



PERSONNEL AND
READINESS

OFFICE OF THE UNDER SECRETARY OF DEFENSE

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WASHINGTON, D.C. 20301-4000

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MEMORANDUM FOR CHIEF MANGEMENT OFFICER OF THE DEPARTMENT OF
DEFENSE
SECRETARIES OF THE MILITARY DEPARTMENTS
CHAIRMAN OF THE JOINT CHIEFS OF STAFF
UNDER SECRETARIES OF DEFENSE
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DIRECTORS OF DEFENSE AGENCIES
DIRECTORS OF DOD FIELD ACTIVITIES

SUBJECT: Temporary Direct-Hire Authority for Childcare Services Providers for Department
Child Development Centers

Section 559 of the National Defense Authorization Act for Fiscal Year 2018 allows the Secretary of Defense to appoint, without regard to subchapter I of chapter 33 of title 5, United States Code (U.S.C.), qualified childcare services providers in the competitive service if the Secretary determines that there is a critical hiring need for childcare services providers for Department of Defense (DoD) child development centers and there is a shortage of childcare services providers. This authority expires September 30, 2021. Sections 3303, 3323, 3326, and 3328 of title 5, U.S.C., and corresponding Code of Federal Regulations provisions related to selection and appointment, remain in effect.

I have determined that there is a critical hiring need for childcare services providers for DoD child development centers and there is a shortage of childcare services providers. I may, however, terminate the use of this authority earlier than September 30, 2021, should the statutory conditions for its use no longer exist.

As set forth in the attachment, this memorandum provides implementing procedures for use of this authority.

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



Stephanie A. Barna
Performing the Duties of the Under Secretary of
Defense for Personnel and Readiness

Attachment:
As stated

IMPLEMENTING PROCEDURES FOR THE TEMPORARY DIRECT-HIRE AUTHORITY
FOR CHILDCARE SERVICES PROVIDERS FOR DEPARTMENT CHILD DEVELOPMENT
CENTERS

1. Authority

a. Section 559 of the National Defense Authorization Act (NDAA) for Fiscal Year (FY) 2018 allows the Secretary of Defense to appoint, without regard to subchapter I of chapter 33 of title 5, U.S. Code (U.S.C.), qualified childcare services providers in the competitive service if the Secretary determines that there is a critical hiring need for childcare services providers for Department of Defense (DoD) child development centers (CDCs), and there is a shortage of childcare services providers. The Office of the Under Secretary of Defense for Personnel and Readiness (USD(P&R)), on behalf of the Secretary, has made the determination that there is a critical hiring need for childcare services providers and there is a shortage of childcare services providers. Sections 3303, 3323, 3326, and 3328 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 childcare services providers under this direct-hire authority (DHA) may be used by Secretaries of the Military Departments and Directors of the Defense Agencies and 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, 2021. 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 DHA – 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; and
- c. Merit factors shall be the basis for selecting individuals for positions. This authority shall be administered in accordance with DoD Directive 1020.02E, “Diversity Management and Equal Opportunity in the DoD.”

3. Covered Positions – For the purpose of this authority, positions for which this DHA can be used immediately without further justification are childcare services providers in the 1701 and 1702 occupational series, at General Schedule (GS)-2 through 11 (or comparable) levels, but not positions above GS-11 (or comparable) levels.

4. Definitions

a. For the purposes of section 559 of the NDAA for FY 2018, a “critical hiring need” and “shortage” may occur when the need to fill childcare services provider positions creates an operational hardship in meeting mission requirements brought about by circumstances such as, but not limited to, unusual or unanticipated events, extraordinary workload, or circumstances creating the need to fill the position(s).

b. “Qualified childcare services providers” is defined as individuals who:

(1) Directly provide childcare services for dependent children of members of the Armed Forces and civilian employees of the DoD in CDCs on Department installations;

(2) Meet the minimum standards for the subject positions as published in the Office of Personnel Management's operating manual, "Qualification Standards for General Schedule Positions," and any DoD qualification standards specific to the position(s) to be filled;

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

(4) Meet or will meet the pre-employment requirements, within the required time frame, for appointment to the position(s) being filled, as applicable.

