



U.S. General Services Administration (GSA)

GSA Order: Superior Qualifications and Special Needs Pay Setting Authority

HRM 9531.1C

Office of Human Resources Management

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Purpose

This Order issues and transmits GSA's policy governing the use of the Superior Qualifications and Special Needs Pay Setting Authority (SQA).

Background

This version of the Order continues to implement Presidential Executive Order (E.O.) 14151, *Ending Radical and Wasteful Government DEI Programs and Preferencing*, 90 FR 8339 (January 29, 2025) as well as E.O. 14148, *Initial Rescissions of Harmful Executive Orders and Actions*, 90 FR 8237 (January 28, 2025). Both of these executive orders rescinded E.O. 14035, *Diversity, Equity, Inclusion, and Accessibility in the Federal Workforce*, June 25, 2021.

The civil service regulations that govern this policy Government-wide are generally found codified within 5 C.F.R. § 531.212, *Superior qualifications and special needs pay-setting authority*. However, this agency Order does not apply the regulatory changes promulgated by 89 FR 5737, January 30, 2024, *Advancing Pay Equity in Governmentwide Pay Systems*, due to the superseding Executive Orders 14148 and 14151, mentioned above. The 2024 final rule's language, still reflected in the codified CFR, required agencies to target pay setting to the outcomes from prior pay setting decisions and also prohibited the consideration of private sector salary history.

Applicability

This authority applies to GS appointees who have superior qualifications or who meet a special agency need, and who are entering the Federal service for the first time or are returning to Federal employment after a break in service of at least 90 calendar days from their last period of Federal employment. Limited exceptions to the 90-day limitation rule are provided for within 5 CFR §§ 531.212(a)(3), (4), and (5).

The Office of Inspector General (OIG) has independent personnel authority. See Section 6(a)(7) of the Inspector General Act of 1978, (5 U.S.C. App. 3), as amended (the Inspector General is authorized to: "select, appoint, and employ, such officers and employees as may be necessary for carrying out the functions, powers, and duties of Office of Inspector General").

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1. Introduction

This order provides policy for requesting and authorizing a Superior Qualifications Appointment (SQA) to a General Schedule (GS) position in accordance with the provisions of Title 5 United States Code, section 5333 and the Code of Federal Regulations (CFR), 5 CFR Part 531, Subpart B. When this issuance is silent on any aspect of the SQA, regulations within 5 CFR Part 531, as well as OPM guidance, will govern.

The SQA authority was created by section 801 of Pub. L. 88-426, the *Government Employees Salary Reform Act of 1964*, 78 Stat. 401 (August 14, 1964). The original purpose of this amendment to the Classification Act of 1923 was to “provide for such considerations as the candidate's existing salary, unusually high or unique qualifications, or a special need of the Government for his services.” Originally limited to positions at GS-13 and above, this grade restriction was first lowered to GS-11 by subsequent amendment in 1967 and then eventually was removed altogether. Requesting officials who seek to use this authority should consider its original statutory intent, that is, usually limited to experienced candidates and most often used to match an existing non-Government salary.

2. References

- Title 5 United States Code, section 5333
- Title 5, Code of Federal Regulations (CFR), Part 531, Subpart B
- 5 C.F.R. § 531.212, *Superior qualifications and special needs pay-setting authority*.

3. Definitions

3.1. Approving official.

While Heads of Services and Staff Offices (HSSO's) have delegated decision-making authority under Order 5450.39 ADM, *GSA Delegations Manual*, the Chief Human Capital Officer (CHCO) is considered the final approving official. The decision of the CHCO can be delegated to the Deputy Chief Human Capital Officer.

3.2. Requesting official.

A supervisor or manager who initiates a request to offer an SQA. The Requesting official must be an official designated as a supervisor and who is at least one level higher than the candidate receiving the incentive.

3.3. Reviewing official.

A management official who serves as the HSSO who is responsible for funds control within an organization or GSA component. This individual has the authority to commit funds for the Requesting official on behalf of the organization.

