

Friday, April 5, 2019

MEMORANDUM FOR: HEADS OF AGENCIES AND DEPARTMENTS CHCOs AND CIOs

FROM: MARGARET M. WEICHERT, ACTING DIRECTOR

Subject: Delegation of Direct-Hire Appointing Authority for IT Positions

The President's Management Agenda (PMA) establishes a long-term vision for effective government on behalf of the American people. The PMA identifies the "workforce of the 21st Century" as a key driver of transformation, with particular emphasis on implementing a variety of improved workforce strategies, including enabling simple and strategic hiring to attract top talent. As the broader actions of the PMA progress, we are also looking at maximizing the use of currently available tools and authorities to help address some of our most pressing hiring needs.

Consistent with the PMA and Executive Order 13833 titled, "Enhancing the Effectiveness of Agency Chief Information Officers," I am pleased to announce that the U.S. Office of Personnel Management (OPM) is issuing a <u>final regulation</u> that delegates to agencies the authority to determine whether the conditions justifying direct hire authority (DHA) for Information Technology (IT) positions exists. This flexibility will greatly enhance the Government's ability to recruit needed IT professionals. Leveraging DHA provides agencies with a 'simple and strategic' tool for attracting needed IT talent.

To use this delegation, an agency head determines whether a severe shortage of candidates (with respect to the U.S. Department of Veterans Affairs, a severe shortage of highly-qualified candidates) or a critical hiring need exists for IT positions in accordance with regulations at 5 CFR part 337 subpart B. The final regulation covers any IT position(s) classified in the general schedule (GS)-2210 occupational series, assuming the requisite showing is made. Thus, the final rule expands agencies' ability to maximize DHA for meeting critical IT hiring challenges beyond the current Government-wide DHA for IT, which is limited to IT positions related to information security.

Using this Direct-Hire Authority

In accordance with the Executive Order, an agency may make initial appointments lasting longer than 1 year, but not to exceed 4 years. An agency, at its discretion, may extend an appointment up to 4 additional years. No individual hired under this delegation can serve in excess of 8 years with the same agency, and an individual hired under this delegation cannot be transferred to positions that are not IT positions.

Individuals may be appointed to term, or temporary positions, as appropriate, without regard to provisions of 5 U.S.C. 3309-3318 or 5 CFR part 211 and part 337, subpart A. These appointments are subject to public notice requirements in 5 U.S.C. 3327 and 3330 and 5 CFR 330, as well as procedures in 5 CFR part 330 pertaining to candidates eligible for priority selection, and requirements in 5 CFR 332.402. Agencies must comply with all relevant laws to the extent that the agency or component is not exempted from such laws pursuant to 5 U.S.C. 3304(a)(3).

Agencies are required to request an applicable pre-employment background investigation at the appropriate tier to establish whether candidates are suitable or fit for Federal employment, may be credentialed in accordance with Government-wide credentialing standards and can hold a position that is national security sensitive (including but not limited to those requiring eligibility for access to classified information) at the appropriate level (if required for the particular position).

Authority:

DA-001 Agencies may use this authority to appoint individuals to covered IT positions at the grade level(s) and geographic location(s) approved by the agency head (with notification to OPM), in support of their mission critical activities. This authority is based on a severe-shortage of candidates in accordance with 5 CFR 337.204.

DA-002 Agencies may use this authority to appoint individuals to covered IT positions at the grade level(s) and geographic location(s) approved by the agency head (with notification to OPM), in support of their mission critical activities. This authority is based on a critical hiring need in accordance with 5 CFR 337.205.

In accordance with the regulations, once an agency head determines the existence of a severe shortage of candidates or critical hiring need, the agency is required to notify OPM within 10 business days and provide the justification used in making the determination. OPM may request information from agencies on their use of this direct-hire authority. OPM will monitor agency use of this authority as well as the continued need for it, and may modify or terminate this authority, or use thereof, as appropriate.

When using this Government-wide authority, an agency must enter the authority code "**AYM**" on the Standard Form 50 Notification of Personnel Action (SF-50) in item 5-C and the secondary authority code "**BYO**" in item 5-E.

We look forward to continuing to support your critical hiring needs. If your staff has any questions, please email <u>Darlene.Phelps@opm.gov</u>.

cc: Deputy Chief Human Capital Officers, and Human Resources Directors