, which includes salary rates, statements and authorizing benefits payments, premium pay rates, and other pertinent aspects of the FSN employee compensation. (**Chapter 495**)

Position Classification

The system of grading FSN positions based upon the policies, procedures, and standards as outlined in 3 FAH 2, Chapter 4. (**Chapter 495**)

third country national

A legal resident, but not a citizen, of the non-U.S. country in which the Sponsoring Unit is operating. ([Chapter 253](#), [322](#), 495)

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