



August 2017

# PERSONNEL PRACTICES

## Actions Needed to Improve Documentation of OPM Decisions on Conversion Requests

Accessible Version

# GAO Highlights

Highlights of [GAO-17-674](#), a report to congressional requesters

## Why GAO Did This Study

Federal agencies must use appropriate authorities and follow proper procedures in converting political appointees to career positions, including obtaining prior approval from OPM.

GAO was asked to provide information on political conversions and examine the implementation and effectiveness of OPM's policy for reviewing them. GAO, as part of its review, examined (1) conversion requests submitted by agencies and reviewed by OPM, (2) whether agencies used appropriate authorities and proper procedures in conversions approved by OPM, and (3) conversion requests denied by OPM and referred to OSC.

GAO obtained and corroborated OPM data on the number of political conversions OPM reviewed and agencies intended to complete from January 1, 2010, through March 17, 2016. GAO also assessed OPM's reviews of all approved political conversion requests during the same period.

## What GAO Recommends

GAO recommends that OPM (1) ensure its finalized records schedule lists all documentation that must be saved in OPM's case files, and (2) establish a policy requiring its staff to verify they reviewed all documentation required by OPM checklists before recommending approval or denial of a conversion request. OPM partially concurred with both recommendations, but believes it has a process to thoroughly review conversion requests. GAO continues to believe the recommendations are valid, as discussed in the report.

View [GAO-17-674](#). For more information, contact Yvonne D. Jones at (202) 512-2717 or [jonesy@gao.gov](mailto:jonesy@gao.gov).

August 2017

## PERSONNEL PRACTICES

### Actions Needed to Improve Documentation of OPM Decisions on Conversion Requests

## What GAO Found

The Office of Personnel Management (OPM) approved 78 of 99 requests to convert political appointees to career positions agencies proposed to complete from January 1, 2010, through March 17, 2016. OPM denied 21 requests for varying reasons, such as bypassing qualified veterans, and referred 9 denied cases to the Office of Special Counsel (OSC). Of the 78 approved requests, agencies followed through and converted 69 political appointees to career positions. During the period, agencies completed 7 conversions without obtaining OPM approval; OPM completed post-appointment reviews for 4 of these 7 conversions, denying all 4. For each of the 4 denied cases, the agencies undertook various remedies, such as readvertising positions, in response to OPM's concerns. OPM did not complete a review for the 3 other conversions because the appointees were no longer in the career positions to which they were converted.

#### Conversions Reviewed and Completed from January 1, 2010, through March 17, 2016

99	Conversion requests reviewed by OPM
Minus	21 conversion requests denied by OPM
78	Conversion requests approved by OPM
Minus	9 approved conversions not completed by agencies
69	Conversions approved by OPM and completed by agencies
Plus	4 conversions completed by agencies but denied by OPM post-appointment
Plus	3 conversions completed by agencies but not reviewed by OPM (the appointees were no longer in the career positions to which they were converted)
76	Conversions completed by agencies (with or without OPM approval)

Source: GAO analysis of Office of Personnel Management (OPM) and agency conversion data. | GAO-17-674

Agencies appeared to have used appropriate authorities and followed proper procedures for each of the 78 OPM approved requests. GAO's review of OPM's case files and additional documentation from agencies supported OPM's conclusion that each of these conversions appeared to be free of political influence and complied with merit system principles. However, for 55 of the 78 requests, OPM's case files did not provide enough information for GAO to initially support OPM's approvals of the requests. GAO could only decide after obtaining and reviewing supporting documentation directly from involved agencies.

OPM's procedures for reviewing political conversion requests do not specify which agency documents it should save into case files. Further, OPM's procedures do not require its staff to verify they have reviewed agency documentation required by OPM checklists. OPM officials told GAO that it is drafting a records schedule to be completed by the end of calendar year 2017 for maintaining political conversion files. Without this schedule, OPM risks not maintaining complete documentation to justify conversion request decisions.

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## Abbreviations

EHRI	Enterprise Human Resources Integration
FDIC	Federal Deposit Insurance Corporation
GS	General Schedule
HHS	Department of Health and Human Services
MSAC	Merit Systems Accountability and Compliance
MSPB	Merit Systems Protection Board
OPM	Office of Personnel Management
PCLC	Political Conversions Lead Coordinator
OSC	Office of Special Counsel
SES	Senior Executive Service
Transitions Act	Edward “Ted” Kaufman and Michael Leavitt Presidential Transitions Improvements Act of 2015

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August 28, 2017

## Congressional Requesters

Political appointees in the federal government sometimes seek appointments to career competitive and other positions that, unlike political appointments, do not terminate at the end of an administration. As we have previously noted, political appointees can bring valuable skills and experience to the federal workforce. The merit-based conversion of political appointees to career positions can be useful in achieving a highly qualified workforce.<sup>1</sup> However, these conversions should conform to merit system principles and must adhere to the statutes and regulations governing the appointment contemplated. Sometimes, circumstances surrounding conversions can raise questions as to whether the individuals selected experienced favoritism or enjoyed an unfair advantage in the selection process. Any appearance of this could compromise the merit system's integrity.

You asked us to provide information on conversions of political appointees to career positions, and to examine the implementation and effectiveness of the Office of Personnel Management's (OPM) policy for reviewing these conversions, which took effect in January 2010. This report examines (1) conversion requests submitted by agencies and reviewed by OPM, (2) whether agencies used appropriate authorities and proper procedures in conversions approved by OPM, (3) conversion requests denied by OPM and referred to the Office of Special Counsel (OSC), and (4) the extent to which OPM has complied with governmentwide reporting requirements stipulated by the Edward "Ted" Kaufman and Michael Leavitt Presidential Transitions Improvements Act of 2015 (Transitions Act).<sup>2</sup> For the purposes of our review, we included conversions OPM reviewed and agencies intended to complete from January 1, 2010, through March 17, 2016. This time period begins with the implementation of OPM's January 2010 policy requiring its prior approval of all conversions of current or recent appointees to competitive or nonpolitical excepted service positions. March 17, 2016, marks the day

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<sup>1</sup>GAO, *Personnel Practices: Conversions of Employees from Political to Career Positions*, May 2005-May 2009, [GAO-10-688](#) (Washington, D.C.: June 28, 2010).

<sup>2</sup>Pub. L. No. 114-136, § 4, 130 Stat. 301, 305-307 (Mar. 18, 2016).

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before the Transitions Act was enacted and OPM began reporting to Congress requests by agencies to appoint political appointees or former political appointees to covered civil service positions.

In selecting the executive branch departments and agencies for this review, we looked at all agencies that OPM reported as having requested its approval of proposed appointments of political appointees to career positions during the time period referenced above.<sup>3</sup>

To address our first objective, we obtained data from OPM on its reviews of agency requests to convert political appointees to career positions. In addition, we obtained from agencies the number of approved cases where they proceeded to hire political appointees.<sup>4</sup> According to OPM data, 30 departments and agencies requested OPM's approval for at least one conversion during the period. We then asked each of these 30 departments and agencies to corroborate (1) the number of requests to convert employees from political to career positions each agency made to OPM and (2) the number of these conversions the agencies completed during the period of our review. To assess the reliability of the data that OPM and the agencies provided, we examined the data for obvious errors and inconsistencies. We also queried OPM and the agencies to understand the data systems they respectively used to collect, store, and report such data, as well as the quality of data entered into their system(s). We found the conversion data from both OPM and agencies to be sufficiently reliable for the purposes of our reporting objectives. See appendix I for data on political conversion requests reviewed by OPM, and conversions completed by the 30 departments and agencies from January 1, 2010, through March 17, 2016.

To address our second objective, we assessed OPM's reviews of all conversion requests in our scope that OPM approved. Specifically, we examined OPM's review checklists, OPM case files documenting steps agencies took to convert political appointees, and additional documentation provided by individual agencies. Our review was designed to determine (1) whether appropriate authorities and proper procedures were followed in making and reviewing conversions; and (2) for requests

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<sup>3</sup>For ease of reference, we refer to all of the appointment actions discussed in this report as political conversions, although not all of these actions may be conversions. Generally, a conversion is a change of appointment (under either the same or a different appointment authority) in the same agency without a break in service.

<sup>4</sup>In some instances, agencies did not complete conversions approved by OPM.

approved by OPM, whether we could support OPM's decision that agency selections were free of political influence and conformed to merit system principles. One GAO analyst applied professional judgment after reviewing submitted checklists and documentation, appropriate laws and regulations, and the circumstances for each conversion request.<sup>5</sup> To ensure the reliability of our reviews, a second GAO analyst then reviewed and validated the first analyst's evaluation of each conversion request. The second analyst either independently evaluated the conversion request, or traced findings from the first analyst's review back to supporting audit documents. We identified conversion review cases with significant differences between our and OPM's reviews of the cases by comparing differences we identified to selected merit system principles and prohibited personnel practices. We then collected additional information from OPM on such cases and determined whether agencies involved in the cases violated merit system principles and proper procedures, or engaged in prohibited personnel practices.

To address our third objective, we identified the number of conversion requests in our scope that OPM denied, and why they denied them. We reviewed conversion requests referred to OSC for investigation, and described the outcome of its reviews of the cases. We also summarized cases where OPM directed agencies to implement corrective actions after reviewing conversion requests.

To address our fourth objective, we reviewed revisions OPM made to its pre-appointment review policies and procedures following enactment of the Transitions Act. We also reviewed data elements the Transitions Act requires OPM to include in its reports to Congress on agency personnel requests to appoint current or former political appointees to covered civil service positions. We then compared these data elements with information from reports on conversion requests OPM had submitted to Congress.

We conducted this performance audit from January 2016 to August 2017 in accordance with generally accepted government auditing standards.

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<sup>5</sup>Analysts used data collection instruments to examine OPM evaluators' decisions on 39 items from checklists of conversions to career competitive positions, 26 items from checklists of conversions to career excepted positions, and 39 items from checklists of conversions to career Senior Executive Service (SES) positions. In instances where OPM's files did not include sufficient information for us to make a determination, we obtained and reviewed additional information from the involved agency.

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. Further details about our objectives, scope, and methodology are provided in appendix II.

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## Background

Each administration makes political appointments to support and advocate the President's political goals and policies. These positions are noncareer excepted service appointments made without regard to the statutory and regulatory provisions governing career appointments in the competitive, excepted, or senior executive service. Consistent with how we have reported related data in the past, for the purpose of this review, we defined political appointees as those who were appointed in one of the six categories of positions defined below.<sup>6</sup>

- **Schedule C:** Appointments are generally noncompetitive and are for excepted service positions graded General Schedule (GS)-15 and below.<sup>7</sup> These positions involve determining policy or require a close, confidential relationship with the agency head or other key officials of the agency. Schedule C appointees serve at the pleasure of the department or agency head.
- **Noncareer Senior Executive Service (SES):** Appointments are to positions with responsibility for formulating, advocating, and directing administration policies. Noncareer SES appointees serve at the pleasure of the department or agency head.
- **Limited-term SES:** Appointments may be made to a position with duties that will last for a specified period of 36 months or less.

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<sup>6</sup>See GAO, *Office of Personnel Management: Actions Are Needed to Help Ensure the Completeness of Political Conversion Data and Adherence to Policy*, [GAO-16-859](#) (Washington, D.C.: Sept. 30, 2016), and [GAO-10-688](#). We excluded conversions of limited-term and limited-emergency SES appointees who were career employees prior to being appointed to the noncareer positions listed from which he or she was converted.

<sup>7</sup>GS-15 is the highest grade in the GS classification system, which is the federal government's system for defining and organizing federal positions, primarily to assign rates of pay.



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- **Limited-emergency SES:** Appointments may be made for up to 18 months to a position established to meet a bona fide, unanticipated, urgent need.
  - **Presidential appointees, including executive level and noncareer ambassadors:** Appointments are made by the President, generally to fill high-level executive positions. Appointees support and advocate the President's goals and policies.
  - **Noncareer legislative branch:** Appointments are primarily to positions in member and committee offices.

Also consistent with our past work on conversions, we identified three categories of career positions as defined below.

