OFFICE OF THE SECRETARY OF DEFENSE
WASHINGTON, DC 20301

DEC 2 3 2008

MEMORANDUM FOR SECRETARIES OF THE MILITARY DEPARTMENTS
DIRECTORS OF THE DEFENSE AGENCIES

SUBJECT: Implementation of Expedited Hiring Authority for Acquisition Positions in Accordance with Subsection 1705(h) of Title 10, United States Code (U.S.C.), as amended by Section 833 of the Duncan Hunter National Defense Authorization Act for Fiscal year 2009 (2009 NDAA), Public Law 110-417

You are hereby delegated the authority and responsibility under subsection 1705(h) of Title l0, U.S.C, as amended by section 833 of the 2009 NDAA, and in accordance with 5 U.S.C. 3304(a)(3), to appoint highly qualified individuals to shortage category positions in the career fields and at the levels identified in this delegation. When making appointments to positions covered under this delegation, you must apply the merit principles, and adhere to public notice requirements and displaced employee program procedures, in accordance with the attached implementation guidance.

At this time, the shortage category positions covered under this delegation are those positions designated pursuant to the Defense Acquisition Workforce Improvement Act (DAWIA) at the mid-level (YA-2 and comparable levels) and higher level (YA-3 and comparable levels), but not Senior Level, Senior Technical or Senior Executive Service, in the following DAWIA career fields: Auditing (AUD), Business, Cost Estimating, Financial Management (BCEFM), Contracting (CON), Facilities Engineering (FE), Information Technology (IT), Life Cycle Logistics (LCL), Production, Quality and Manufacturing (PQM), Program Management (PM), Quality Control and Assurance (QA), Science and Technology Management (S&T), Systems Planning, Research, Development, Engineering and Testing (SPRDE), and Test and Evaluation (T&E). The staffs of the Deputy Under Secretary of Defense (Civilian Personnel Policy), and the Under Secretary of Defense for Acquisition, Technology and Logistics (USD(AT&L)) are committed to the development of an expedited hiring process for entry level positions pursuant to the subject authority, which should be available for pilot in early calendar year 2009.

Requests to include additional positions and/or grade levels under this authority must be submitted to the Civilian Personnel Management Service, via the Director Human Capital Initiatives, Office of the USD(AT&L), and must include the data delineated in enclosure (1) of the attached implementation guidance.

Although the delegated appointment authority expires on September 30, 2012, the Department will assess its usage annually, and may rescind the authority should conditions warrant. Assessment of the authority will be based, in part, on DoD Component data required to be submitted by Section IX of the attached implementation guidance.

You may re-delegate this authority in writing.

John J. Young, Jr.
Under Secretary of Defense
Acquisition, Technology and Logistics

David S. C. Chu
Under Secretary of Defense
Personnel and Readiness

Attachment:
As stated

IMPLEMENTATION GUIDANCE FOR EXPEDITED HIRING AUTHORITY FOR ACQUISITION POSITIONS

I. Authority

A. Subsection 1705(h) of Title 10, United States Code (U.S.C.), as amended by Section 833 of Public Law 110-417 – Duncan Hunter National Defense Authorization Act (NDAA) FY 2009, provides that the Secretary of Defense may designate any category of acquisition positions within the Department of Defense as shortage category positions and utilize the authorities in sections 3304, 5333 and 5753 of title 5, United States Code, to recruit and appoint highly qualified persons directly to positions so designated.

B. The authority to appoint highly qualified individuals under the expedited hiring authority to shortage category positions is delegated to DoD Component Heads and Defense Agencies with independent appointing authority for themselves and their serviced organizations. This authority may be further re-delegated in writing.

C. This authority may be used to appoint individuals directly to shortage category acquisition positions for which the candidate is a participant in the Science, Mathematics, and Research for Transformation (SMART) Defense Education Program under section 2192a of title 10, United States Code.

D. Appointments under this authority may not be made after September 30, 2012. An annual assessment of the usage of the authority will be conducted annually, at the start of the Fiscal Year (FY), beginning FY10, to ensure that conditions warrant its usage through FY 12.

II. Use of Expedited Hiring Authority. The following principles shall be followed when exercising this authority:

A. Comply with all relevant laws to the extent that DoD is not exempted from such laws.

B. Adhere to displaced employee procedures.

C. Adhere to merit principles (5U.S.C.).

D. Continue to make employment offers to highly qualified candidates with veterans' preference whenever practicable.

III. Shortage Category Acquisition Positions – For purposes of this delegation, shortage category positions are defined as: Positions at the mid-level (YA-2 and comparable

levels) and higher level (YA-3 and comparable levels), but not Senior Level, Senior Technical or Senior Executive Service, and which are positions designated pursuant to section 1721 of title 10, U.S.C., the Defense Acquisition Workforce Improvement Act (DAWIA) in the following career fields:

A. Auditing (AUD)

B. Business, Cost Estimating, Financial Management (BCEFM)

C. Contracting (CON)

D. Facilities Engineering (FE)

E. Information Technology (IT)

F. Life Cycle Logistics (LCL)

G. Production, Quality and Manufacturing (PQM)

H. Program Management (PM)

I. Quality Control and Assurance (QA)

J. Science and Technology Management (S&T)

K. Systems Planning, Research, Development, Engineering and Testing (SPRDE)

L. Test and Evaluation (T&E)

IV. Definitions

A. Highly Qualified (HQ) individuals are defined as individuals who:

1. Meet the minimum standards for the position as published in OPM's operating manual, "Qualification Standards for General Schedule Positions," and DoD qualification standards specific to the position to be filled;

2. Meet any selective placement factors;

3. Are determined through a documented assessment to be HQ and are referred to management for consideration and possible selection (a HQ determination can be made through assessment of candidates' experience and competencies

against a Quality Ranking Factor, which is derived through a documented job analysis, or by an alternative, valid process, as established by the Component); and

4. Meet or will meet DAWIA certification requirements, within required timeframe, for appointment to the position being filled.

