



ADS Chapter 495

Foreign Service National Direct-Hire Personnel Administration

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

495.1

OVERVIEW

Effective Date: 10/21/2020

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

The administrative and contractual sections in this ADS chapter (sections 495.2 to 495.3.10) do not apply to Cooperating Country National (CCN) or Third-Country National (TCN) Personal Service Contractors (PSCs). For administration of CCN and TCN PSCs, see the [Federal Acquisition Regulations \(FAR\)](#); USAID Acquisition Regulation (AIDAR), including [AIDAR, Appendix J, Direct USAID Contracts with a Cooperating Country National and with a Third-Country National for Personal Services Abroad](#); [ADS 309, Personal Services Contracts with Individuals](#), and [Acquisition and Assistance Policy Directives](#).

This ADS chapter also provides guidance regarding the FSN Advocacy Council (FSN AC) and USAID's FSN-related meetings (see 495.3.11).

495.2

PRIMARY RESPONSIBILITIES

Effective Date: 10/21/2020

- a. **Mission Executive Officers (EXOs)** administer all FSN Direct-Hire personnel. EXOs and their supervised staff are responsible for FSN Direct-Hire operations and for providing relevant materials, advice, and guidance to assist Mission managers, supervisors, and team leaders and perform personnel management responsibilities.
- b. The **Office of Human Capital and Talent Management, Office of Overseas Human Capital Initiatives, Foreign Service National Unit (HCTM/OHCI/FSN Unit)**:
 - Recommends and formulates USAID personnel policy regarding FSN Direct-Hire employees;
 - Manages USAID FSN Direct-Hire position classification, compensation, and benefits programs;
 - Manages the fellowship program that is open to all FSN Direct-Hire employees, and CCNPSCs;
 - Provides support to field Missions on FSN Direct-Hire policy and operational issues;
 - Serves as the Liaison Agent for the FSN Advocacy Council (FSN AC) with Washington-based and Mission stakeholders; and

- Collaborates with the Bureau for Management, Office of Acquisition and Assistance, Policy Division (M/OAAP) in the development of policies concerning CCNs.

c. **The Office of Human Capital and Talent Management, Office of Workforce Planning, Policy, and Systems Management (HCTM/PPSM)** assesses, analyzes, and advises on skill needs; develops workforce projections used to formulate recruitment plans; and formulates and interprets human resources guidelines, policies, and regulations. HCTM/PPSM collects and utilizes workforce data for strategic workforce planning and reporting.

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

e. **The Assistant Administrator for the Bureau for Management (AA/M)** reviews requests for exceptions to the limitations in [ADS 103.3.1.1\(b\)](#) submitted by field Missions.

f. **USAID Mission Supervisors/Team Leaders:**

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

g. FSN Direct-Hire employees:

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

495.3 POLICY DIRECTIVES AND REQUIRED PROCEDURES**495.3.1 Types of Employment and Recruitment**

Effective Date: 10/21/2020

Historically, USAID recruited and engaged FSNs to work in USAID Missions under Direct-Hire appointments. Engagement of new FSN Direct-Hire employees was discontinued decades ago. Current FSN Direct-Hires remain in this status until they are either separated or retire from USAID.

USAID currently uses only personal services contracts to fill new CCN positions. When FSN Direct-Hire employees separate, either through retirement or for other reasons, their continuing position will be converted to a CCN position. If an FSN Direct-Hire employee applies for and is selected for a **CCN** position, the employee must agree to accept a personal services contract, unless the employee is currently enrolled in the U.S. Civil Service Retirement System (CSRS) and requests to remain in Direct-Hire status in order to maintain CSRS coverage.

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

495.3.2 Basic Conditions of Employment and Prohibitions

Effective Date: 10/21/2020

For FSN Direct-Hire employees, applicable policies and procedures for conditions of

employment are outlined in [3 FAM 7000, Overseas Employment](#). Direct-Hire employees are subject to the requirements in [3 FAM 7130, Medical](#).

- a. USAID Mission EXOs must ensure that all FSN Direct-Hire staff understand that they are covered by the Standards of Conduct and Ethics rules that apply to U.S. Federal employees; that they have received and understand the USAID Standards of Conduct; and that they have met Agency conflict of interest requirements prior to employment.
- b. Funds for social security, retirement, pension, vacation, or other cooperating country programs as required by local law will be deducted and withheld in accordance with laws and regulations and rulings of the cooperating country or any agreement concerning such withholding entered into between the cooperating government and the United States.
- c. Direct-Hire FSN employees are prohibited from striking against the U.S. Government as stated in [3 FAM 7224.2-5, Prohibition Against Striking](#). Such participation is grounds for immediate dismissal.

