



UNDER SECRETARY OF DEFENSE
4000 DEFENSE PENTAGON
WASHINGTON, D.C. 20301-4000

JUL 19 2018

MEMORANDUM FOR CHIEF MANAGEMENT OFFICER OF THE DEPARTMENT OF
DEFENSE
SECRETARIES OF THE MILITARY DEPARTMENTS
CHAIRMAN OF THE JOINT CHIEFS OF STAFF
UNDER SECRETARIES OF DEFENSE
CHIEF OF THE NATIONAL GUARD BUREAU
GENERAL COUNSEL OF THE DEPARTMENT OF DEFENSE
DIRECTOR OF COST ASSESSMENT AND PROGRAM
EVALUATION
INSPECTOR GENERAL OF THE DEPARTMENT OF DEFENSE
DIRECTOR OF OPERATIONAL TEST AND EVALUATION
CHIEF INFORMATION OFFICER OF THE DEPARTMENT OF
DEFENSE
ASSISTANT SECRETARY OF DEFENSE FOR LEGISLATIVE
AFFAIRS
ASSISTANT TO THE SECRETARY OF DEFENSE FOR PUBLIC
AFFAIRS
DIRECTOR OF NET ASSESSMENT
DIRECTORS OF DEFENSE AGENCIES
DIRECTORS OF DOD FIELD ACTIVITIES

SUBJECT: Extension of Temporary Direct-Hire Authority for Domestic Defense Industrial
Base Facilities and the Major Range and Test Facilities Base in the Department of
Defense

References: (a) Section 1102 of the National Defense Authorization Act of Fiscal Year 2018,
Public Law 115-91
(b) Under Secretary of Defense for Personnel and Readiness memorandum,
“Temporary Direct- hire Authority for Domestic Defense Industrial Base
Facilities and the Major Range and Test Facilities Base in the Department of
Defense,” dated June 1, 2017 (copy attached)

Pursuant to reference (a), this memorandum amends reference (b) to extend the authority
to use the temporary Direct-Hire Authority through September 30, 2021. This memorandum
also amends reference (b) by changing the Legal Authority Code/Legal Authority in section 5 of
reference (b) to: Z5CU/Direct-Hire Authority (Domestic DIB, MRTFB), Sec 1102, PL 115-91,
12/12/2017

This memorandum further amends reference (b) by adding a new section 7 as follows:

7. Reporting. Department of Defense Components must report annually to the Defense Civilian Personnel Advisory Service by October 31 of each year. Reports should be developed with input from the Domestic Defense Industrial Base Facilities, Major Range and Test Facilities Base, and Human Resources Specialists, and should include the following:

a. Description of the effectiveness of this authority on the management of the Department's civilian workforce during the most recently ended fiscal year; and

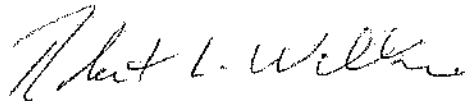
b. The number of employees:

(1) Hired pursuant to this authority during the most recently ended fiscal year by position, series, and grade/pay band; and

(2) Expected to be hired pursuant to this authority during the current fiscal year by position, series, and grade/pay band.

All remaining provisions of reference (b) remain in effect.

For more information, my point of contact is Ms. Hong Miller, Associate Director, Employment and Compensation, Defense Civilian Personnel Advisory Service, whom you may reach at (571) 372-1536 or email at hong.v.miller.civ@mail.mil.



Robert L. Wilkie

Attachment:
As stated



PERSONNEL AND
READINESS

OFFICE OF THE UNDER SECRETARY OF DEFENSE
4000 DEFENSE PENTAGON
WASHINGTON, D.C. 20301-4000

JUN 1 2017

MEMORANDUM FOR SECRETARIES OF THE MILITARY DEPARTMENTS
CHAIRMAN OF THE JOINT CHIEFS OF STAFF
UNDER SECRETARIES OF DEFENSE
DEPUTY CHIEF MANAGEMENT OFFICER
CHIEF, NATIONAL GUARD BUREAU
GENERAL COUNSEL OF THE DEPARTMENT OF DEFENSE
DIRECTOR OF COST ASSESSMENT AND PROGRAM
EVALUATION
INSPECTOR GENERAL OF THE DEPARTMENT OF DEFENSE
DIRECTOR OF OPERATIONAL TEST AND EVALUATION
CHIEF INFORMATION OFFICER OF THE DEPARTMENT OF
DEFENSE
ASSISTANT SECRETARY OF DEFENSE FOR LEGISLATIVE
AFFAIRS
ASSISTANT TO THE SECRETARY OF DEFENSE FOR PUBLIC
AFFAIRS
DIRECTOR OF NET ASSESSMENT
DIRECTOR, STRATEGIC CAPABILITIES OFFICE
DIRECTORS OF DEFENSE AGENCIES
DIRECTORS OF DOD FIELD ACTIVITIES

SUBJECT: Temporary Direct-Hire Authority for Domestic Defense Industrial Base Facilities
and the Major Range and Test Facilities Base in the Department of Defense

Section 1125(a) and (c) of the National Defense Authorization Act for Fiscal Year 2017 allows the Secretary of Defense to directly appoint qualified candidates to positions in the competitive service within the DoD at any domestic defense industrial base facility or Major Range and Test Facilities Base for GS-15 and below (or equivalent pay grades), and Federal Wage System, without regard to chapter 33, subchapter I of title 5, U.S. Code (U.S.C.), other than sections 3303 and 3328 of such title. Sections 3321, 3323, and 3326 of chapter 33, subchapter I of title 5, U.S.C., and corresponding Code of Federal Regulations provisions related to selection and appointment, remain in effect.