- **Career-Conditional/Career (competitive service):** Appointments are to permanent positions in the competitive service and are generally made through open competitive examination.<sup>8</sup> Competitive examination includes recruitment through a published or "all sources" announcement. It also includes the rating and ranking of eligible candidates using OPM-created or approved qualification standards and agency-developed, job-related assessment tools to identify the most qualified applicants. Generally, the initial competitive service appointment is career conditional. Appointees must complete a 1-year probationary period and a total of 3 years of continuous creditable service to become a career employee.
- **Career (SES):** Appointments are into SES under 5 U.S.C. § 3393 to top-level policy, executive, supervisory, and managerial positions above GS-15. Appointments into career SES positions require a further review and certification of the executive/managerial qualifications of the proposed selectee by an OPM-administered SES Qualifications Review Board.
- **Career excepted service (Non-Schedule C):** Some appointments are to positions excepted from the competitive examination requirements in Title 5 of the U.S. Code by OPM. Other appointments are to positions or in agencies not subject to competitive examination requirements in Title 5. Agencies have the authority to establish their own hiring procedures to fill excepted service vacancies. Such

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<sup>8</sup>Career and career-conditional appointments may also be made through means other than competitive examination pursuant to appointment authorities granted by law or executive order.

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procedures must comply with statutory requirements such as merit system principles and veterans' preferences, when applicable.

Federal agencies must use appropriate authorities and follow proper procedures in converting political appointees to career positions. The majority of authorities and procedures governing appointments to career positions are outlined in Title 5 of the U.S. Code. Merit systems principles are one of the fundamental statutory rules applying to civil service appointments. These principles require that agencies follow a selection process that is fair, open, and based on skills, knowledge, and ability.<sup>9</sup> Another key statute under Title 5 prohibits certain personnel practices (known as prohibited personnel practices).<sup>10</sup> These practices include granting any individual a preference or advantage in the application process. This could include defining the manner of competition or requirements for a position to improve the prospects of any particular applicant, or failing to fulfill veterans' preference requirements.<sup>11</sup> In addition to these and other statutory requirements, agencies must follow OPM's regulations in Title 5 of the Code of Federal Regulations. These regulations outline required procedures for making appointments to career positions, such as providing public notice of all vacancies in the career SES.<sup>12</sup> For career-excepted service (non-Schedule C) positions, agencies are not required to follow OPM's hiring regulations for the competitive service; however, they must apply veterans' preference and follow merit system principles and OPM's regulations on excepted service hiring when making most of these appointments.<sup>13</sup>

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<sup>9</sup>5 U.S.C. § 2301(b)(1).

<sup>10</sup>5 U.S.C. § 2302(b).

<sup>11</sup>Under federal law, agencies are to give preferential hiring consideration to eligible veterans as a measure of national gratitude for their military service.

<sup>12</sup>5 C.F.R. § 317.501(b)(2).

<sup>13</sup>OPM has excluded certain positions, such as attorney positions, from coverage under its regulations on excepted service appointment procedures. 5 C.F.R. § 302.101.

OPM has oversight authority to ensure that federal agencies are following the merit system principles when hiring.<sup>14</sup> It also has authority to order agencies to take corrective actions regarding any agency hiring when it determines the action was contrary to any law, rule, regulation, or standard established by OPM; in turn, agencies are required to comply with such orders.<sup>15</sup> As one aspect of carrying out these duties, OPM has traditionally required that agencies seek its pre-appointment approval for the appointment of certain noncareer appointees (Schedule C and noncareer SES) into certain career positions (competitive service and career SES) during a presidential election period.<sup>16</sup> However, in a November 5, 2009, memorandum to heads of executive departments and agencies, OPM expanded the requirements for pre-appointment approval; beginning January 1, 2010, OPM conducted pre-appointment reviews of political conversions on a continuing basis, rather than just during the year leading up to a presidential election. OPM also required agencies to seek its approval before appointing a current or recent political appointee to a competitive or nonpolitical excepted service position at any level under the provisions of Title 5 of the U.S. Code.<sup>17</sup> According to this memorandum, OPM will (1) review these proposed appointments to ensure they comply with merit system principles and applicable civil service laws, and (2) continue to conduct merit staffing reviews for all proposed career SES selections involving a political appointee before the SES selections are presented to OPM's Qualifications Review Board for certification of executive qualifications.

To implement its policy of requiring agencies to seek its approval before completing political conversions, OPM established standard operating procedures for reviewing political conversions requests by agencies. For

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<sup>14</sup>OPM is responsible for enforcement of laws, rules, and regulations governing the civil service. 5 U.S.C. § 1103(a)(5)(A). OPM is required to establish and maintain an oversight program to ensure that activities conducted by agencies under authority delegated by OPM are in accordance with merit system principles and the standards established by OPM for agencies to follow. 5 U.S.C. § 1104(b)(2). 5 C.F.R. § 250.102. See also, 5 U.S.C. § 1303; 5 C.F.R. § 5.2.

<sup>15</sup>5 U.S.C. § 1104(c), 5 C.F.R. § 5.3, 5 C.F.R. part 10, and 5 C.F.R. § 250.103.

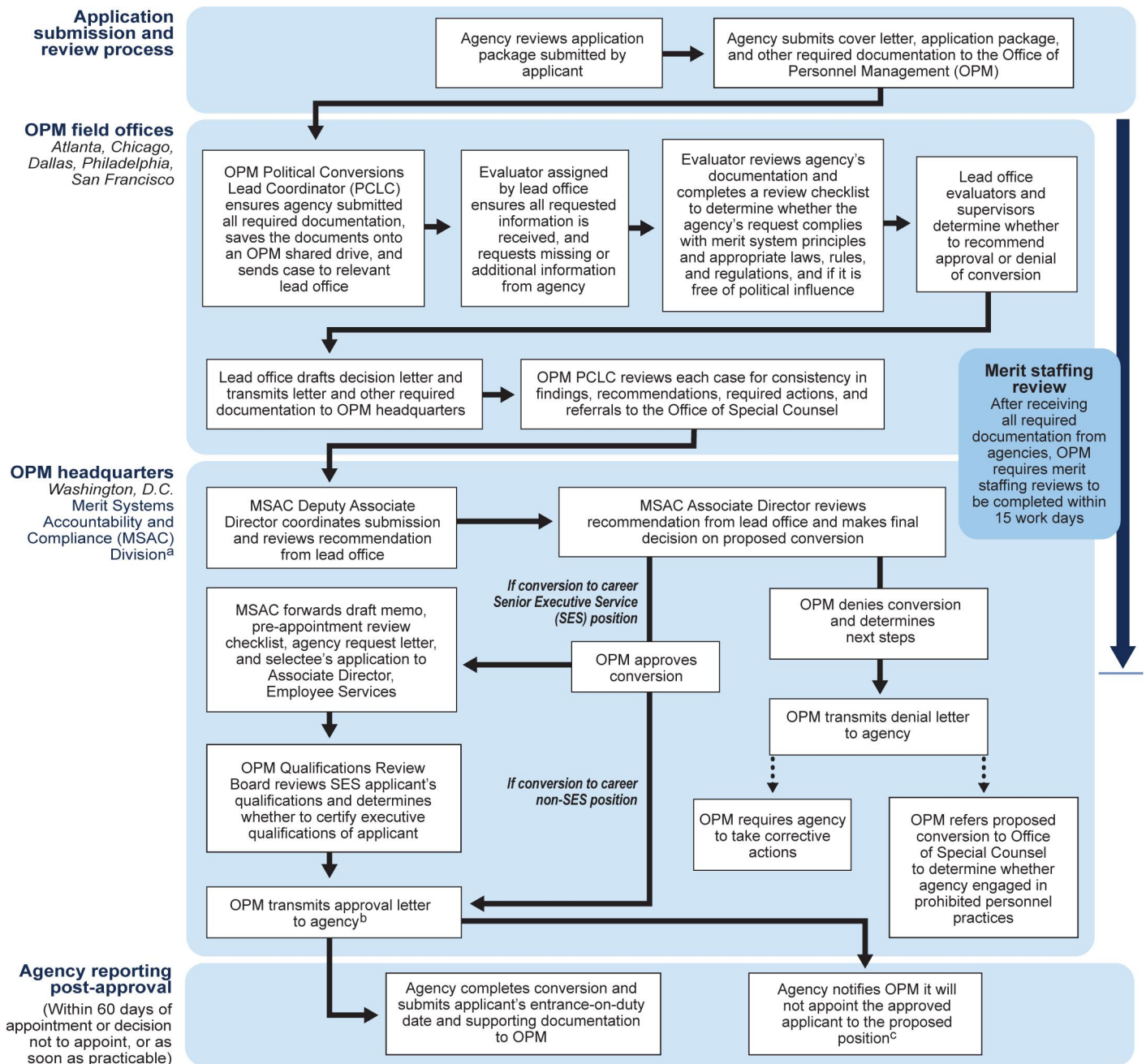
<sup>16</sup>5 U.S.C. § 4508(a)(1). The statute defines a presidential election period as "any period beginning on June 1 in a calendar year in which the popular election of the President occurs, and ending on January 20 following the date of such election."

<sup>17</sup>See OPM, *Political Appointees and Career Civil Service Positions* (Washington, D.C.: Nov. 5, 2009). OPM defines a "recent political appointee" as an individual who held a political appointment covered by OPM's policy within the previous 5-year period.

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each conversion request review, OPM's lead coordinator on political conversions is expected to ensure that the agency submitting the conversion request has submitted all required documentation, saves the documents onto an OPM shared drive and sends each case to the relevant lead office. An OPM evaluator assigned by the lead office is expected to ensure that all requested information is received, and requests missing or additional information from the agency. Next, the evaluator reviews the agency's documentation and completes a review checklist to determine whether the agency's request complies with merit system principles and appropriate laws, rules, and regulations, and if it is free of political influence. After completing each review, the evaluator and his or her supervisors recommend the approval or denial of the conversion request. The lead office reviewing the request transmits a draft decision letter, the checklist, and supporting documentation to OPM's Merit Systems Accountability and Compliance (MSAC) Division. OPM's lead coordinator on political conversions reviews the case for consistency in findings, recommendations, required actions, and referrals to OSC. Then, the MSAC Associate Director and Deputy Associate Director review the recommendation from the lead office. The Associate Director makes the final decision whether to approve or deny the conversion request. See figure 1 for additional details on the processes OPM uses to review political conversion requests and collect data post-approval.

**Figure 1: OPM Procedures for Reviewing Agency Requests for Political Conversions and Collecting Data Post-Approval**



Source: GAO analysis of Office of Personnel Management (OPM) documentation. | GAO-17-674

<sup>a</sup>The MSAC Associate Director and Deputy Associate Director, who are involved in the conversion review decision-making process, are career employees and not political appointees.

<sup>b</sup>For a request for a conversion to a career SES position, OPM only transmits an approval letter if its Qualifications Review Board certifies the executive qualifications of the applicant.

<sup>c</sup>In some instances, agencies did not complete conversions approved by OPM. For example, in some instances the political appointee did not accept the agency position.

OPM Approved 78 of 99 Political to Career Conversion Requests Agencies Intended to Complete from January 1, 2010, through March 17, 2016

As shown in figure 2 below, OPM reviewed 99 agency requests to convert individuals from political to career positions. The agencies proposed to complete these conversions during the period of our review. OPM denied 21 and approved 78 of the 99 political conversion requests. Of the 78 approved conversion requests, agencies followed through and converted 69 political appointees to career positions.

Figure 2: Political to Career Conversion Activity from January 1, 2010, through March 17, 2016

99	Conversion requests reviewed by OPM
Minus	21 conversion requests denied by OPM
78	Conversion requests approved by OPM
Minus	9 approved conversions not completed by agencies
69	Conversions approved by OPM and completed by agencies
Plus	4 conversions completed by agencies but denied by OPM post-appointment
Plus	3 conversions completed by agencies but not reviewed by OPM (the appointees were no longer in the career positions to which they were converted)
76	Conversions completed by agencies (with or without OPM approval)

Source: GAO analysis of Office of Personnel Management (OPM) and agency conversion data. | GAO-17-674

In 9 cases, agencies did not complete conversions approved by OPM. In some instances, the political appointee did not accept the agency position; in other instances, OPM’s Qualifications Review Board did not

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certify the executive qualifications of the applicant, so the conversion was not completed.<sup>18</sup>

During the period, agencies also completed 7 conversions without obtaining OPM approval. Once OPM identified these conversions, it took specific actions for each. According to OPM, it conducts post-appointment reviews for cases where agencies convert political appointees to career positions without seeking OPM approval. OPM conducted post-appointment reviews for 4 of these 7 conversions, denying all 4. For each of the 4 denied cases, agencies undertook various remedies, such as readvertising positions, in response to OPM's concerns.

OPM did not complete a review for the 3 other conversions because the appointees were no longer in the career positions to which they were converted. In 2 instances, OPM determined that reviews were not needed because the appointed individuals were no longer employed by the government at the time OPM discovered the conversions. In 1 instance, the involved agency returned the appointed individual to the previous political position instead of submitting conversion documents to OPM for a post-appointment review.