495.3.3 Assignments, Transfers, Details, and TDYs

Effective Date: 06/15/2017

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

495.3.4 Delegations of Authority for FSN Direct-Hires

Effective Date: 10/21/2020

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

495.3.5 Position Classification and Compensation

Effective Date: 10/21/2020

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

- a. [3 FAM 7310, FSN Position Classification and Position Management](#)
The Department of State and USAID jointly classify and manage the FSN Direct-Hire position classification and management system using joint local compensation plans. The Embassy's Human Resources Officer or Management Officer classifies FSN Direct-Hire positions and administers the

classification system in consultation with the HCTM/OHCI/FSN Unit and the Mission EXO.

- b. [3 FAM 7330, Position Classification and Management Evaluation](#)
- c. [3 FAM 7340, FSN Position Classification Appeals](#)
- d. [3 FAM 7350, Pay Administration](#)
- e. [3 FAM 7360, General Policy and Authority](#)
- f. [3 FAM 7380, Within-Grade Increases](#)
- g. [3 FAM 7390, Downgradings](#)

495.3.6 Employee Attendance and Leave
 Effective Date: 10/21/2020

The regulations in the table below describe the policies and required procedures for attendance and leave for FSN Direct-Hire employees.

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

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

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

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

495.3.8 Employee Benefits, Disciplinary Actions, Separations, and Re-employment

Effective Date: 10/21/2020

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

Policy	FSN Direct-Hire
Employee Benefits	3 FAM 7710
Emergency Health and Accident Coverage	ADS 496, FSN Health and Accident Coverage
Disciplinary Actions	3 FAM 7720
Employee Separations	3 FAM 7730 and ADS 451, Separations and Exit Clearance
Claims for Private Personal Property Losses	3 FAM 7750
FSN Employee Affairs Committee	Employees are entitled to participate

495.3.9 Personnel Records Management and Reporting

Effective Date: 10/21/2020

- a. The official file for FSN Direct-Hire employees is the Official Personnel File (OPF). These files must be maintained at Post and are the legal record of employment.
- b. The official personnel records of all FSN Direct-Hire employees must be disposed of in accordance with the Agency's records disposition policy and procedures contained in [ADS 502.3.6.1](#).
- c. Missions EXOs must ensure that their staffing pattern includes all Mission positions and personnel, regardless of employment mechanism and is updated in the Agency designated HR systems/databases (*i.e.*, OPS, etc.) by processing changes (add or drop positions, changes in hiring types, etc.). Missions must have their personnel data ready for extraction by HCTM/PPSM by the end of the pay period in which it is effective.

495.3.10 Employee-Management Relations

Effective Date: 10/21/2020

For FSN Direct-Hire employees, employee-management relations will be administered in compliance with Post Grievance Procedures.

495.3.11 Foreign Service National Advocacy Council and FSN Conferences

Effective Date: 10/21/2020

FSN Direct-Hire employees and CCNs are eligible to participate in the FSN Advocacy Council (FSN AC). The FSN AC provides a voice and a platform for all USAID FSN Direct-Hires and CCNs. It promotes greater participation of FSN Direct-Hires and CCNs through more active involvement in the Agency's strategic direction and operations. The FSN AC meets with Agency leadership on a quarterly basis to inform and provide advice on Agency FSN and CCN initiatives.

The FSN AC is composed of FSN Direct-Hires and CCNs. The Council is co-chaired by either a Washington-based Senior Foreign Service Officer (*i.e.*, Counselor to the Agency) or a senior HCTM staff member. The Council is coordinated by the HCTM/OHCI/FSN Unit and has a designated Washington-based Officer who acts as the primary liaison for the AC, its members and the Agency leadership. Bureaus should have points of contact dedicated to supporting their AC Regional Representatives. The members are elected by the Agency's FSN Direct-Hire and CCNPSC community.

The following FSN conferences, led by HCTM in cooperation with Regional Bureaus, the FSN Advocacy Council, and others, aim to strengthen FSN and CCN capacity to contribute to Agency and Bureau goals, enhance employee development, and develop and maintain professional networks of FSNs and CCNs. FSN Direct-Hires and CCNs are eligible to participate in Regional and Global conferences.

- a. The Global FSN Conference should be held every two years after the new FSN AC is elected. The main goals of this conference are to: (1) establish connections and foster relationships between FSNs globally and their Regional Bureau counterparts to advance Agency priorities; (2) elect new FSN AC members and connect the representatives with their constituencies; and (3) develop an AC strategy and framework to include work-plans for identified pillars that advance global FSN priorities and objectives.
- b. The Regional FSN conferences should be held every other year, in years when the Global FSN Conference is not held. The main objectives of these conferences are to: (1) increase FSN knowledge of how regional development trends and priorities advance Agency goals; (2) share key, current information and best practices; and (3) identify regional FSN issues and share the top priorities with the FSN AC, the Bureau representatives, and Washington leadership.

