

#### OFFICE OF THE UNDER SECRETARY OF DEFENSE

**4000 DEFENSE PENTAGON** WASHINGTON, D.C. 20301-4000

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# MEMORANDUM FOR SENIOR PENTAGON LEADERSHIP DEFENSE AGENCY AND DOD FIELD ACTIVITY DIRECTORS

SUBJECT: Direct Hire Authority for the Department of Defense for Post-Secondary Students and Recent Graduates

- References: (a) Section 1106 of the National Defense Authorization Act for Fiscal Year 2017 (Public Law 114–328), "Direct-Hire Authority for the Department of Defense for Post-Secondary Students and Recent Graduates"
  - (b) Section 1102 of the National Defense Authorization Act for Fiscal Year 2019 (Public Law 115-232), "Modification of Direct Hire Authority for the Department of Defense for Post-Secondary Students and Recent Graduates"
  - (c) Section 1116 of the National Defense Authorization Act for Fiscal Year 2024 (Public Law 118-31), "Extension of Direct Hire Authority for the Department of Defense for Post-Secondary Students and Recent Graduates"
  - (d) Office of the Under Secretary of Defense for Personnel and Readiness Memorandum, "Modification of Direct-Hire Authority for the Department of Defense for Post-Secondary Students and Recent Graduates," January 15, 2019 (hereby canceled)
  - (e) Office of the Under Secretary of Defense for Personnel and Readiness Memorandum, "Direct-Hire Authority for the Department of Defense for Post-Secondary Students and Recent Graduates," February 6, 2017 (hereby canceled)

Reference (a), as amended by references (b) and (c), permits the Secretary of Defense to appoint qualified post-secondary students and recent graduates directly into competitive service positions in General Schedule (GS)-11 and below (or equivalent) professional and administrative occupations within the Department of Defense. These appointments are without regard to 5 U.S.C. §§ 3309-3318, 3327, and 3330, and are limited to 25 percent of the total number of hires made into professional and administrative occupations in the Department at the GS-11 level and below (or equivalent) under competitive examining procedures during the previous Fiscal Year.

As set forth in the attachment, this memorandum provides implementing procedures for using the direct hire authority and hereby cancels references (d) and (e). The updated procedures incorporate the change made by reference (c) extending the authority expiration date through September 30, 2030, and includes new legal authority codes/legal authorities for use on associated personnel actions.

For more information, my point of contact is Ms. Rosemary Meriwether, Associate Director, Employment and Compensation, Defense Civilian Personnel Advisory Service, at (571) 372-2191 or rosemary.m.meriwether.civ@mail.mil.

Ashish S. Vazirani

Performing the Duties of the Under Secretary of Defense for Personnel and Readiness

Attachment: As stated

# DIRECT HIRE AUTHORITY FOR THE DEPARTMENT OF DEFENSE FOR POST-SECONDARY STUDENTS AND RECENT GRADUATES IMPLEMENTATION PROCEDURES

## 1. Authority

- a. Section 1106 of the National Defense Authorization Act (NDAA) for Fiscal Year (FY) 2017 (Public Law 114–328), as amended by section 1102 of the NDAA for FY 2019 (Public Law 115–232) and further amended by section 1116 of the NDAA for FY 2024 (Public Law 118–31), provides that the Secretary of Defense may recruit and appoint qualified current post-secondary students and recent graduates directly to competitive service positions in professional and administrative occupations without regard to 5 U.S.C. §§ 3309-3318, 3327, and 3330 and corresponding Code of Federal Regulations provisions related to recruitment and appointment.
- (1) The authority to appoint qualified persons under the direct hire authority (DHA) is delegated to Secretaries of the Military Departments, Directors of Defense Agencies, and Directors of 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, 2030, unless this date 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 and may be asked to submit reports on usage of this authority.

## 2. Use of DHA

This 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 ensure, to the extent possible, that a diverse candidate pool exists that is representative of all segments of society.
- 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," June 8, 2015, as amended.
- d. DoD Components must ensure transparency, accountability, and auditability in hiring processes.

#### 3. Covered Positions

This DHA may be used for positions in professional and administrative occupations at the General Schedule (GS)-11 level and below (or equivalent).