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### OPM Is Taking Steps to Better Identify Political Conversions Completed by Agencies without Prior OPM Approval

We reported in September 2016 that some agencies converted political appointees to career positions without first obtaining OPM approval. OPM informed us at that time that it was improving its oversight of political conversions by enhancing its monitoring processes and increasing the frequency of checks of Enterprise Human Resources Integration (EHRI) data.<sup>19</sup> At the time of our September 2016 review, we could not determine a way to reliably identify political conversions within the scope of OPM's review using queries of EHRI data alone, given the complexity involved in defining political conversions in scope of OPM's review. Since our review,

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<sup>18</sup>To certify an applicant's executive qualifications, OPM's Qualifications Review Board must determine that the applicant fully meets OPM's Executive Core Qualifications.

<sup>19</sup>See [GAO-16-859](#). EHRI is the primary governmentwide source for information on federal employees. The EHRI data we analyzed cover executive branch civilian employees and do not cover the U.S. Postal Service, most legislative or judicial branch employees, or intelligence agencies.

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however, OPM officials said that OPM has transitioned from using a mainframe for querying EHRI data and generating reports to a new EHRI reporting platform.

The EHRI queries from the new reporting platform generate a history of political appointments, terminations and resignations, intervening appointments, and career appointments for every current or former political appointee identified for a specific time period. According to OPM officials, the new reporting query also allows OPM staff to export data to Microsoft Excel, and provides for greater access to sorting and reviewing data.

As of May 2017, OPM officials said they have access to sufficient personnel data from EHRI. They also identified instances from data queries where they could identify conversions reviewed or not reviewed by OPM. The officials added that they are still refining the query process and validating data queries from the new reporting platform. OPM also expects the new EHRI reporting platform to allow it to review EHRI data monthly as they become available, instead of quarterly, as they previously did. These measures, if effectively implemented, may help OPM to better identify in a timely manner conversions completed by agencies, including those implemented without prior OPM approval.

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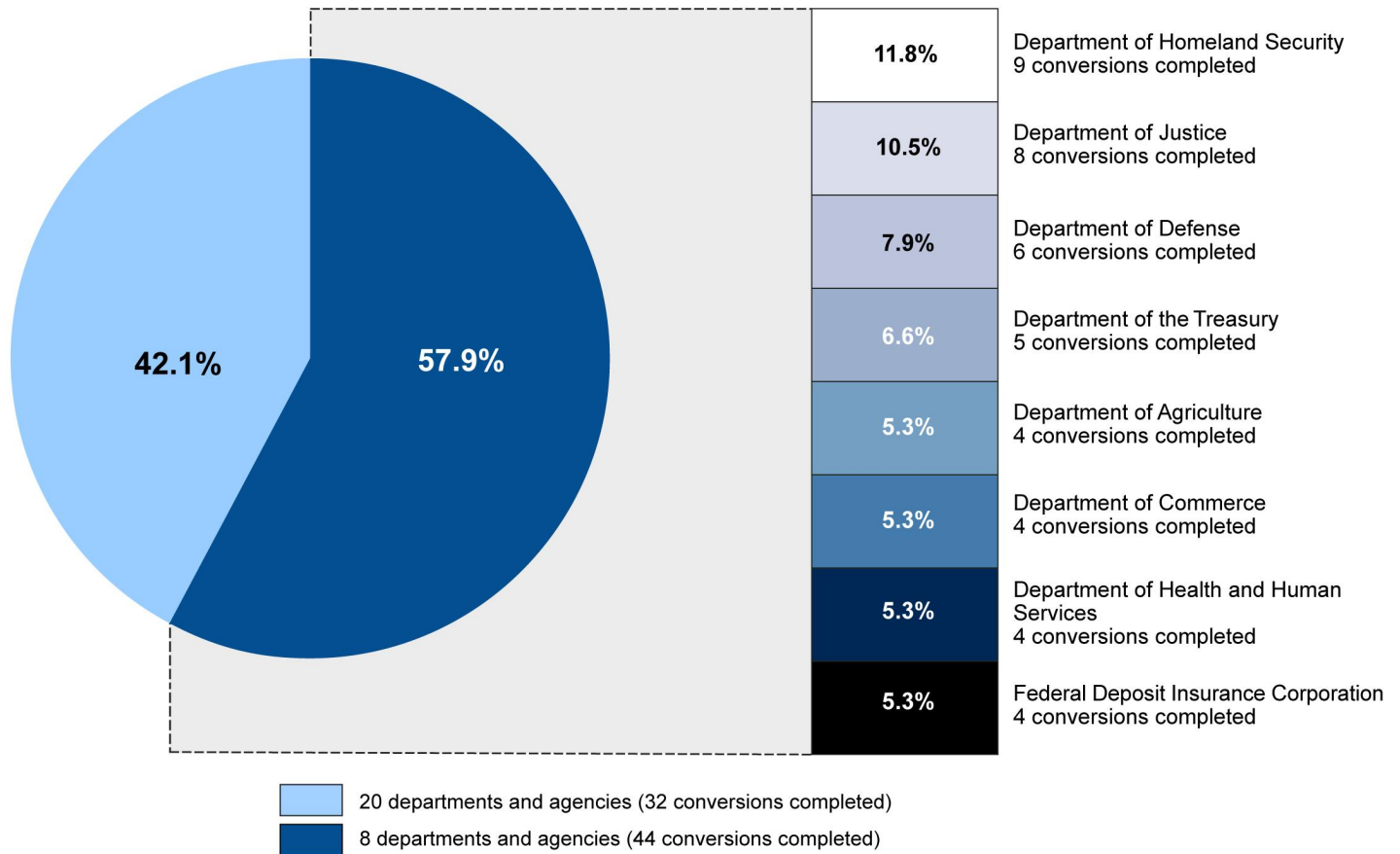
### Agencies Converted 76 Political Appointees to Career Positions from January 1, 2010, through March 17, 2016

According to 30 agencies we reviewed, 28 agencies converted 76 individuals from political to career positions—with or without OPM approval—during the period of our review. The other 2 agencies reported making no conversions during this time. Eight agencies accounted for 44, or more than half of the completed conversions. As shown in figure 3, the Department of Homeland Security had the highest number of conversions (9) during the review period, followed by the Departments of Justice (8), Defense (6), the Treasury (5), Agriculture, Commerce, and Health and Human Services, and the Federal Deposit Insurance Corporation (4 each). Twenty other agencies each completed 3 or fewer political conversions during the scope of our review.



**Figure 3: Selected Departments and Agencies with the Most Conversions Completed**

Eight agencies accounted for more than half of the 76 political conversions completed by agencies from January 1, 2010, through March 17, 2016.



Source: GAO analysis of data reported by Office of Personnel Management (OPM) and agencies. | GAO-17-674

Of the 76 reported conversions, individuals were converted from the following categories of noncareer positions:

- 44 Schedule C positions,
- 27 noncareer SES positions,
- 3 presidential appointee positions,
- 1 limited-term SES position, and

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- 1 administratively determined position.<sup>20</sup>

The 76 reported conversions were made to the following categories of career positions:

- 31 career SES positions,
- 30 competitive service positions, and<sup>21</sup>
- 15 career excepted service positions.

Appendix III provides more specific details on characteristics of the political and career positions to which agencies converted individuals. This includes titles and offices, types of political and career appointments, grades, salaries, and appointment dates.

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## While Agencies Appeared to Have Acted Appropriately, OPM Case Files Lacked Supporting Documents for Most Approved Conversion Requests

For the 78 OPM-approved agency requests, agencies appeared to have used appropriate authorities and followed proper procedures in converting political appointees to career positions. Additionally, we determined that OPM evaluators and management sufficiently reviewed all 78 approved requests. More specifically, for each of the 78 cases, our review of OPM's case files and additional documentation from individual agencies supported OPM's conclusion that each of these conversions appeared to be free of political influence. We determined that the conversions complied with merit system principles, applicable civil service law, and regulations. For example, agencies converting 28 political appointees to competitive service positions in our scope generally followed the competitive service examination process. The process includes notifying the public that the government will accept applications for a position;

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<sup>20</sup>While the administratively determined position is not explicitly included in our definition of political appointees, OPM determined that the appointment was a political appointment and the agency making the conversion agreed with OPM.

<sup>21</sup>The total of 30 competitive service positions includes 4 conversions to career conditional competitive positions.

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rating applications against minimum qualification standards; and assessing applicants' competencies or knowledge, skills, and abilities against job-related criteria to identify the most qualified applicants. The process also involves determining which applicants are eligible to claim veterans' preference, and using a certificate of eligibles identifying the best qualified applicants to fill the position.

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### OPM's Conversion Case Files Lacked Key Supporting Documentation to Support Its Decisions on Most Approved Requests

As stated above, OPM reviewed and approved 78 agency requests to appoint a political appointee to a career position. However, supporting documentation in its case files for more than 70 percent (55 of 78) of approved conversions lacked sufficient information for us to initially determine the accuracy of its conclusion that the proposed conversions appeared free of political influence and conformed to merit system principles. We were only able to make our determination after obtaining and reviewing documents from involved agencies. Examples of documentation OPM checklists required agencies to submit with a conversion request—but not provided in OPM's case files—include but are not limited to

- descriptions of candidates' current or former political appointments and proposed appointments,
- crediting plans used to score applicants' responses to assessment questions and determine applicants' qualifications, and
- referral lists issued to the selecting official and the completed referral list documenting the tentative selection.

To complete our reviews and to assess OPM's assertion, we requested additional case documentation directly from the involved agencies. The lack of documentation contained in OPM case files does not conform with *Standards for Internal Control in the Federal Government*. Internal control standards require agency management to design control activities—such

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as maintaining appropriate documentation of transactions and internal control—to achieve objectives and respond to risks.<sup>22</sup>

OPM officials agreed that its case files might not always include copies of all documents OPM reviewed. In commenting on a draft of this report, OPM stated that in situations involving extensive file transactions, it allows agencies the flexibility to grant its evaluators access to automated hiring systems to conduct pre- or post-appointment reviews. OPM also stated that it exercises discretion and provides exceptions to maintaining voluminous or large sized files reviewed in automated hiring systems, when it is burdensome or impractical to store them in OPM's files. OPM's standard operating procedures for reviewing political conversion requests—which were provided to us after OPM submitted comments on a draft of this report—include a description of the file organization and broad categories of information to be stored in each case file, such as contents for pre-appointment checklists submitted by agencies and additional documents reviewed. However, the procedures do not list the specific documents obtained from agency submissions and automated hiring systems OPM should save in its case files. For example, the procedures do not list specific agency documents described in review checklists used by evaluators to review conversion requests, such as job opportunity announcements used to solicit applications or documentation used to adjudicate veterans' preference. OPM officials told us that OPM is developing guidance to identify and clarify specific agency documents OPM staff should maintain in its case files. As part of this effort, OPM's Agency Records Office is drafting a records schedule for maintaining political conversion files, which OPM expects to be completed by the end of calendar year 2017. Once completed, OPM plans to submit the draft schedule to the National Archives and Records Administration for review, public comment, and approval. Without a finalized records schedule that lists all documents OPM must save from reviews of agencies' conversion requests, OPM risks not maintaining sufficient or complete documentation available to justify decisions to approve or deny such requests.

Additionally, OPM's procedures do not require its staff to verify they have reviewed documentation required by OPM checklists. In cases where

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<sup>22</sup>See GAO, *Standards for Internal Control in the Federal Government*, [GAO-14-704G](#) (Washington, D.C.: Sept. 10, 2014). Maintaining documentation of transactions and internal control includes documenting internal control and all transactions and other significant events in a manner that allows the documentation to be readily available for examination.

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OPM does not maintain all documentation used to review a conversion request, such verification would require OPM staff to certify they reviewed required documentation before recommending approval or denial of a conversion request. Without such verification, reviewers of OPM case files often are unable to determine whether OPM staff reviewed all documentation OPM requires from agencies to make an informed recommendation.

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## OPM Denied Over 20 Percent of Conversion Requests and Referred Several Cases to the Office of Special Counsel for Investigation

OPM denied 21 of the 99 agency conversion requests agencies intended to complete from January 1, 2010, through March 17, 2016. In these cases, OPM could not conclude that agencies adhered to merit system principles or that the conversions were free of political influence. In some cases, OPM identified deficiencies linked to inappropriate handling of applicants with veterans' preference as reasons for the denial. These include

- applying overly restrictive definitions of specialized experience to applicants with veterans' preference, making the applicant ineligible for the position;
- bypassing qualified veterans and pursuing a Schedule A noncompetitive appointment process to appoint a political appointee; and<sup>23</sup>
- in two cases, not seeking OPM approval to pass over qualified, compensably disabled veterans.<sup>24</sup>

OPM also cited the following reasons for denying the requests:

- the absence of critical documentation to conduct delegated examination for position;
- agencies assessing the qualifications of the selectee, other applicants, or both improperly;

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<sup>23</sup>Schedule A appointing authorities cover positions for which it is impractical to use standard qualification requirements and to rate applicants using traditional competitive examining procedures. For example, agencies use Schedule A appointing authority to hire attorneys because, by law, OPM cannot develop qualification standards or examine for attorney jobs. Agencies can also use Schedule A authority to hire applicants with severe physical or psychiatric disability to fill any job in which the person is able to perform without reasonable accommodation.