V. Announcement Process –

A. Components will comply with public notice requirements. Public notification can be on a one-time basis or via an open continuous announcement.

B. When using vacancy announcements, Components must use announcements that are concise, easily understood and user-friendly. The use of the Office of Personnel Management (OPM) announcement template for 1102 series positions, found on the OPM web-site, should be modeled in developing such vacancy announcements.

1. Components will establish procedures for recruiting that will ensure the identification of highly qualified individuals for referral to management for selection and appointment.

2. Potential applicants should have ready access to information about when, where, and how to apply for acquisition positions, and the basis on which they will be assessed to meet the HQ criteria.

VI. Merit Principles (5 U.S.C.)

A. Recruitment should be from qualified individuals from appropriate sources in an endeavor to achieve a workforce from all segments of society, and selection and advancement should be determined solely on the basis of relative ability, knowledge, and skills, which assures that all receive equal opportunity.

B. Components must ensure transparency in hiring processes.

VII. Appointing Authority – Individuals appointed under this policy will be given appointments using "Z5C/Direct-Hire Authority (Cite DoD authority and date)." Z5C will be used for Nature of Action Codes (NOACs) 100, 101, 500, 501, 515, 108, 508, 120 and 520. Actions will be processed in the Defense Civilian Personnel Data System (DCPDS).

VIII. Oversight and Accountability –

A. The USD(P&R) and the USD(AT&L) are jointly responsible for this expedited hiring authority, the determination of shortage category positions, and the development of implementing guidance and policies.

B. OUSD(AT&L) Director of Human Capital Initiatives, also serving as the OSD Functional Community Manager (FCM) for Acquisition, is responsible for oversight, accountability, and reporting for the acquisition community.

C. DoD Component Heads are responsible for oversight, accountability and reporting for their respective component in coordination with their respective FCMs and DoD Component Acquisition Executives (CAEs).

D. DoD Component Heads shall provide information and data on the use of this appointing authority when requested by the Civilian Personnel Management Service (CPMS).

E. Full documentation for appointments made under this authority, sufficient to allow reconstruction of the action, must be maintained.

F. DoD CAEs will provide oversight, accountability and reporting for their respective acquisition community on issues such as workforce planning, expanded recruitment strategies and the use of recruitment incentives. The CAEs will provide information, as requested, to the USD (AT&L) via the Acquisition FCM.

G. CPMS shall oversee and monitor use of this authority throughout the DoD and report, as appropriate, to the Office of Personnel Management.

H. Appointments under this authority will be evaluated as part of the DoD Human Capital Accountability Framework.

IX. Reports.

A. Components must provide the information below to CPMS, via the Director, Human Capital Initiatives, USD (AT&L), quarterly beginning March 1, 2009. Information should be developed with input of the Component Acquisition FCM and Human Resources staff.

a. Number of employees hired under the authority by position title, series and grade/Pay Band

b. Race, Gender, Age, National Origin of those selected

c. Number of Veterans Hired

d. Use of incentives in conjunction with the authority, e.g., recruitment/relocation incentives; student loan repayments

e. Effectiveness of the authority in meeting Component staffing needs, i.e., did it facilitate the reduction of number of vacancies by title, series, grade

B. Components must provide a recruitment plan to CPMS, via the Director, Human Capital Initiatives, USD (AT&L), by 1 February 2009. The plan should be developed with input of the Component Acquisition FCM and Human Resources staff, and should address: 1) the numbers to be recruited; 2) the types and grades of positions to be recruited; 3) specific recruitment strategies and sources.

SUPPORTING DOCUMENTATION
FOR ADDITIONAL
ACQUISITION SHORTAGE CATEGORY POSITIONS

The following data, at a minimum, must be submitted to support a request for inclusion of additional positions as shortage category under this authority. Information must be provided to the Civilian Personnel Management Service, via USD (AT&L).

Current Recruitment Needs

- Numbers of positions being recruited
- Attempts to recruit and results
- Attempts to incentivize candidates and result of the incentives on recruitment success

OR

Projected Recruitment Needs

- Projected Retirements
- Projected Turnover
- Existing gap in numbers or skills
    - Percentage of past attrition that contributed to the gap
    - Increased workload that is contributing to the gap, e.g., Gansler Report cites workload in Iraq requires a 1000 new positions

Supply Gap

- Vacancy lapse rate, i.e., inability to find HQ applicants leads to inability to fill positions
- Market data analysis shows the number of available applicants with the necessary HQ skills is lower than the demand

Past Recruitment Efforts and evidence of the ineffectiveness, e.g.,

- Job fairs
- Incentives (3Rs)
- Student Loan Repayment