# 4. Responsibilities

Within the scope of this authority, each DoD Component will determine the appropriate use of this authority relating to recruitment needs, specific occupational series, grades, pay bands/levels, ensuring that programs are developed and implemented in accordance with merit system principles and applicable collective bargaining agreements. Program guidance must be established by DoD Components prior to use of these authorities. The guidance will include, but not be limited to, such aspects as:

- a. Defining the roles and responsibilities of supervisors and other key officials in program administration, such as human resources staff, budget and finance staff, career counselors and/or mentors.
  - b. Identifying positions or occupations that will be covered by the program.
- c. Developing procedures for acceptance and receipt of applications and for evaluating and selecting candidates.
- d. Designing, implementing, and documenting programs for the training and development of employees selected under provisions of this authority, including the type and duration of assignments.
- e. Designing, implementing, and documenting performance evaluation, including performance requirements.
  - f. Planning, coordinating, implementing, and monitoring program activities.

# 5. <u>Definitions</u>

- a. The term "current post-secondary student" means a person who:
- (1) Is currently enrolled in and in good academic standing at a full-time program at an institution of higher education; and
- (2) Is making satisfactory progress toward receipt of a baccalaureate or graduate degree; and
  - (3) Has completed at least 1 year of the program.
- b. The term "recent graduate" means a person who was awarded a degree by an institution of higher education not more than 2 years before the date of the appointment of such

person, except that in the case of a person who has completed a period of obligated service in a Uniformed Service of more than 4 years, such term means a person who was awarded a degree by an institution of higher education not more than 4 years before the date of the appointment of such person.

c. The term "institution of higher education" has the meaning given the term in section 1001 of the Higher Education Act of 1965 (20 U.S.C. § 1001).

### 6. Qualifications

Qualified individuals are those individuals who:

- a. Meet the minimum standards for the position as published in Office of Personnel Management's (OPM) operating manual, "Qualification Standards for General Schedule Positions," and any DoD qualification standards specific to the position to be filled.
- b. Meet any selective placement factor(s) and/or competencies identified as necessary for appointment to the position.
- c. Appointments may be made to any covered position for which the individual is qualified. The duties of the position to which the individual is appointed should be related to either the participant's academic or career goals. DoD Components may not require the completion of educational requirements or specific coursework for occupations that do not have a positive education requirement.

#### 7. Announcement and Assessment Process

- a. DoD Components will establish procedures for publicly advertising positions pursuant to this authority in a manner that is most likely to provide diverse and qualified candidates and ensure potential applicants have appropriate information relevant to the positions available.
- (1) Ads should inform applicants on how to apply and/or be considered (e.g., provide a publicly accessible link to a website that provides further information on how to apply and/or be considered). The information must include: position title, series, and grade; geographic location of the position; how to apply and/or be considered; qualification and eligibility requirements; and any other pertinent information.
- (2) DoD Components must ensure merit system principles are followed when posting ads, receiving applications, rating and referring candidates, and notifying applicants regarding receipt of their applications and their status.
- b. DoD Components will assess candidates against job-related criteria, ensuring that applicants have the skills and behavioral attributes that lead to success in the position. 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).

- 8. <u>Appointing Authority</u> Appointments may be made using the following legal authority codes/legal authorities:
- a. For term appointments of current post-secondary students: Z5CAR/Direct Hire Auth (DoD Post-Sec Student Appt), Sec 1116, PL 118-31, 12/22/2023
- b. For noncompetitive conversions to career or career-conditional appointments of post-secondary students completing academic and program requirements: Z5CAS/Direct-Hire Auth (DoD Post-Sec Student Conv), Sec 1116, PL 118-31, 12/22/2023
- c. For career or career-conditional appointments of recent graduates: Z5CAT/Direct-Hire Auth (DoD Recent Grad Appt), Sec 1116, PL 118-31, 12/22/2023

## 9. Oversight and Accountability

- a. The Under Secretary of Defense for Personnel and Readiness is responsible for the development of DoD implementing guidance and policies, including determination of yearly allocations for DoD Components.
- b. The Defense Civilian Personnel Advisory Service (DCPAS) shall oversee and monitor use of these authorities throughout the Department and ensure compliance with any reporting requirements related to the authorities.
- c. DoD Components are responsible for oversight, accountability, and reporting for themselves and their serviced organizations.
- d. Documentation for appointments made under these authorities will be sufficient to allow reconstruction of the actions and must be maintained for a time frame consistent with other appointing authorities.
- e. Appointments under these authorities will be evaluated as part of the DoD Human Capital Framework.