<sup>24</sup>A veteran is identified as "compensably disabled" if the veteran (1) served at any time and was discharged or released from active duty in the Armed Forces under honorable conditions (i.e., with an honorable or general discharge), and (2) has a compensable service-connected disability of at least 10 percent.

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- using inappropriate qualification standards or selective placement factors to select applicants; and
  - agencies taking clear steps to ensure that political appointees were selected for the career position, such as interviewing only one candidate or requesting the political appointee by name for the position in recruitment documentation.

Further, OPM determined, in 9 of the 21 denied cases, there was evidence in the agency's submission suggesting the agency may have committed a prohibited personnel practice. OPM referred these cases to the Office of Special Counsel (OSC) to determine if agencies committed such practices.<sup>25</sup> The outcomes of OSC investigations varied:

- OSC determined that 3 conversion cases were the result of agency officials committing prohibited personnel practices. In 2 of these cases, employees found to be involved in prohibited personnel practices retired before facing an OSC interview or disciplinary action by agencies. OSC did not pursue disciplinary action in 1 case. For all 3 cases, OSC recommended that the agencies provide additional training to its human resources staff, formalize internal policies and procedures, or both.
- In 1 investigation, OSC filed a complaint with the Merit Systems Protection Board (MSPB) alleging that the agency employee discriminated in favor of certain political appointees when the employee approved proposed actions to convert the political appointees to permanent civil service appointments. OSC requested the MSPB impose disciplinary action against the agency employee. The initial decision of the MSPB administrative judge ruled against the OSC and OSC thereafter filed a petition for review with the full board. In January 2017, the full board affirmed the initial decision and held that there was no basis for disciplinary action against the employee. In so concluding, it stated that OSC failed to prove that the employee intentionally committed an unlawful hiring practice.
- In 3 cases, OSC said it either lacked sufficient evidence to conclude that the hiring process was manipulated or that it lacked jurisdiction over the case. In these instances, OSC closed the cases.

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<sup>25</sup>OSC is an independent investigative and prosecutorial agency with the primary mission of protecting the employment rights of federal employees and applicants for federal employment.

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- OSC was continuing its investigation of the other 2 cases as of July 2017.



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## OPM Directed Agencies to Take Corrective Actions in Over 10 Percent of the Conversion Cases It Reviewed

As discussed earlier, OPM has authority to order agencies to take corrective actions regarding any agency hiring when it determines the action was contrary to any law, rule, regulation, or OPM-established standard. Agencies are required to comply with such orders. In over 10 percent (11 of 99) of conversion requests OPM reviewed during our period of review, OPM directed agencies to take one or more corrective actions after identifying deficiencies in their handling of the respective cases. For 8 of these 11 requests, OPM directed agencies to take corrective actions after denying them. For the 3 other requests, OPM approved them but instructed agencies to take corrective actions to remedy identified deficiencies. Examples of corrective actions OPM directs an agency to implement include cancelling personnel actions, readvertising positions, separating the individual who was selected, or appointing another individual (e.g., a priority referral from the agency's displaced employee program).

In cases where preference eligibles lost employment consideration due to improper agency action, OPM may further require agencies to identify such individuals and provide them with priority consideration. It may also impose certain conditions on an agency (or a unit), including but not limited to, decertification of staff (OPM certification is required to conduct delegated examining), close monitoring and approval of activities at various steps of the hiring process, periodic follow-up activities, and staff training until OPM is satisfied with the corrective actions taken. Finally, OPM may withdraw an agency's delegated examining hiring authority—or decertify the staff of a specific delegated examining unit—if the agency (or unit) has demonstrated systematic problems executing the authority, including in handling political conversions.

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## OPM Reported Political Conversion Requests as Mandated

The Edward “Ted” Kaufman and Michael Leavitt Presidential Transitions Improvements Act of 2015 (Transitions Act) requires OPM to report annually to Congress, and during certain periods quarterly, on agency requests to appoint political appointees or former political appointees to

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covered civil service positions.<sup>26</sup> Enacted in March 2016, the Transitions Act requires such reports to include data elements for each conversion request, such as

- the date on which the request was received by OPM,
- the political position held by the individual,
- the proposed career position,
- whether OPM approved or denied the request, and
- the date the agency appointed the political appointee into the covered civil service position.

The Transitions Act also defines covered civil service positions and political positions included under its new reporting requirements.<sup>27</sup>

From September 2016 through February 2017, OPM has provided five reports to Congress on conversion requests submitted by agencies from March 18, 2016, to January 20, 2017. The reports incorporate all data elements required by the Transitions Act. Although not specifically required under the act, the reports also include OPM post-appointment reviews of conversions that occurred without seeking OPM approval. To comply with the Transitions Act's new reporting requirements, OPM reshaped its pre-appointment review coverage. Specifically, in an August 2016 memorandum to agencies, OPM provided information on covered political positions and expanded the scope of its conversion reviews to include current or former political appointees in positions listed in the Executive Schedule.<sup>28</sup> OPM must report these reviews under the Transitions Act.

OPM's August 2016 memorandum also lists revised procedures. For example, OPM revised its pre-appointment checklists to include requests

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<sup>26</sup>Pub. L. No. 114-136, § 4, 130 Stat. 301, 305-307 (Mar. 18, 2016).

<sup>27</sup>Pub. L. No. 114-136, § 4(a). Covered political positions includes (1) positions described under 5 U.S.C. 5312-5316 (Executive Schedule); (2) noncareer SES appointments as defined in 5 U.S.C. 3132(a)(7); and (3) Schedule C positions under subpart C of 5 C.F.R. part 213. Covered civil service positions include all appointed positions in executive agencies that are not temporary or political.

<sup>28</sup>The Executive Schedule, which includes many of the most senior positions in the federal government, is composed of positions in five pay levels. The specific positions in the Executive Schedule are listed in 5 U.S.C. § 5312-5316.

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for the rate of basic pay of the current or former political appointee, and the proposed rate of basic pay of the proposed civil service position. As part of its revised procedures, OPM also requires agencies to provide information on whether the agency appointed the individual to the covered position and, if so, the date the appointment took place. The additional information that OPM is requesting from agencies provides OPM with the data it needs to comply with the reporting requirement.

OPM does not require agencies to seek pre-appointment approval to convert political appointees to career positions when using certain noncompetitive and direct-hire authorities.<sup>29</sup> However, as we pointed out to OPM officials, under the Transitions Act, appointments under these authorities are within the scope of OPM's reporting obligation.<sup>30</sup> OPM agreed and told us that, going forward, they will notify agencies that they must request OPM's approval to convert political appointees using such authorities. OPM officials said they would also include data on these conversions in subsequent political conversion reports to Congress. By reviewing proposed political conversions made under these noncompetitive and direct-hire authorities, and including them in its reports, OPM will be able to enhance its oversight of political conversions and provide a more complete representation of political appointee conversion activity to Congress.

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## Conclusions

The merit-based conversion of political appointees to career positions can be useful in achieving a highly qualified workforce. We found that OPM's reviews of proposed political conversions are helping to ensure that agencies are using appropriate authorities and following proper procedures in making these conversions. In a number of cases, OPM

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<sup>29</sup>Agencies may use the following noncompetitive and direct hire appointment authorities to convert political appointees to career positions without OPM's pre-appointment review: (1) 5 C.F.R. part 315, subpart F (e.g., appointment of 30 percent or more disabled veterans, appointment of Peace Corps personnel, or certain former overseas employees); and (2) 5 C.F.R. part 337, subpart B, under which OPM may grant agencies direct-hire authority to fill vacancies when a critical hiring need or severe shortage of candidates exist. Under this authority, after public notice is given, agencies may appoint any qualified applicant without regard to competitive rating and ranking, application of veterans' preferences, and other requirements.

<sup>30</sup>Appointments made under these authorities would be into covered civil service positions as defined by the Transitions Act.

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directed agencies to take corrective actions and denied conversion requests where it could not conclude that agencies adhered to merit system principles or that the conversions were free of political influence. In addition, OPM is taking steps to better identify instances where agencies may complete political conversions without prior OPM approval. It has enhanced its monitoring processes and plans to increase the frequency of its checks of data collected through its EHRI database.

However, OPM's review process and supporting documentation must also be transparent, and include and maintain the appropriate documentation to support its review decisions. For the majority of OPM's approved cases, there was not sufficient information in OPM's case files for us to initially support its determination that proposed conversions appeared free of political influence and conformed to merit system principles. We were, however, able to support OPM's decisions with additional documentation obtained directly from involved agencies. As OPM drafts a records schedule for maintaining files from conversion requests, it can specify documents that must be saved from both agency submissions and agencies' automated systems to ensure such documentation is available for subsequent review. Additionally, to provide greater assurance that its staff reviewed all documentation required by OPM checklists to support a conversion request, OPM can incorporate a process requiring its staff to verify they have reviewed such documentation before recommending approval or denial of agencies' conversion requests.

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## Recommendations for Executive Action

We are making the following two recommendations to OPM:

The Associate Director of Merit System Accountability and Compliance should ensure that OPM's finalized records schedule on retaining conversion case files specifically lists all documentation that must be saved in its case files. (Recommendation 1)

The Associate Director of Merit System Accountability and Compliance should establish a policy requiring that its staff verify they have reviewed all documentation required by OPM checklists before recommending approval or denial of a conversion request. OPM may incorporate such a verification requirement as part of checklists completed by its staff when reviewing conversion requests. (Recommendation 2)

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## Agency Comments and Our Evaluation

We provided a draft of this report to OPM for its review and comment. In its written comments, reproduced in appendix IV, OPM partially concurred with both of our recommendations.

With respect to our first recommendation, OPM stated that it agrees that finalized guidance on retaining conversion case files should specifically list information that must be documented in OPM's case files. However, OPM stated that it does not agree with the implication that its current guidance lacks information about the material that must be maintained in case files. OPM noted that its political conversion standard operating procedures provide a description for the file organization and lists the contents to be stored in each case file, including a file for contents for the pre-appointment checklists. It also noted that while its guidance does not list each individual document to file, OPM maintains the documents submitted by the requesting agency and additional information obtained during the review process to support OPM's decision. OPM stated that in situations involving extensive file transactions, it allows agencies the flexibility to grant its evaluators access to automated hiring systems to conduct pre- or post-appointment reviews. It also stated it exercises discretion and provides exceptions to maintaining voluminous or large sized files reviewed in automated hiring systems, when it is burdensome or impractical to store them in OPM's files. Finally, OPM stated that its evaluators review checklists, which are filed in the case file, and capture the review and analysis of that documentation.

We acknowledge OPM's standard operating procedures include information about documents that must be maintained in case files. These procedures—which OPM provided after submitting comments on a draft of this report—include a description of the file organization and broad categories of information to be stored in each case file, such as contents for pre-appointment checklists submitted by agencies and additional documents reviewed. OPM's procedures also describe roles and responsibilities for staff involved in political conversion reviews. For example, OPM's lead coordinator for political conversions and an evaluator assigned to the case are expected to ensure that OPM has received all documentation from the agency submitting the conversion request. An evaluator also reviews the agency's documentation and completes a review checklist to determine whether the request complies with merit system principles and appropriate laws, rules, and regulations, and if it is free of political influence. However, the procedures do not list

the specific documents obtained from agency submissions and automated hiring systems OPM should save in its case files. For example, the procedures do not list specific agency documents described in review checklists used by evaluators to review conversion requests, such as job opportunity announcements used to solicit applications or documentation used to adjudicate veterans' preference. As noted above, as OPM drafts the records schedule on retaining conversion case files for maintaining files from conversion requests, it can specify information that must be saved from agencies' automated systems to ensure such documentation is available for subsequent review. Thus, we believe our recommendation remains valid. We have clarified our recommendation to specify that OPM should ensure that the finalized records schedule it is drafting specifically lists all documentation it must save in its files.