3.4. Special agency need.

A situation when the agency's mission, goal or mission-critical activity requires a job candidate with a certain type, level, or quality of specialized skills and competencies.

3.5. Superior Qualifications Appointment.

An appointment made at a rate above the minimum pay rate of the appropriate GS grade (i.e. Step 1) under authority of section 5333 of Title 5, United States Code, based upon the superior qualifications of the applicant or a special agency need for the candidate's services.

3.6. Superior Qualifications.

A situation when the level, type, or quality of the candidate's skills or competencies demonstrated through experience and/or education are much higher compared to other candidates or others in the same professional field. The candidate's skills, competencies, experience, education, and/or accomplishments must be relevant to the requirements of the position to be filled. These qualities must be significantly higher than the position's minimum qualifications and/or be of a more specialized quality compared to all other candidates.

4. General Provisions

4.1. The SQA is intended to improve the ability of the Federal Government and GSA to help compete with private sector employers for top-quality candidates. The rate of pay offered under SQA may not exceed that authorized by the applicable pay table (i.e., step 10 of the GS grade to which the candidate is appointed).

4.2. A written determination to authorize a rate of pay above the minimum rate (i.e. Step 1) of the GS grade must be made before the applicant enters on duty in the appointed position.

4.3. Superior qualifications appointments are most commonly used for positions at the journeyman level (i.e., experienced personnel) or for more senior types of positions (i.e. typically GS-12 to 15).

4.4. For entry level positions (usually GS-1 through 9), the candidate's qualifications are usually based upon education (e.g., degrees, certificates, licenses and/or certifications) rather than extensive work experience. In this context, superior qualifications are defined as:

- 4.4.1. An undergraduate or higher degree with a grade point average of 3.5 or higher in a field of study related to the position being filled, and
 - 4.4.2. Education that is in a unique specialty occupation or mission critical job series (e.g., Category Management, Information Technology (Information Security), Acquisitions, etc.) that is needed by the agency and for which prior recruitment efforts have often resulted in limited success.
- 4.5. Use of the SQA authority should be based solely upon merit without consideration of a candidate's race, color, sex, age, religion, national origin, or disability.

5. Criteria for authorizing a SQA

5.1. Standard.

The basis for authorizing SQA pay setting is an agency determination of a candidate's superior qualifications or a special agency need.

5.2. Consideration of a Recruitment Incentive.

The regulations (5 CFR § 531.212(d)) require that the agency must also consider a recruitment incentive. In many circumstances, a lump-sum payment via the recruitment incentive authority may be a much more appropriate use of limited agency funds compared to a permanent pay setting decision found under the SQA authority. Use of an SQA affects a candidate's future career progression through the pay range(s).

5.3. Justification.

To determine the most appropriate pay Step to offer the candidate, the following factors must be considered and addressed in the hiring official's justification (5 CFR § 531.212(c)(2)):

- 5.3.1. The level, type, or quality of the candidate's skills or competencies (i.e. the superior qualifications);
- 5.3.2. Significant disparities between Federal and non-Federal salaries for the skills and competencies required in the position to be filled;
- 5.3.3. Existing labor market conditions and employment trends, including the availability and quality of candidates for the same or similar positions;
- 5.3.4. The success of recent efforts to recruit candidates for the

same or similar positions;

- 5.3.5. Recent turnover in the same or similar positions;
- 5.3.6. The importance/criticality of the position to be filled and the effect on the agency if it is not filled or if there is a delay in filling it;
- 5.3.7. The desirability of the geographic location, duties, and/or work environment associated with the position;
- 5.3.8. Agency workforce needs, as documented in the agency's strategic human capital plan; or
- 5.3.9. Other relevant factors.

