

INFORMATION PAPER

BLUF: Information on the Department of Defense (DoD) Public-Private Talent Exchange (PPTE) Program

Background: The National Defense Authorization Act (NDAA) for Fiscal Year (FY) 2017, Section 1104, Chapter 81 of title 10, United States Code, is amended by adding at the end of the following section: 1599g, the Public-Private Talent Exchange (PPTE). Section 1599g provides that the Secretary of Defense, with the agreement of a private-sector organization and the consent of the employee, arrange for the temporary assignment of an employee to such a private-sector organization, or from such private-sector organization to a DoD organization. The memorandum to implement the PPTE was signed by the Deputy Secretary of Defense and issued on July 19, 2018. The legislation does not provide an expiration date. Additionally, FY21 NDAA Section 1102, requires the expansion and modification of PPTE to include modernization priorities of the Department and mitigation of any conflicts of interest as a result of PPTE participation.

Key Discussion Points:

- The authority to assign DoD employees to private-sector organizations and to approve assignments of private-sector employees to DoD organizations under the PPTE may be exercised by the Secretaries of the Military Departments and Directors of Defense Agencies and DoD Field Activities with independent appointing authority for themselves and their serviced organizations, hereafter referred to as “DoD Components.”
- FY21 NDAA Section 1102 requires the Department to expand the DoD public-private exchange program to ensure talent exchanges work on the modernization priorities of the Department as well as mitigate any conflict of interest that may arise because of PPTE participation.
- DoD civilian employees must be at the General Schedule grade 12 level and above (or equivalent); possess the knowledge, skills, and abilities to be considered subject matter experts in their occupational field; meet all established performance standards at or above the fully successful level; and be serving on a permanent appointment and have completed their initial probationary or trial periods for appointment.
- An assignment under this section shall be for a period of not less than three months and not more than two years, renewable up to a total of four years. No employee of the Department of Defense may be assigned under this section for more than a total of four years inclusive of all such assignments.
- A written memorandum of agreement will be used for each individual PPTE participant to document the specific terms and responsibilities to which the DoD Component, the private-sector organization, and the participant agree (must include language ensuring employees do not improperly use information that relates to a Department acquisition or procurement for the benefit or advantage of the private sector organization).
- Prohibits private-sector employees from performing work that is considered inherently governmental in nature.
- DoD employees will be considered to be on a detail during the period of assignment and continue to receive their pay and benefits from their employing DoD organization. Private-

sector participants will continue to receive pay and benefits from their private-sector employers.

- Upon completion of the PPTE assignment, the DoD participant will be placed in the respective position held immediately before the assignment or in similar positions. They must serve in the DoD (or elsewhere in the Federal civil service with component approval) for a period equal to twice the length of the assignment.
- The DoD or the private-sector organization concerned may at any time and for any reason, terminate an assignment. If the participant fails to carry out the agreement, the participant will be liable to the U.S. for payment of all expenses of the assignment, unless that failure was for good and sufficient reason, as determined by the Secretary of Defense.
- Private-sector organizations may not charge the Department or any other agency of the Federal Government, as direct or indirect costs under a Federal contract, the costs of pay or benefits paid by the organization to an individual assigned to a DoD organization under a PPTE for the period of the assignment.
- DoD Components will ensure at least 20% of the private-sector employees accepted for participation in PPTE assignments each FY are from small business concerns.
- The bill does not prohibit part time exchanges. This may prove to be beneficial to small businesses and agencies with staffing challenges who would like to participate in an exchange.

Future/Next Steps: None, for information only

Prepared by: Dr. Tanya L Johnson, Talent Development, DCPAS, (571) 372-2062

Approved by: Ms. Jimmie Vaughn, Associate Director, Talent Development, DCPAS, (571) 372-2069