With respect to our second recommendation, OPM agreed to add a box to the checklist for evaluators to indicate they have reviewed all required documentation, and for their reviewers to add their concurrence. OPM did not agree with what they believed was an implication that it lacks a policy or process to ensure a thorough review of required information to conduct a pre- or post-appointment review of current or recent political appointees to covered civil service positions. According to OPM, the process involves experienced evaluators and multiple levels of management review prior to issuing a final decision of approval or denial. OPM also stated that the thoroughness of its review process is also evident by the fact that GAO agreed with all of its decisions for cases reviewed.

We acknowledge that OPM has a process to review conversion requests. As discussed above and illustrated in figure 1, OPM's process involves both evaluators and multiple levels of management review prior to making final decisions on conversion requests. Additionally, as noted above, we determined that OPM evaluators and management sufficiently reviewed all 78 OPM-approved agency requests included in the scope of our review. Specifically, for each of the 78 cases, our review of OPM's case files and additional documentation from individual agencies supported OPM's conclusion that each of these conversions appeared to be free of political influence. We also determined that these conversions complied with merit system principles, applicable civil service law, and regulations. However, OPM's procedures do not require its staff to verify they have reviewed all documentation OPM requires from agencies to make an informed recommendation. While evaluators may have reviewed all required documentation, reviewers of OPM case files often cannot confirm such reviews took place without verification. Thus, we believe our recommendation remains valid.

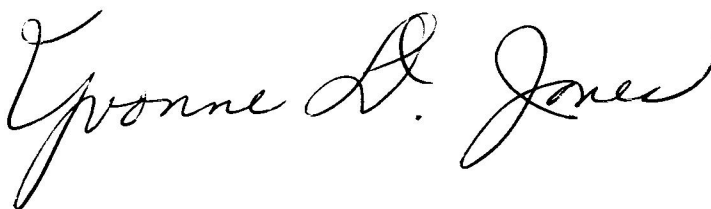
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OPM also provided technical comments, which we incorporated in our report, as appropriate.

As agreed with your offices, unless you publicly announce the contents of this report earlier, we plan no further distribution until 30 days from its issue date. At that time, we will send copies of this report to the Acting Director of the Office of Personnel Management, as well as to the appropriate congressional committees and other interested parties.

In addition, the report will be available at no charge on GAO's website at <http://www.gao.gov>.

If you or your staff have any questions about this report, please contact me at (202) 512-2717 or [jonesy@gao.gov](mailto:jonesy@gao.gov). Contact points for our Offices of Congressional Relations and Public Affairs may be found on the last page of this report. GAO staff who made key contributions to this report are listed in appendix V.

A handwritten signature in black ink, reading "Yvonne D. Jones". The signature is written in a cursive, flowing style.

Yvonne D. Jones  
Director, Strategic Issues

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*List of Congressional Requesters*

The Honorable John Thune  
Chairman  
Committee on Commerce, Science, and Transportation  
United States Senate

The Honorable Ron Johnson  
Chairman  
Committee on Homeland Security and Governmental Affairs  
United States Senate

The Honorable Claire McCaskill  
Ranking Member  
Permanent Subcommittee on Investigations  
Committee on Homeland Security and Governmental Affairs  
United States Senate

The Honorable Greg Walden  
Chairman  
Committee on Energy and Commerce  
House of Representatives

The Honorable Trey Gowdy  
Chairman  
Committee on Oversight and Government Reform  
House of Representatives

The Honorable Fred Upton  
House of Representatives



# Appendix I: Political Conversions Reviewed and Completed from January 1, 2010, through March 17, 2016

**Table 1: OPM Reviews and Approvals of Political Conversions and Number of Conversions Completed**

The Office of Personnel Management (OPM) and 30 departments and agencies reported that OPM reviewed 99 political conversion requests agencies intended to complete from January 1, 2010, through March 17, 2016. OPM approved 78 and denied 21 of the requests. Agencies completed 76 conversions during the same period, with or without OPM approval.

Departments and agencies	Number of conversion requests reviewed by OPM <sup>a</sup>	Number of conversions not reviewed by OPM	Number of conversion requests reviewed and approved <sup>a</sup>	Number of conversion requests reviewed and denied <sup>a</sup>	Number of conversions completed by agencies (with or without OPM approval)
Department of Agriculture	8	0	5	3	4
Department of Commerce	5	0	5	0	4
Department of Defense	6	0	6	0	6
Department of Education	3	0	2	1	2
Department of Energy	3	0	3	0	3
Department of Health and Human Services (HHS)	6	0	3	3 <sup>b</sup>	4
Department of Homeland Security	7	3 <sup>c</sup>	6	1	9
Department of Housing and Urban Development	4	0	2	2	2
Department of the Interior	4	0	4	0	3
Department of Justice	10	0	9	1	8
Department of Labor	2	0	1	1	1
Department of State	1	0	1	0	1
Department of the Treasury	8	0	6	2	5
Department of Transportation	2	0	2	0	1

**Appendix I: Political Conversions Reviewed  
and Completed from January 1, 2010, through  
March 17, 2016**

<b>Departments and agencies</b>	<b>Number of conversion requests reviewed by OPM<sup>a</sup></b>	<b>Number of conversions not reviewed by OPM</b>	<b>Number of conversion requests reviewed and approved<sup>a</sup></b>	<b>Number of conversion requests reviewed and denied<sup>a</sup></b>	<b>Number of conversions completed by agencies (with or without OPM approval)</b>
Broadcasting Board of Governors	1	0	1	0	1
Commodity Futures Trading Commission	2	0	2	0	2
Environmental Protection Agency	2	0	2	0	2
Export-Import Bank of the United States	2	0	1	1	1
Federal Communications Commission	2	0	1	1	1
Federal Deposit Insurance Corporation (FDIC)	4	0	3	1 <sup>d</sup>	4
Federal Energy Regulatory Commission	3	0	2	1	2
Federal Retirement Thrift Investment Board	1	0	1	0	1
Federal Trade Commission	3	0	2	1	2
International Joint Commission	1	0	1	0	1
National Science Foundation	2	0	2	0	2
Overseas Private Investment Corporation	1 <sup>e</sup>	0	1 <sup>e</sup>	0	1 <sup>e</sup>
Pension Benefit Guaranty Corporation	1	0	0	1	0
Securities and Exchange Commission	3	0	2	1	2
Small Business Administration	1	0	1	0	0
Social Security Administration	1	0	1	0	1
<b>Total</b>	<b>99</b>	<b>3</b>	<b>78</b>	<b>21</b>	<b>76</b>

Source: GAO analysis of OPM and agency information. | GAO-17-674

<sup>a</sup>Includes OPM pre-appointment and post-appointment reviews of conversions agencies intended to take effect from January 1, 2010, through March 17, 2016.

<sup>b</sup>In September 2014, OPM initially denied a conversion request of a Schedule C political appointee to a career competitive position. However, HHS regularized the appointment in May 2016 by advertising a position under delegated examining authority, with the political appointee being found qualified and selected. OPM found the corrective actions to satisfactorily address its concerns.

<sup>c</sup>Includes one conversion the department canceled before submitting the conversion to OPM for post-appointment review.

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**Appendix I: Political Conversions Reviewed  
and Completed from January 1, 2010, through  
March 17, 2016**

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<sup>d</sup>In May 2011, OPM determined that it would not have approved FDIC's appointment of a Schedule C political appointment to a career competitive position. In November 2011, after FDIC regularized the conversion, OPM determined that the individual's appointment met merit system principles, applicable civil service law, and regulations, and appeared to be free of political influence.

<sup>e</sup>This conversion to a career position was pursuant to the agency's reinstatement authority at 22 U.S.C. 2193(d), as the referenced individual originated in a career position before serving in the political position.

## Appendix II: Objectives, Scope, and Methodology

The objectives of this engagement were to provide information on conversions of political appointees to career positions, and examine the implementation and effectiveness of the Office of Personnel Management's (OPM) 2010 policy for reviewing these conversions.<sup>1</sup> Specifically, this report examines (1) conversion requests submitted by agencies and reviewed by OPM, (2) whether agencies used appropriate authorities and proper procedures in conversions approved by OPM, (3) conversion requests denied by OPM and referred to the Office of Special Counsel (OSC), and (4) the extent to which OPM has complied with governmentwide reporting requirements stipulated by the Edward "Ted" Kaufman and Michael Leavitt Presidential Transitions Improvements Act of 2015 (Transitions Act).<sup>2</sup> For the purposes of our review, we included conversions OPM reviewed and agencies intended to complete from January 1, 2010, through March 17, 2016. This period begins with the implementation of OPM's January 2010 policy requiring its prior approval of all conversions of current or recent appointees to competitive or nonpolitical excepted service positions. The period continues through March 17, 2016. This is the day before the Transitions Act was enacted and OPM began reporting requests by agencies to appoint political appointees or former political appointees to covered civil service positions. In selecting the executive branch departments and agencies for this review, we looked at all agencies that OPM reported as having requested its approval of proposed appointments of political appointees to career positions during the time period referenced above.<sup>3</sup>

For the purpose of this review, we defined political appointees as those appointed to positions in one of six categories: Schedule C; noncareer

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<sup>1</sup>See OPM, *Political Appointees and Career Civil Service Positions*, Nov. 5, 2009. OPM implemented the revised policy outlined in this memorandum in January 2010.

<sup>2</sup>Pub. L. No. 114-136, § 4, 130 Stat. 301, 305-307 (Mar. 18, 2016).

<sup>3</sup>For ease of reference, we refer to all of the appointment actions discussed in this report as political conversions, although not all of these actions may be conversions. Generally, a conversion is a change of appointment (under either the same or a different appointment authority) in the same agency without a break in service.

Senior Executive Service (SES); limited-term SES; limited-emergency SES; presidential appointees (including executive level and noncareer ambassadors); and noncareer legislative branch. We excluded from our review conversions of limited-term SES and limited-emergency SES appointees who were career employees prior to being appointed to the noncareer positions listed above. We identified three categories of career positions appointments: career-conditional/career (competitive service); career (SES); and career excepted service (non-Schedule C). Definitions of these political and career positions can be found in the background section of this report. They are identical to those covered in our September 2016 report.<sup>4</sup> The types of current or former political appointees whose career conversion was subject to OPM's pre-appointment review under OPM's November 2009 guidance was not as extensive as the categories of political appointees used in this report.<sup>5</sup> However, this variance in scope did not result in a difference between what agencies gave OPM to review and what those agencies subsequently provided us. For example, although not specifically under OPM's 2010 pre-appointment review guidance, conversion actions involving one current and three former presidential appointees subject to Senate confirmation were submitted to OPM for review and were approved. Additionally, a conversion action involving a current noncareer legislative branch appointee was also reviewed and approved by OPM. However, OPM's guidance does not specify it would subject conversions involving legislative branch employees to its pre-appointment review.<sup>6</sup>

To address our first objective, we obtained data from OPM on its reviews of agency requests to convert political appointees to career positions. In addition, we obtained from agencies the number of approved cases

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<sup>4</sup>GAO, *Office of Personnel Management: Actions Are Needed to Help Ensure the Completeness of Political Conversion Data and Adherence to Policy*, [GAO-16-859](#) (Washington, D.C.: Sept. 30, 2016).

<sup>5</sup>For instance, OPM's guidance did not require preapproval for conversion actions involving former or current noncareer legislative branch employees. Additionally, OPM's guidance limited the review of conversion actions involving current or former presidential appointees to actions involving presidential appointees who were appointed under Schedule A authorities, which is only one type of presidential appointment authority. Presidential appointees may also be appointed under authority of specific legislation that authorizes the position and may or may not require Senate confirmation.

<sup>6</sup>The agency seeking to hire the legislative branch employee did not complete the conversion of the employee.

where they proceeded to hire political appointees.<sup>7</sup> According to OPM data, 30 executive branch departments and agencies requested OPM's approval for at least one conversion during the period; the departments and agencies are listed in appendix I. We then asked each of these 30 departments and agencies to corroborate (1) the number of requests to convert employees from political to career positions each agency made to OPM, and (2) the number of these conversions the agencies completed during the period of our review. Additionally, we reviewed relevant OPM documents and interviewed OPM officials charged with administering OPM's political conversion review procedures. This allowed us to better understand the steps OPM has taken to enhance its processes for identifying conversions completed by agencies, including those conversions agencies may have completed before obtaining OPM's approval.

To assess the reliability of OPM and agency conversion data, we examined them for obvious errors and inconsistencies. We also sent questionnaires to OPM and all 30 departments and agencies identified by OPM as submitting conversion requests during the review period. We asked them to submit information on the data systems they respectively used to collect, store, and update conversions data, and the quality of data entered into their system(s). We determined that political conversion data provided by OPM and agencies for the time period of our review are sufficiently reliable for the purposes of our reporting objectives.