495.3.12 Fellowship Program

Effective Date: 06/15/2017

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

495.3.13 Foreign Service National Committees

Effective Date: 10/21/2020

Every Mission is required to have an FSN Committee representing FSNs and CCNs. Each Committee should have a charter establishing membership and all policies related to the Committee. The FSN Committee serves as a liaison with the FSN community, Mission Leadership, Embassy Management and Front Office, FSN AC, and HCTM/OHCI/FSN Unit, and in any instances where FSN perspectives are requested or needed. FSN Committee members primarily represent USAID FSNs and CCNs and should be part of the larger interagency FSN/Locally Engaged Staff Committee at post, where such Committees exist. FSN Committees are systematically engaged in FSN-specific matters, but are also encouraged to participate in broader strategic, technical, or operations discussions, as deemed appropriate by the Mission Director.

Mission Management (EXOs and/or Front Office) must meet quarterly with the FSN Committee to discuss concerns and priorities of FSNs at post.

FSN Committees will coordinate with Mission Management to meet at a minimum, biannually, with all USAID FSN staff at post to discuss concerns and priorities. The FSN Committee will track and follow up on all actions resulting from these meetings.

495.4 MANDATORY REFERENCES**495.4.1 External Mandatory References**

Effective Date: 10/21/2020

- a. [3 FAM 7000 Overseas Employment](#)
- b. [3 FAM 7130 Medical](#)
- c. [3 FAM 7224.2-5 Prohibition Against Striking](#)
- d. [3 FAM 7231 Direct-Hire Appointment](#)
- e. [3 FAM 7240, Appointment](#)
- f. [3 FAM 7250, Assignments, Transfers, and Details](#)
- g. [3 FAM 7330, Position Classification and Management Evaluation](#)
- h. [3 FAM 7340, FSN Position Classification Appeals](#)
- i. [3 FAM 7350, Pay Administration](#)
- j. [3 FAM 7360, General Policy and Authority](#)

- k. [3 FAM 7380, Within-Grade Increases](#)
- l. [3 FAM 7390, Downgradings](#)
- m. [3 FAM 7410, Establishment of Workweeks](#)
- n. [3 FAM 7420, Time and Attendance Reports](#)
- o. [3 FAM 7430, Annual and Sick Leave](#)
- p. [3 FAM 7440, Holidays](#)
- q. [3 FAM 7450, Excused Absences](#)
- r. [3 FAM 7460, Leave without Pay](#)
- s. [3 FAM 7470, Absence without Leave \(AWOL\)](#)
- t. [3 FAM 7480, Leave Records](#)
- u. [3 FAM 7610, Performance Evaluation](#)
- v. [3 FAM 7620, Incentive Awards](#)
- w. [3 FAM 7630, Training](#)
- x. [3 FAM 7710, Locally Employed Staff Benefits under U.S. Law](#)
- y. [3 FAM 7711, Civil Service Retirement System \(CSRS\)](#)
- z. [3 FAM 7720, LE Employee Disciplinary Actions](#)
- aa. [3 FAM 7730, LE and FSN Employee Separations](#)
- ab. [3 FAM 7750, Claims for Private Personal Property Losses](#)
- ac. [13 FAM 510, Training for Foreign Service Nationals](#)
- ad. [5 CFR Part 2635](#)

495.4.2 Internal Mandatory References

Effective Date: 10/21/2020

- a. [ADS 103, Delegations of Authority](#)
- b. [ADS 309, Personal Services Contracts with Individuals](#)

- c. [ADS 451, Separations and Exit Clearance](#)
- d. [ADS 495maa, Foreign Service National Fellowship Program](#)
- e. [ADS 496, FSN Health and Accident Coverage \(HAC\)](#)
- f. [ADS 502, The USAID Records Management Program](#)
- g. [USAID Acquisition Regulation \(AIDAR\)](#)

495.5 ADDITIONAL HELP
Effective Date: 06/15/2017

There are no Additional Help documents for this chapter.

495.6 DEFINITIONS
Effective Date: 10/21/2020

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

cooperating country (see also host country and local country)
The country receiving the USAID assistance. (Chapter [305](#), [322](#), [495](#))

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

A Foreign Service National (FSN), as defined in 3 FAM 7000, is not a CCNPSC. (Chapter [309](#) and [495](#))

Foreign Service National Direct-Hire
A non-U.S. citizen employee hired by a USAID Mission abroad, whether full- or part-time, intermittent or temporary, who is paid under the local compensation plan (LCP), and who was appointed under the authority of the Foreign Service Act of 1980, as amended (the Act). (Chapter [495](#))

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

host country
The country in which the USAID Mission is located, and the country for whose benefit a

USAID program is being implemented. The country in which a USAID-funded activity takes place. (**Chapters [252](#), [301](#), [305](#), [322](#), 495**)

Local Compensation Plan (LCP)

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

Position Classification

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

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