6. Determining the rate of pay for a SQA

- 6.1. The Requesting official (i.e. the hiring manager) will prepare a request memorandum and justification for a superior qualifications appointment with the servicing human resources specialist.
- 6.2. The servicing human resources specialist should verify that the justification is sufficient by addressing the consideration factors in this Order and regulation (i.e., 5 CFR § 531.212(c)(2)).
- 6.3. The Requesting official should send the request to the Reviewing official (i.e., the HSSO) for consideration and either approval or denial.
- 6.4. If the HSSO approves the request for SQA pay setting, the package is routed by the human resources specialist for consideration and either approval or denial by the CHCO or Deputy CHCO.
- 6.5. If the CHCO or Deputy CHCO approves use of the SQA authority, the servicing human resources specialist HR will:
 - 6.5.1. Prepare the official job offer letter, noting the approved pay step, and then transmit it to the candidate;
 - 6.5.2. If the candidate accepts the job offer, the human resources specialist will request personnel action processing (i.e., RPA/SF-52) for the appointment and forward the documentation package to the Consolidated Processing Center. The personnel action (SF-50) should include required remark P-04, "Pay set using the superior qualifications and special needs pay-setting authority under 5 CFR 531.212" and a Pay Rate Determinant (PRD) of either "5" or "7," which indicates that the employee is hired at a pay rate above the

minimum rate for the grade.

Note: PRD Code 7 (or 5 if a special rate) is used only on the action that appointed the employee at a superior qualifications rate; code 0 or another appropriate code is used on actions subsequent to the appointment action.

- 6.6. If the request is not approved by the CHCO or Deputy CHCO, the HR office will advise the Requesting official of the reasons for not approving the request and will return the request for recordkeeping purposes. A replacement tentative job offer must then be transmitted to the candidate, for consideration, for either acceptance or rejection.

7. Documentation and Recordkeeping

The administrative records and documentation for the SQA should be maintained for a minimum of 2 years when not the subject of litigation. If it is the subject of litigation, it should be preserved until the matter is fully adjudicated. These records must include the justification documentation. These materials will be made available for review upon request by OPM or authorized agency officials (e.g., as part of Delegated Examining Unit audits and OHRM program reviews) or to an oversight agency (e.g., OIG, EEOC, MSPB, or GAO). These records fall within the purview of National Archives and Records Administration General Records Schedule 2.1, *Employee Acquisition Records*, Job Vacancy Case Files, disposition authority DAA-GRS 2017-0011-0002.

Appendix A. Checklist and Approval Form

CHECKLIST AND APPROVAL FORM (for Servicing HR Office Review)	
NAME:	YES/NO
QUALIFICATIONS	
1. Does the written justification show that the candidate's qualifications are demonstrably superior to what would be expected of a well-qualified candidate?	<input type="radio"/> Yes <input type="radio"/> No
OR	
2. Does the written justification and resume clearly show the candidate has a unique education and/or experience that meets a special need of the agency?	<input type="radio"/> Yes <input type="radio"/> No

<p>JUSTIFICATION</p> <p>Does it address the following factors?</p> <p>(i) The level, type, or quality of the candidate's skills or competencies;</p> <p>(ii) Significant disparities between Federal and non-Federal salaries for the skills and competencies required in the position to be filled;</p> <p>(iii) Existing labor market conditions and employment trends, including the availability and quality of candidates for the same or similar positions;</p> <p>(iv) The success of recent efforts to recruit candidates for the same or similar positions;</p> <p>(v) Recent turnover in the same or similar positions;</p> <p>(vi) The importance/criticality of the position to be filled and the effect on the agency if it is not filled or if there is a delay in filling it;</p> <p>(vii) The desirability of the geographic location, duties, and/or work environment associated with the position;</p> <p>(viii) Agency workforce needs, as documented in the agency's strategic human capital plan; or</p> <p>(ix) Other relevant factors.</p>	<p><input type="radio"/> Yes</p> <p><input type="radio"/> No</p>
<p>Is all required documentation provided?</p> <p><input type="radio"/> Justification memorandum</p> <p><input type="radio"/> Copy of Position Description</p> <p><input type="radio"/> Candidate's resume package</p> <p><input type="radio"/> Vacancy announcement advertising the position and identification of other recruitment sources</p> <p><input type="radio"/> All certificates referred to the manager for selection</p>	<p><input type="radio"/> Yes</p> <p><input type="radio"/> No</p>