To address our second objective, we assessed OPM's reviews of all conversion requests in our scope that OPM approved. Specifically, we examined OPM's review checklists, individual OPM case files documenting steps agencies took to convert political appointees, and additional documentation provided by individual agencies. This was designed to (1) ensure that appropriate authorities and proper procedures were followed in making and reviewing conversions; and (2) determine, for requests approved by OPM, whether we could support OPM's decision that conversions appeared to be free of political influence and complied with merit system principles, applicable civil service law, and regulations. One GAO analyst applied professional judgment after reviewing submitted checklists and documentation, appropriate laws and

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<sup>7</sup>In some instances, agencies did not complete conversions approved by OPM. For example, in some instances the political appointee did not accept the agency position. In other instances, since OPM's Qualifications Review Board did not certify the executive qualifications of the applicant, the conversion was not completed.

regulations, and the circumstances for each conversion request.<sup>8</sup> A second analyst then reviewed and validated the first analyst's evaluation of each conversion request. The second GAO analyst either independently evaluated the conversion request, or traced findings from the first analyst's review back to supporting audit documents. We identified conversion review cases with significant differences between our and OPM's reviews of the cases by comparing differences we identified to selected merit system principles and prohibited personnel practices. We then collected additional information from OPM on such cases and determined whether agencies involved in the cases violated merit system principles and proper procedures, or engaged in prohibited personnel practices.

To address our third objective, we identified the number of conversion requests in our scope that OPM denied, and why they denied them. We reviewed conversion requests referred to OSC for investigation, and described the outcome of OSC's reviews of the cases. We also summarized cases where OPM directed agencies to implement corrective actions after reviewing conversion requests.

To address our fourth objective, we reviewed revisions OPM made to its pre-appointment review policies and procedures following enactment of the Transitions Act. We also reviewed the data elements the Transitions Act requires OPM to include in its reports to Congress on agency personnel requests to appoint current or former political appointees to covered civil service positions. We then compared these data elements with information from reports on conversion requests OPM had submitted to Congress.

We conducted this performance audit from January 2016 to August 2017 in accordance with generally accepted government auditing standards. These 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

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<sup>8</sup>Analysts used data collection instruments to examine OPM evaluators' decisions on 39 items from checklists of conversions to career competitive positions, 26 items from checklists of conversions to career excepted positions, and 39 items from checklists of conversions to career SES positions. In instances where OPM's files did not include sufficient information for us to make a determination, we obtained and reviewed additional information from the involved agency.

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the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.



# Appendix III: Agency Conversions of Political Appointees to Career Positions from January 1, 2010, through March 17, 2016

**Table 2: Characteristics of Agency Conversions of Political Appointees to Career Positions Completed from January 1, 2010, through March 17, 2016**

Conversions are listed by the agency that converted a political appointee to a career position.

	Political Appointee		Career Position		Date converted
	Title, office, and department/agency	Type of political appointment, grade, and salary	Title, office and department/agency	Type of career appointment, grade, and salary	
<b>Conversions to career positions in the Department of Agriculture</b>	Deputy Assistant Secretary Office of the Secretary Department of Agriculture	Noncareer Senior Executive Service (SES) ES-0301-00/00 \$150,000	Deputy Director, Office of Human Resources Management Division Departmental Management Department of Agriculture	Career SES ES-0201-00/00 \$168,270	12/16/2012
	Deputy Under Secretary, Marketing and Regulatory Programs Office of Under Secretary for Marketing and Regulatory Programs Office of the Secretary Department of Agriculture	Noncareer SES ES-0301-00 \$149,350	Loan Specialist (Commercial) Office of the low a State Director, Area 5, Albia Area Office Rural Development Department of Agriculture	Career Conditional Competitive GS-1165-09 \$62,920	5/17/2015

**Appendix III: Agency Conversions of Political  
Appointees to Career Positions from  
January 1, 2010, through March 17, 2016**

Political Appointee		Career Position		Date converted
Title, office, and department/agency	Type of political appointment, grade, and salary	Title, office and department/agency	Type of career appointment, grade, and salary	
Executive Director Oklahoma State Office Farm Service Agency Department of Agriculture	Schedule C GS-0301-15/4 \$122,937	Supervisory Program Manager Regional Office Director Oklahoma Regional Office Risk Management Agency Department of Agriculture	Career Competitive GS-0340-14 \$128,233	8/9/2015
Deputy Assistant Secretary for Administration (Policy) Immediate Office of the Assistant Secretary for Administration Office of the Secretary Department of Agriculture	Noncareer SES ES-0301-00 \$156,550	Deputy Assistant Secretary for Administration (Operations) Immediate Office of the Assistant Secretary for Administration Office of the Secretary Department of Agriculture	Career SES ES-0301-00 \$185,100	2/21/2016
<b>Conversions to career positions in the Department of Commerce</b>	Deputy Associate Administrator Office of Field Operations Small Business Administration	Supervisory Public Affairs Specialist Public Affairs and Media Events Public Information Office U.S. Census Bureau Department of Commerce	Career Competitive GS-1035-14/10 \$136,771	5/8/2011
	Deputy Assistant Secretary for Services International Trade Administration Department of Commerce	Deputy Under Secretary of International Trade International Trade Administration Department of Commerce	Career SES ES-1101-00/00 \$175,150	11/3/2013

**Appendix III: Agency Conversions of Political  
Appointees to Career Positions from  
January 1, 2010, through March 17, 2016**

Political Appointee		Career Position		Date converted
Title, office, and department/agency	Type of political appointment, grade, and salary	Title, office and department/agency	Type of career appointment, grade, and salary	
Special Assistant Office of the Administrator Rural Business-Cooperative Service Rural Development Department of Agriculture	Schedule C GS-301-12 \$70,095	Congressional Affairs Specialist Office of Congressional and Intergovernmental Affairs Directorate of Communications U.S. Census Bureau Department of Commerce	Career Competitive GS-301-12 \$76,378	9/21/2015
Board of Directors Member Export-Import Bank	PAS EX-1101-04 \$155,500	Deputy Assistant Secretary for Asia Department of Commerce	Career SES ES-1101-00 \$183,300	2/22/2016
<b>Conversions to career positions in the Department of Defense</b>	Assistant Director of National Intelligence Chief Information Officer Office of the Director of National Intelligence	Special Command Advisor Information Assurance and Cyber Security U.S. Cyber Command U.S. Strategic Command Department of Defense	Career SES ES-0301-00 \$143,600	5/20/2012
	Director, Administration and Management Privacy and Civil Liberties Office of the Secretary of Defense Department of Defense	Director, Administration and Management Privacy and Civil Liberties Office of the Secretary of Defense Department of Defense	Career SES ES-0301-00/00 \$165,300	1/13/2013
	Administrator Research and Innovative Technology Administration Department of Transportation	Director, Planning and Performance Management Office of the Deputy Chief Management Officer Department of Defense	Career SES ES-0340-00/00 \$165,300	1/14/2013

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Appointees to Career Positions from  
January 1, 2010, through March 17, 2016**

Political Appointee		Career Position		
Title, office, and department/agency	Type of political appointment, grade, and salary	Title, office and department/agency	Type of career appointment, grade, and salary	Date converted
Special Advisor to the Secretary of the Army Installations, Energy, and Environment Office of the Secretary of the Army Department of the Army	Schedule C GS-0343-14/01 \$105,211	Associate Deputy General Counsel Installations, Environment, and Civil Works Office of General Counsel Department of the Army Department of Defense	Career Excepted GS-0905-14 \$105,211	1/4/2015
Assistant Secretary for Public Affairs Office of Public Affairs Immediate Office of the Secretary Department of Homeland Security	Noncareer SES ES-0301-00 \$143,640	Public Affairs Specialist Defense Health Support Communications Defense Health Agency Department of Defense	Career Conditional Competitive GS-1035-15 \$147,288	8/23/2015
Attorney Advisor (General) Office of General Counsel Office of the Secretary of the Navy Department of the Navy	Schedule C GS-0905-15 \$143,079	Attorney Advisor (Senior Trial Attorney) Office of General Counsel Office of the Secretary of the Navy Department of the Navy Department of Defense	Career Excepted GS-0905-15 \$143,079	9/20/2015
<b>Conversions to career positions in the Department of Education</b>	Special Assistant Office of Planning, Evaluation, and Policy Development Department of Education	Statistician (Education) Institution of Educational Sciences Department of Education	Career Competitive GS-1530-14/09 \$133,264	11/7/2010
	Confidential Assistant Office of Legislation and Congressional Affairs Department of Education	Education Program Specialist Office of English Language Acquisition Department of Education	Career Competitive GS-1720-12/01 \$74,872	3/13/2011

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Appointees to Career Positions from  
January 1, 2010, through March 17, 2016**

	Political Appointee		Career Position		Date converted
	Title, office, and department/agency	Type of political appointment, grade, and salary	Title, office and department/agency	Type of career appointment, grade, and salary	
<b>Conversions to career positions in the Department of Energy</b>	Senior Advisor Immediate Office of the Assistant Secretary Assistant Secretary for Fossil Energy Department of Energy	Schedule C GS-0301-15/10 \$153,200	Technical Writer-Editor Office of Communications Chief Operating Officer Assistant Secretary for Fossil Energy Department of Energy	Career Competitive GS-1083-14/10 \$136,771	1/30/2011
	Director Office of Communications and External Affairs Office of Congressional and Intergovernmental Affairs Office of Environmental Management Department of Energy	Noncareer SES ES-0301-00 \$151,000	Chief Operating Officer Office of Congressional and Intergovernmental Affairs Office of the Assistant Secretary Department of Energy	Career SES ES-0340-00 \$160,060	3/11/2012
	Staff Assistant Office of the General Counsel Immediate Office of the General Counsel Department of Energy	Schedule C GS-0301-10/1 \$56,857	Trial Attorney Office of the General Counsel Deputy General Counsel for Litigation and Enforcement Assistant General Counsel for Litigation Department of Energy	Career Excepted GS-0301-12/1 \$75,621	2/9/2014
<b>Conversions to career positions in the Department of Health and Human Services</b>	Trip Coordinator Office of the Secretary Department of Energy	Schedule C GS-0301-07/2 \$43,616	Health Insurance Specialist Centers for Medicare and Medicaid Services Department of Health and Human Services	Career Competitive GS-0107-09/1 \$51,630	4/8/2012
	Regional Administrator, Boston Office Federal Emergency Management Agency Department of Homeland Security	Noncareer SES ES-0340-00/00 \$165,000	Director Office of Preparedness and Emergency Headquarters Department of Health and Human Services	Career SES ES-0301-00/00 \$179,700	9/9/2012

**Appendix III: Agency Conversions of Political  
Appointees to Career Positions from  
January 1, 2010, through March 17, 2016**

<b>Political Appointee</b>		<b>Career Position</b>		
<b>Title, office, and department/agency</b>	<b>Type of political appointment, grade, and salary</b>	<b>Title, office and department/agency</b>	<b>Type of career appointment, grade, and salary</b>	<b>Date converted</b>
Senior Advisor Food and Drug Administration Department of Health and Human Services	Schedule C GS-0301-15/05 \$141,660	Senior Advisor for Oversight Food and Drug Administration Department of Health and Human Services	Career Competitive GS-0301-15/05 \$141,660	12/14/2014
Legislative Affairs Specialist Office of the Secretary Department of Commerce	Schedule C GS-0301-14/04 \$118,957	Supervisory Attorney- Advisor Office of the Secretary Office of the Assistant Secretary for Legislation Department of Health and Human Services	Career Excepted GS-0905-15/01 \$126,245	6/28/2015
<b>Conversions to career positions in the Department of Homeland Security</b>	Confidential Assistant to the Deputy Chief of Staff National Protection and Programs Directorate Department of Homeland Security	Schedule C GS-07/09 \$41,210-\$51,630	Cyber Security Planner National Protection and Programs Directorate Department of Homeland Security	Career Excepted GS-09/12 \$51,630-\$78,142
	Special Assistant to the Director and Deputy Director Federal Emergency Management Agency Department of Homeland Security	Schedule C GS-11 \$55,706	Program Analyst Federal Emergency Management Agency Department of Homeland Security	Career Competitive GS-11 \$74,872
	Confidential Assistant Congressional Affairs Division Defense Intelligence Agency U.S. Army Department of Defense	Schedule C GS-0301-13 \$82,961	External Affairs Specialist (Stakeholder Relations) Regional Office, Office of External Affairs Federal Emergency Management Agency Department of Homeland Security	Career Competitive GS-0301-13/04 \$96,020

**Appendix III: Agency Conversions of Political  
Appointees to Career Positions from  
January 1, 2010, through March 17, 2016**