#### 10. Authorized Positions

- a. Limitation on Appointments. The total number of employees appointed during a fiscal year may not exceed the number equal to 25 percent of the number of hires made into professional and administrative occupations of the Department at the GS-11 level and below (or equivalent) under competitive examining procedures during the previous fiscal year.
- b. Allocations. Each fiscal year, DoD Components will be notified by DCPAS of their allocations to fill positions based on each respective Component's total percentage of positions filled during the previous fiscal year as described in paragraph 10.a. If the percentage of

authorized positions does not equate to a whole number, the number of allocations shall be rounded down to the next lower number. By October 31 of each calendar year, allocations will be determined by DCPAS, and DoD Components will be notified of their allocations. Use of the authority remains limited to a specific number of positions. If allocation additions or adjustments are needed, requests may be submitted with the appropriate coordination to: dodhra.mc-alex.dcpas.list.ec-policy@mail.mil, Attention: PSS & RG allocations.

## 11. Requirements for Post-Secondary Students

- a. Schedules. Post-secondary students may work full-time or part-time schedules, but the student's work schedule should not interfere with the student's academic schedule.
- b. Participant Agreement. DoD Components must execute a written participant agreement with each program participant that clearly identifies expectations including, but not limited to: a general description of duties; work schedules; expected date of completion of academic and program requirements; mentorship opportunities; training requirements, as applicable; evaluation procedures that will be used for the participant; and requirements for continuation and successful completion of the program.

# c. Appointments and Conversions.

- (1) Position Types Upon Appointment and Conversion. Students may be initially appointed to one-grade interval positions for which they qualify to prepare them for conversion to the target position in a related two-grade interval occupational series upon completion of their academic program. Students being converted to positions requiring the ACWA assessment must be assessed as described in paragraph 7.b.
- (2) Educational Requirements. Individuals being considered for initial appointments to positions leading to target positions with positive education requirements (e.g., biologist, auditor) should be enrolled in directly related degree programs to meet the OPM qualification requirements for the target position upon completion of their academic program.

## (3) Initial Appointment and Conversion.

- (i) Post-secondary students will be initially appointed to a term appointment in the competitive service for an initial period expected to last more than 1 year and not to exceed the time limits stated in Subpart C of 5 CFR § 316.301, including any future legislative and/or regulatory modifications to these time limits. Requests for extensions beyond these time limitations should be rare and must be submitted through the DoD Component's chain to DCPAS at least 60 days in advance to provide time for adjudication.
- (ii) Post-secondary students may be noncompetitively converted to a career or career conditional appointment within 120 days of successful completion of their academic program requirements. The 120-day period for noncompetitive conversion starts when the student completes their academic requirements (as determined by the educational institution). DoD Components should defer to the educational institution for a determination of when degree

requirements have been met. Students may continue to work during the 120-day administrative processing period. While the intent is to convert post-secondary students to permanent employment, conversion is neither automatic nor guaranteed. As a condition of employment, a student's appointment expires 120 days after completion of the designated academic course of study, unless the student is selected for noncompetitive conversion pursuant to this authority. It is recommended that DoD Components consult with their employee/labor relations office regarding potential non-conversions.

- (iii)The conversion of a student to permanent appointment does not result in the use of a new allocation for the respective DoD Component. A student continues to occupy the original DoD Component's allocation throughout the duration of the appointment and conversion pursuant to this authority.
- d. Eligibility Criteria. DoD Components may use requirements such as the ability to work a specified number of hours per week or be in good academic standing as eligibility criteria.
- e. Sunset of Authority. Noncompetitive conversions of students to permanent appointments may occur following the sunset date of this authority.