5. Announcement and Assessment Process

a. If using vacancy announcements, DoD Components must ensure that announcements are concise, easily understood, and contain accurate information relevant to the position(s) available.

(1) DoD Components will establish recruitment procedures that facilitate 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, education, training, and behavioral attributes that provide for successful job performance. 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).

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

Z5CT/Direct-Hire Auth (Childcare Services Providers), Sec 559, PL 115-91, 12/12/2017

7. Oversight and Accountability – Within the scope of this authority, each DoD Component will determine the appropriate use of this authority relating to recruitment needs, specific occupational series, and grades/pay bands/levels, ensuring implementation is in accordance with merit system principles and any applicable labor relations obligations.

a. The Defense Civilian Personnel Advisory Service (DCPAS) and the Office of Military Family Readiness Policy (OMFRP), also serving as the Office of the Secretary of Defense Functional Community Manager (OFCM) for CDCs, are jointly responsible for oversight, accountability, and reporting for the CDC Functional Community to ensure compliance with any reporting requirements related to the use of this authority.

b. Appointments under this authority will be:

(1) Evaluated as part of the DoD Human Capital Framework; and

(2) Subject to the modified Priority Placement Program procedures implemented by the Deputy Assistant Secretary of Defense for Civilian Personnel Policy memorandum dated July 17, 2017.

8. Reporting

a. DoD Components must report data pursuant to use of this authority to DCPAS, via the OFCM, OMFRP, by October 31st of each year. Reports must include the following:

(1) Number of employees hired by position, series, and grade/pay band/level;

(2) Number of veterans hired;

(3) Number of military spouses hired;

(4) Incentives and compensation flexibilities used in conjunction with the authority, including, but not limited to: recruitment/relocation incentives; student loan repayments; superior qualifications and special needs appointments; highest previous rates; advanced pay for new hires; advanced pay for relocation; first-duty station travel; permanent change of station; and leave accrual credit for prior non-Federal work experience and certain military service; and

(5) Quantifiable effectiveness in meeting Component staffing efforts.

b. DoD Components must maintain recruitment plans, which may be developed with input of the CDC CFCM, human resources specialists, and manpower and budget advisors. Plans should address:

(1) Number of positions expected to be recruited;

(2) Types and grades of positions expected to be recruited;

(3) Targeted populations;

(4) Positions likely to require incentives; and

(5) Recruitment strategies and sources.

9. Requesting Additional Position Coverage

a. DoD Components may request additional position coverage if they find there is a critical hiring need of childcare services providers for DoD CDCs and there is a shortage of childcare services providers outside the scope of the position coverage identified in Section 3 of these procedures. The basis for identifying a critical hiring need and shortage of childcare services providers shall be substantiated by the following:

(1) Reduced manning levels which threaten the ability for the CDC to continue operations at an acceptable level; and

(2) Recruitment efforts have produced an insufficient supply of qualified candidates for childcare services provider positions.

b. The following data, at a minimum, must be submitted to support a request for inclusion of additional positions as a critical hiring need of childcare services providers for DoD CDCs and a shortage of childcare services providers. Submissions must be endorsed by the DoD Component headquarters civilian human resources policy office and shall be submitted via the CDC OMFRP to the DCPAS for approval by the USD(P&R).

(1) Recruitment Needs

(a) Current numbers of positions being recruited;

(b) Projected recruitment needs;

- i. Projected retirements;
- ii. Projected turnover; and
- iii. Increased/new workload.

(c) Total number of positions being recruited (current and projected).

(2) Supply Gap

(a) Vacancy lapse rate; and

(b) Market data analysis that shows the number of available applicants with the necessary skills is lower than the demand.

(3) Past recruitment efforts, including the use of incentives, and evidence of their ineffectiveness, such as:

(a) Job fairs;

(b) Incentives (recruitment, retention, and relocation); and

(c) Student loan repayments.