Political Appointee		Career Position		Date converted
Title, office, and department/agency	Type of political appointment, grade, and salary	Title, office and department/agency	Type of career appointment, grade, and salary	
Director of Communications Immigration and Customs Enforcement Department of Homeland Security	Schedule C GS-15 \$140,969- \$149,993	Supervisory Public Affairs Specialist Immigration and Customs Enforcement Department of Homeland Security	Career Competitive GS-15 \$144,385	11/7/2010
Principal Director Countering Weapons of Mass Destruction Office of the Secretary of Defense Department of Defense	Noncareer SES ES-0301-00 \$162,900	Deputy Under Secretary for Science and Technology Office of Science and Technology Department of Homeland Security	Career SES ES-0340-00 \$179,700	7/31/2011
Regional Administrator Federal Emergency Management Agency Department of Homeland Security	Noncareer SES ES-0340-00 \$160,000	Superintendent Emergency Management Institute National Training and Education Protection and National Preparedness Department of Homeland Security	Career SES ES-0340-00 \$176,000	5/6/2012
Officer of Civil Rights and Civil Liberties Office of the General Counsel Department of Homeland Security	Noncareer SES ES-0340-00/00 \$162,029	Associate General Counsel For National Protection and Programs Directorate Office of the General Counsel Department of Homeland Security	Career SES ES-0905-00/00 \$168,500	3/24/2013
Deputy Assistant Secretary of Defense for Prisoners of War/Missing Personnel Affairs and Director, Defense Prisoner of War/Missing Personnel Office Department of Defense	Noncareer SES ES-0301-15 \$146,600	Federal Preparedness Coordinator (Comp Svc) Federal Emergency Management Agency Department of Homeland Security	Career SES GS-0301-15 \$176,000	11/16/2014

**Appendix III: Agency Conversions of Political  
Appointees to Career Positions from  
January 1, 2010, through March 17, 2016**

	Political Appointee		Career Position		Date converted
	Title, office, and department/agency	Type of political appointment, grade, and salary	Title, office and department/agency	Type of career appointment, grade, and salary	
	Assistant Administrator, National Continuity Federal Emergency Management Agency Department of Homeland Security	Noncareer SES ES-0301-00 \$158,700	Assistant Administrator, Response Federal Emergency Management Agency Department of Homeland Security	Career SES ES-0343-00 \$170,000	8/23/2015
<b>Conversions to career positions in the Department of Housing and Urban Development</b>	Principal Deputy General Counsel Office of the General Counsel Department of Housing and Urban Development	Noncareer SES ES-1101-00/00 \$179,700	Associate General Counsel for Finance and Administrative Law Office of the General Counsel Department of Housing and Urban Development	Career SES ES-0905-00/00 \$179,700	9/8/2013
	Financial Analyst for Housing Finance Office of Policy Development and Research Department of Housing and Urban Development	Schedule C GS-0301-13 \$98,289	Credit Policy Specialist Home Mortgage Insurance Division Department of Housing and Urban Development	Career Conditional Competitive GS-1101-13 \$98,289	11/1/2015
<b>Conversions to career positions in the Department of the Interior</b>	Science Advisor to the Director Bureau of Ocean Energy Management Regulation and Enforcement Department of the Interior	Schedule C GS-0301-15/05 \$140,259	Chief Environmental Officer Bureau of Ocean Energy Management Department of the Interior	Career SES ES-0340-00 \$150,077	11/20/2011
	Chief of Staff Bureau of Safety and Environmental Enforcement Department of the Interior	Noncareer SES ES-0301-00 \$160,000	Chief of Staff Bureau of Safety and Environmental Enforcement Department of the Interior	Career SES GS-0301-15/10 \$155,500	12/18/2011



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Appointees to Career Positions from  
January 1, 2010, through March 17, 2016**

Political Appointee		Career Position		Date converted
Title, office, and department/agency	Type of political appointment, grade, and salary	Title, office and department/agency	Type of career appointment, grade, and salary	
Chief of Staff Office of the Director Fish and Wildlife Service Department of the Interior	Noncareer SES ES-0301-00/00 \$165,000	Assistant Director for External Affairs Office of the Deputy Director for Program Management and Policy Fish and Wildlife Service Department of the Interior	Career SES ES-0340-00/00 \$165,300	11/17/2013
<b>Conversions to career positions in the Department of Justice</b>	Deputy Solicitor for Parks and Wildlife Department of the Interior	Chief Natural Resources Section Environmental and Natural Resources Division Department of Justice	Career SES ES-0905-00 \$167,400	5/8/2011
	Counsel Office of the Deputy Attorney General Department of Justice	Attorney Advisor Office of Legal Counsel Department of Justice	Career Excepted GS-0905-14/10 \$136,771	7/3/2011
	Senior Counselor Office of Congressional and Intergovernmental Affairs Department of Labor	General Attorney Office of General Counsel Federal Bureau of Investigation Department of Justice	Career Excepted GS-0905-15/5 \$140,259	9/23/2012
	Deputy Director Office of Intergovernmental and Public Liaison Department of Justice	Attorney Advisor Office of Intelligence and Policy Review National Security Division Department of Justice	Career Excepted GS-0905-15/6 \$144,385	12/16/2012
	Counsel Office of the Assistant Attorney General Department of Justice	Trial Attorney Civil Rights Division Housing & Civil Enforcement Department of Justice	Career Excepted GS-0905-15/5 \$140,259	9/22/2013

**Appendix III: Agency Conversions of Political  
Appointees to Career Positions from  
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	Title, office, and department/agency	Type of political appointment, grade, and salary	Title, office and department/agency	Type of career appointment, grade, and salary	
	Deputy General Counsel for Policy Office of the General Counsel Office of Personnel Management	Noncareer SES ES-905-00/00 \$163,250	Supervisory Trial Attorney (Deputy Chief) Appellate Section Civil Rights Division Department of Justice	Career Excepted GS-0905-15 \$157,100	11/2/2014
	Director of Congressional Affairs Department of Veterans Affairs	Noncareer SES ES-0301-00 \$150,000	Chief of Congressional/Public Affairs U.S. Marshal Service Department of Justice	Career Conditional Competitive GS-0301-15/7 \$151,496	3/8/2015
	Special Assistant (Legal) Consumer Product Safety Commission	Schedule C GS-0301-15/01 \$123,758	Trial Attorney Organized Crime and Gangs Section Criminal Division, Office, Boards and Divisions Department of Justice	Career Excepted GS-0905-15 \$134,662	4/5/2015
<b>Conversions to career positions in the Department of Labor</b>	Senior Policy Advisor Office of the Assistant Secretary for Policy Department of Labor	Schedule C GS-0301-15/4 \$136,134	Deputy Assistant Secretary Office of the Assistant Secretary for Policy Immediate Office Department of Labor	Career SES ES-0301-00/00 \$159,000	3/24/2013
<b>Conversions to career positions in the Department of State</b>	Senior Advisor Office of the Assistant Secretary Bureau of Western Hemisphere Affairs Department of State	Schedule C GS-0130-15/09 \$153,053	Foreign Affairs Officer Office of Andean Affairs Bureau of Western Hemisphere Affairs Department of State	Career Competitive GS-0130-13/10 \$115,742	1/15/2012
<b>Conversions to career positions in the Department of the Treasury</b>	Senior Advisor for Investigative Programs Office of the Inspector General Department of the Treasury	SES Limited-term ES-0301-00 \$135,000	Assistant Inspector General for Management Office of the Inspector General Department of the Treasury	Career SES ES-0301-00 \$165,000	7/3/2011

**Appendix III: Agency Conversions of Political  
Appointees to Career Positions from  
January 1, 2010, through March 17, 2016**

Political Appointee		Career Position		
Title, office, and department/agency	Type of political appointment, grade, and salary	Title, office and department/agency	Type of career appointment, grade, and salary	Date converted
Special Assistant U.S.-China Strategic and Economic Dialogue Office of International Affairs Department of the Treasury	Schedule C GS-0301-12/1 \$74,872	International Economist Office of Trade and Investment Policy Office of International Affairs Department of the Treasury	Career Competitive GS-0110-12/2 (FPL GS-14) \$77,368	8/12/2012
Special Assistant (Legal) Office of Commissioner Consumer Product and Safety Commission	Schedule C GS-0301-15/10 \$155,500	Attorney Adviser Office of the Assistant General Counsel for General Law, Ethics, and Regulation Office of General Counsel Department of the Treasury	Career Excepted GS-0905-15/10 \$155,500	10/21/2012
Administrative Assistant to the Commissioner Commodities Futures Trading Commission Office of the Commissioner	Schedule C CT-0301-11/00 \$78,019	Secretary (OA) Agency Wide Shared Services Office of Procurement Office of the Director Internal Revenue Service Department of the Treasury	Career Competitive GS-0318-10/10 \$74,654	6/16/2013
Senior Counsel Department of Justice	Schedule C GS-0905-15/4 \$136,134	Assistant General Counsel (Enforcement and Intelligence) Office of General Counsel, Enforcement and Intelligence Department of the Treasury	Career SES ES-0905-00/00 \$165,974	4/6/2014
<b>Conversions to career positions in the Department of Transportation</b>	Director Office of Communication National Transportation Safety Board	Noncareer SES ES-0340-00 \$159,497	Associate Administrator of Enforcement National Highway Traffic and Safety Administration Department of Transportation	Career SES ES-0340-00 \$167,500 10/23/2011

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	Political Appointee		Career Position		Date converted
	Title, office, and department/agency	Type of political appointment, grade, and salary	Title, office and department/agency	Type of career appointment, grade, and salary	
<b>Conversions to career positions in the Broadcasting Board of Governors</b>	Special Assistant	Schedule C	Director	Career SES	2/5/2012
	Bureau of Public Affairs Department of State	GS-0301-15/10 \$155,500	Office of Communications and External Relations International Broadcasting Bureau Broadcasting Board of Governors	ES-0301-00 \$165,500	
<b>Conversions to career positions in the Commodity Futures Trading Commission</b>	Office of the Secretary Immediate Office, Assistant Secretary for Congressional Relations	Noncareer SES ES-0301-00 \$149,350	Deputy Director, Office of Legislative Affairs Office of the Chairman Commodity Futures Trading Commission	Career Conditional Competitive CT-0301-15 \$172,000	11/2/2014
	Special Assistant Employee Benefits Security Administration Department of Labor	Schedule C GS-0301-12/01 \$74,872	Consumer Outreach Specialist Office of the Executive Director Consumer Outreach Division Commodity Futures Trading Commission	Career Competitive CT-0301-13 \$98,000	2/9/2015
<b>Conversions to career positions in the Environmental Protection Agency</b>	Associate Administrator for Government, International and Public Affairs Pipeline and Hazardous Materials Safety Administration Department of Transportation	Schedule C GS-0301-15/02 \$127,883	Public Affairs Specialist Office of Media Relations Office of External Affairs and Environmental Education Office of the Administrator Environmental Protection Agency	Career Excepted GS-1035-13 \$115,742	5/21/2012
	Regional Administrator Kansas City Regional Office Office of Field and Policy Management Department of Housing and Urban Development	Schedule C GS-0301-15/8 \$140,274	Assistant Regional Administrator Region 8 Office of Partnerships and Regulatory Assistance Environmental Protection Agency	Career SES ES-0340-00/00 \$148,690	11/18/2012

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<b>Conversions to career positions in the Export-Import Bank of the United States</b>	Executive Secretary	Schedule C	Supervisory Financial Specialist	Career Competitive	4/20/2014
	Export-Import Bank of the United States	GS-0301-13/5 \$101,914	Export-Import Bank of the United States	GS-0501-14/2 \$109,804	
<b>Conversions to career positions in the Federal Communications Commission</b>	Chief Information Officer	Schedule C	Chief Information Officer	Career SES	4/15/2011
	Small Business Administration	GS-2210-15/10 \$155,500	Federal Communications Commission	ES-0301-00 \$169,000	
<b>Conversions to career positions in the Federal Deposit Insurance Corporation</b>	Deputy Assistant Secretary for Appropriations and Management	Noncareer SES ES-0301-00 \$145,500	Legislative Advisor Federal Deposit Insurance Corporation	Career Competitive CG-0301-15-00 \$183,296	3/29/2010
	Internal Revenue Service Department of the Treasury				
	Director Office of Public Affairs Federal Deposit Insurance Corporation	Schedule C EM-1035-00/00 \$190,146	Deputy to the Chairman for Communications Office of the Chairman Federal Deposit Insurance Corporation	Career Competitive EM-0301-00/00 \$228,737	6/17/2012
	Special Assistant to the Secretary Deputy Secretary Department of Housing and Urban Development	Schedule C GS-0301-15/7 \$148,510	Senior Policy Analyst Division of Depositor and Consumer Protection Federal Deposit Insurance Corporation	Career Competitive CG-0301-15/00 \$157,446	3/24/2013
	Deputy Chief of Staff Export-Import Bank	Schedule C GS-0301-14/7 \$126,251	Resolution Planning and Implementation Specialist Office of Complex Financial Institutions Systemic Resolutions Planning and Implementation Group Federal Deposit Insurance Corporation	Career Competitive CG-1101-13/00 \$126,251	9/23/2013