The attachment to this memorandum provides implementing procedures for the use of this authority.

For more information, my point of contact is Ms. Megan Maciejewski, Acting Chief, Staffing Policy Division, Defense Civilian Personnel Advisory Service, whom you may reach at (571) 372-1538 or by email at megan.e.maciejewski.civ@mail.mil.

A. M. Kurta
Performing the Duties of the Under Secretary of
Defense for Personnel and Readiness

Attachment:
As stated

TEMPORARY DIRECT-HIRE AUTHORITY FOR
DOMESTIC DEFENSE INDUSTRIAL BASE FACILITIES AND
THE MAJOR RANGE AND TEST FACILITIES BASE IN
THE DOD IMPLEMENTATION PROCEDURES

1. Authority.

a. Section 1125(a) and (c) of the National Defense Authorization Act (NDAA) for Fiscal Year (FY) 2017 provides that, during FYs 2017 and 2018, the Secretary of Defense may appoint qualified candidates to positions in the competitive service in the DoD at any domestic defense industrial base facility or Major Range and Test Facilities Base without regard to chapter 33, subchapter I of title 5, U.S. Code (U.S.C.), other than sections 3303 and 3328 of such title. Sections 3321, 3323, and 3326 of chapter 33, subchapter I of title 5, U.S.C., and corresponding Code of Federal Regulations provisions related to selection and appointment, remain in effect.

(1) The authority to appoint qualified persons under this direct-hire authority (DHA) is delegated to Secretaries of the Military Departments, Directors of the Defense Agencies, and Directors of the DoD Field Activities with independent appointing authority for themselves and their serviced organizations as defined in their respective DoD chartering directives [hereafter referred to as "DoD Components"].

(2) Appointments under this authority may not be made after September 30, 2018, unless it is extended by future legislation. DoD Components must maintain records on their use of this authority for themselves and for their serviced organizations until the authority expires.

2. Use of Direct-Hire Authority. DHA enables the Department to recruit and appoint qualified persons directly without applying competitive rating and ranking procedures. The following principles shall be followed when exercising this authority:

- a. A highly-qualified workforce is critical to the Department's mission.
- b. Recruitment efforts should be expansive enough to be designed to attract a diverse candidate pool.
- c. Merit factors shall be the basis for selecting individuals for positions. All personnel programs and practices shall be administered in accordance with DoD Directive 1020.02E, "Diversity Management and Equal Opportunity in the DoD."
- d. DoD Components must ensure transparency, accountability, and auditability in hiring processes.

3. Definitions. For the purposes of section 1125(a) and (c) of the NDAA for FY 2017:

- a. "qualified candidates" are defined as individuals who:

(1) Meet the minimum standards for the position as published in the applicable Office of Personnel Management qualification standard and any DoD qualification standards specific to the position to be filled; and

(2) Meet any selective placement factor(s) and/or competencies identified as necessary for appointment to the position.

b. "Defense Industrial Base Facility" means any DoD depot, arsenal, or shipyard located within the U.S.

c. "Major Range and Test Facilities Base" means those ranges and facilities which, pursuant to DoD Instruction 3200.18, "Management and Operation of the Major Range and Test Facility Base," comprise the list that is published and disseminated, at least annually, by the Director, Test Resource Management Center.

4. Announcement and Assessment Process.

a. If using vacancy announcements, DoD Components must use job opportunity announcements that are concise and easily understood.

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

(2) Potential applicants should have ready access to information about how to apply for positions, and the basis on which they will be assessed to meet the qualifying criteria.

b. DoD Components will assess candidates against job-related criteria, ensuring they have the skills and behavioral attributes that lead to success.

(1) Selectees for entry level positions requiring the Administrative Careers With America (ACWA) assessment must be assessed using the most recent, streamlined ACWA examination or a validated alternative assessment instrument (e.g., select USA HIRE assessments).

5. Appointing Authority. Appointments may be made on a permanent, term, or temporary basis using the following Legal Authority Code/Legal Authority:

Z5CJ/Direct-Hire Auth (Domestic DIB, MRTFB), Sec 1125(a) and (c), PL 114-328,
12/23/2016

6. Oversight and Accountability. Within the scope of this authority, each DoD Component is responsible for determining the appropriate use of this authority relating to recruitment needs, and coverage for specific occupational series, in the GS or Federal Wage System (or equivalent pay bands/levels), but not for positions above GS-15 (or comparable levels), such as Senior Executive Service positions, ensuring implementation is in accordance with merit system principles and applicable collective bargaining agreements.

a. The Under Secretary of Defense for Personnel and Readiness is responsible for the development of implementing guidance and policies, in consultation with the Under Secretary of Defense for Acquisition, Technology and Logistics, and the Director, Test Resource Management Center.

b. Defense Civilian Personnel Advisory Service will oversee and monitor use of this authority throughout the Department and ensure compliance with reporting requirements on the use of this authority, if any.

c. The Secretaries of the Military Departments, Directors of the Defense Agencies, and Directors of the DoD Field Activities, or their designees, are responsible for oversight, accountability, and reporting for their respective DoD Component.

d. Documentation for appointments made under this authority must be sufficient to allow reconstruction of actions taken and must be maintained for a time frame consistent with other appointing authorities.

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