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<b>Conversions to career positions in the Federal Energy Regulatory Commission</b>	Deputy Director Office of External Affairs Federal Energy Regulatory Commission	Schedule C GS-0301-15/03 \$132,009	Director Government Affairs Division Office of External Affairs Federal Energy Regulatory Commission	Career Competitive GS-0301-15/03 \$132,009	3/11/2012
	Confidential Assistant Office of the Chairman Federal Energy Regulatory Commission	Schedule C GS-0301-13/4 \$97,936	Management Analyst Administration and Operations Staff Office of Electric Reliability Federal Energy Regulatory Commission	Career Competitive GS-0343-12/10 \$97,333	9/22/2013
<b>Conversions to career positions in the Federal Retirement Thrift Investment Board</b>	Deputy Commissioner for Communications Social Security Administration	Noncareer SES ES-0301-00/00 \$179,700	Director of Communications and Education Office of the Executive Director Federal Retirement Thrift Investment Board	Career SES ES-0301-00/00 \$165,300	9/9/2013
<b>Conversions to career positions in the Federal Trade Commission</b>	Director Office of Policy Planning Federal Trade Commission	Noncareer SES ES-0905-00/00 \$162,000	Attorney (Trade Regulation), Western Regional Office Federal Trade Commission	Career Excepted GS-0905-15/10 \$155,500	7/1/2012
	Deputy Director Bureau of Consumer Protection Federal Trade Commission	Noncareer SES ES-0905-00/00 \$171,500	Supervisory General Attorney Seattle Regional Office Bureau of Consumer Protection Federal Trade Commission	Career Excepted GM-0905-15/00 \$155,500	12/5/2013
<b>Conversions to career positions in the International Joint Commission</b>	Policy Advisor Office of the Chairman International Joint Commission U.S. Section	Schedule C GS-0301-14/07 \$126,119	Public Affairs Specialist Great Lakes Regional Office International Joint Commission U.S. Section	Career Competitive GS-1035-13/10 \$115,621	8/29/2010

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	Title, office, and department/agency	Type of political appointment, grade, and salary	Title, office and department/agency	Type of career appointment, grade, and salary	
<b>Conversions to career positions in the National Science Foundation</b>	Division Director	Noncareer SES	Division Director,	Career SES	3/23/2014
	Division of Astronomical Sciences National Science Foundation	ES-1301-00/00 \$176,200	Division of Astronomical Sciences Directorate for Mathematical and Physical Sciences National Science Foundation	ES-1301-00 \$176,200	
	Director	Noncareer SES	Head, Office of	Career SES	7/12/2015
	Office of Legislative and Intergovernmental Affairs National Oceanic and Atmospheric Administration Department of Commerce	ES-0301-00/00 \$156,000	Legislative and Public Affairs National Science Foundation	ES-0301-00 \$175,000	
<b>Conversions to career positions in the Overseas Private Investment Corporation</b>	Managing Director	Administratively Determined	Vice President	Career SES	8/12/2012
	Investment Development and Coordination Overseas Private Investment Corporation	AD-1101-00/00 \$164,830	Insurance Department Overseas Private Investment Corporation	SL-1101-00/00 \$173,000	
<b>Conversions to career positions in the Securities and Exchange Commission</b>	Confidential Assistant	Schedule C	Supervisory Program	Career	9/23/2012
	Division of Investment Securities and Exchange Commission	SK-0301-10/00 \$76,000	Support Specialist Administrative Office Division of Investment Management Securities and Exchange Commission	Competitive SK-0301-11/00 \$82,575	
	Confidential Assistant	Schedule C	Program Support	Career	1/10/2016
	Office of the General Counsel Securities and Exchange Commission	SK-0301-10 \$84,616	Specialist Division of Enforcement Office of the Chief Counsel Securities and Exchange Commission	Competitive SK-0301-11 \$105,228	
<b>Conversions to career positions in the Social Security Administration</b>	General Counsel	Schedule C	Counsel to the Inspector	Career SES	7/12/2010
	Merit Systems Protection Board	GS-0905-15/10 \$155,500	General Office of the Inspector General Social Security Administration	ES-0905-00 \$171,050	

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Appointees to Career Positions from  
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**Legend:**

AD: Administratively determined; rate set by agency.

CG: Corporate Grade. Code is for use by the Federal Deposit Insurance Corporation only.

EM: Executive Grade. Code is for use by the Federal Deposit Insurance Corporation only.

ES: Senior Executive Service

EX: Executive Schedule

FPL: Full performance level

GM: Employees covered by the Performance Management and Recognition System

GS: General Schedule

PAS: Presidential Appointee in a Position Requiring Senate Confirmation

SES: Senior Executive Service

SK: Securities Exchange Commission individuals formerly under the GS, GM, and EZ pay plans. Code is for use by the Securities and Exchange Commission only.

SL: Senior level positions

Source: GAO analysis of OPM and agency information. | GAO-17-674



## Appendix IV: Comments from the Office of Personnel Management



Merit System  
Accountability and  
Compliance

UNITED STATES OFFICE OF PERSONNEL MANAGEMENT  
Washington, DC 20415

AUG - 7 2017

Mr. Clifton G. Douglas, Jr.  
Assistant Director  
U.S. Government Accountability Office  
441 G Street, NW  
Washington, DC 20548

Dear Mr. Douglas:

Thank you for providing us the opportunity to respond to the U.S. Government Accountability Office (GAO) draft report, *Personnel Practices: Actions are Needed to Improve Documentation of OPM Decisions on Conversion Requests*, GAO-17-674, GAO job code number 100540.

We recognize that even the most well-run programs benefit from external evaluations and we appreciate your input as we continue to enhance our program. The response to your recommendations is provided below.

**Recommendation 1:** The Associate Director of Merit System Accountability and Compliance should ensure that finalized guidance on retaining conversion case files specifically lists information that must be documented in OPM's case files.

**Management Response:**

**OPM partially concurs.**

We **agree** that the finalized guidance on retaining conversion case files should specifically lists information that must be documented in OPM's case files.

We **do not agree** with the implication that OPM's current guidance lacks information about the material that must be maintained in case files. OPM's Political Conversion Standard Operating Procedure provides a description for the file organization and lists the contents to be stored in each case file, including a file for the "Pre-appointment Checklist contents." While the guidance does not list each individual document to file, OPM maintains the documents submitted by the requesting agency and additional information obtained during the review process to support OPM's decision. In situations involving extensive file transactions, OPM allows agencies the flexibility to grant OPM evaluators access to automated hiring systems to conduct pre-or post-appointment reviews. OPM exercises discretion and provides exceptions to maintaining voluminous or large sized files reviewed in automated hiring systems, when it is burdensome or impractical to store them in OPM's files. Nonetheless, OPM's evaluators review checklists, which are filed in the case file, and capture the review and analysis of that documentation.

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# Appendix V: GAO Contact and Staff Acknowledgments

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## GAO Contact

Yvonne D. Jones, (202) 512-2717 or [jonesy@gao.gov](mailto:jonesy@gao.gov)

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## Staff Acknowledgments

In addition to the contact named above, Clifton G. Douglas, Jr., Assistant Director; Colleen Corcoran; Ann Czapiewski; Karin Fangman; Ulyana Panchishin; Mark Ryan; Cynthia Saunders; and Albert Sim made key contributions to this report. Michelle Batie; Ellen Grady; Ted Hu; Cale Jones; Donna Miller; LaSonya Roberts and Stewart W. Small also provided assistance.

# Appendix VI: Accessible Data

## Data Tables

### Accessible Data for Highlights Figure Conversions Reviewed and Completed from January 1, 2010, through March 17, 2016

99	Conversion requests reviewed by OPM
Minus	21 conversion requests denied by OPM
78	Conversion requests approved by OPM
Minus	9 approved conversions not completed by agencies
69	Conversions approved by OPM and completed by agencies
Plus	4 conversions completed by agencies but denied by OPM post-appointment
Plus	3 conversions completed by agencies but not reviewed by OPM (the appointees were no longer in the career positions to which they were converted)
76	Conversions completed by agencies (with or without OPM approval)

Source: GAO analysis of Office of Personnel Management (OPM) and agency conversion data. | GAO-17-674

### Accessible Data for Figure 2: Political to Career Conversion Activity from January 1, 2010, through March 17, 2016

99	Conversion requests reviewed by OPM
Minus	21 conversion requests denied by OPM
78	Conversion requests approved by OPM
Minus	9 approved conversions not completed by agencies
69	Conversions approved by OPM and completed by agencies
Plus	4 conversions completed by agencies but denied by OPM post-appointment
Plus	3 conversions completed by agencies but not reviewed by OPM (the appointees were no longer in the career positions to which they were converted)
76	Conversions completed by agencies (with or without OPM approval)

Source: GAO analysis of Office of Personnel Management (OPM) and agency conversion data. | GAO-17-674

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## Agency Comment Letter

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### Accessible Text for Appendix IV: Comments from the Office of Personnel Management

#### Page 1

UNITED STATES OFFICE OF PERSONNEL MANAGEMENT

Washington, DC 20415

Merit System Accountability and Compliance

Mr. Clifton G. Douglas, Jr. Assistant Director

U.S. Government Accountability Office 441 G Street, NW

Washington, DC 20548

AUG 7 2017

Dear Mr. Douglas:

Thank you for providing us the opportunity to respond to the U.S. Government Accountability Office (GAO) draft report, Personnel Practices: Actions are Needed to Improve Documentation of OPM Decisions on Conversion Requests, GA0-17-674, GAO job code number 100540.

We recognize that even the most well-run programs benefit from external evaluations and we appreciate your input as we continue to enhance our program. The response to your recommendations is provided below.

**Recommendation 1:** The Associate Director of Merit System Accountability and Compliance should ensure that finalized guidance on retaining conversion case files specifically lists information that must be documented in OPM's case files.

**Management Response:** OPM partially concurs.

We agree that the finalized guidance on retaining conversion case files should specifically lists information that must be documented in OPM's case files.

We do not agree with the implication that OPM's current guidance lacks information about the material that must be maintained in case files. OPM's Political Conversion Standard Operating Procedure provides a description for the file organization and lists the contents to be stored in each case file, including a file for the "Pre-appointment Checklist contents." While the guidance does not list each individual document to file, OPM maintains the documents submitted by the requesting agency and additional information obtained during the review process to support OPM's decision. In situations involving extensive file transactions, OPM allows agencies the flexibility to grant OPM evaluators access to automated hiring systems to conduct pre-or post-appointment reviews. OPM exercises discretion and provides exceptions to maintaining voluminous or large sized files reviewed in automated hiring systems, when it is burdensome or impractical to store them in OPM's files. Nonetheless, OPM's evaluators review checklists, which are filed in the case file, and capture the review and analysis of that documentation.

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## Page 2

**Recommendation 2:** The Associate Director of Merit System Accountability and Compliance should establish a policy requiring that its staff verify they have reviewed all documentation required by OPM checklists before recommending approval or denial of a conversion request. OPM may incorporate such reviews as part of checklists completed by its staff when reviewing conversion requests.

**Management Response:** OPM partially concurs.

We agree to add a box to the evaluator checklist for evaluators to indicate they have reviewed all required documentation, and for their reviewers to add their concurrence.

We do not agree with the implication that OPM lacks a policy or process to ensure a thorough review of required information to conduct a pre- or post-appointment review of current or recent political appointees to covered civil service positions. The process involves experienced

evaluators serving as subject matter experts in human resources evaluation, standardized checklists and operating procedures, and multiple levels of management review prior to issuing a final decision of approval or denial. The thoroughness of our review process is also evident by the fact that GAO agreed with all of our decisions in the 99 cases reviewed.

I appreciate the opportunity to respond to this draft report. If you have any questions regarding our response, please contact Ana A. Mazzi, Deputy Associate Director, Merit System Accountability and Compliance, at (202) 606-4309 or [ana.mazzi@opm.gov](mailto:ana.mazzi@opm.gov).

Sincerely,

Mark W. Lambert Associate Director

Enclosure

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