



DoD INSTRUCTION 1400.25, VOLUME 3001

DoD CIVILIAN PERSONNEL MANAGEMENT SYSTEM: CYBER EXCEPTED SERVICE (CES) INTRODUCTION

Originating Component:	Office of the Under Secretary of Defense for Personnel and Readiness
Effective:	August 15, 2017
Releasability:	Cleared for public release. Available on the Directives Division Website at http://www.esd.whs.mil/DD/ .
Approved by:	A. M. Kurta, Performing the Duties of the Under Secretary of Defense for Personnel and Readiness

Purpose: This instruction is composed of several volumes, each containing its own purpose. In accordance with the authority in DoD Directive (DoDD) 5124.02:

- This instruction establishes and implements policy, prescribes procedures, provides guidelines and model programs, delegates authority, and assigns responsibilities regarding civilian personnel management within the DoD.
- This volume:
 - Is part of the 3000 Volume series of this instruction. In accordance with the authority in DoDDs 1400.25, 5124.02, 5144.02, and 8140.01, the 3000 Volumes establish policy, assign responsibilities, and provide guidance for Cyber Excepted Service and are referred to as “the CES Volumes.”
 - Pursuant to Section 1599f of Title 10, United States Code (U.S.C.), establishes the policies, responsibilities, procedures, definitions, and delegations for the development, management, and evaluation of CES.

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SECTION 1: GENERAL ISSUANCE INFORMATION

1.1. APPLICABILITY.

a. This issuance applies to OSD, the Military Departments, the Office of the Chairman of the Joint Chiefs of Staff and the Joint Staff, the Combatant Commands, the Office of the Inspector General of the Department of Defense, the Defense Agencies, the DoD Field Activities, and all other organizational entities within the DoD that employ individuals under the CES, referred to collectively in this issuance as the “DoD Components.”

b. This issuance does **not** apply to:

(1) Employees covered by the Defense Civilian Intelligence Personnel System or the Federal Wage System, or equivalent; non-appropriated fund employees; and foreign national employees employed under authority other than the CES.

(2) Employees in CES-designated cyber positions who declined the voluntary opportunity to convert to the CES.

(3) Employees in cyber positions that are not CES-designated.

(4) Employees in Senior Executive Service, senior level, scientific and professional, and equivalent positions, unless specifically addressed in the CES volumes of this instruction.

1.2. POLICY. It is DoD policy that:

a. CES will serve as the civilian excepted service personnel system for cyber positions designated as CES positions by the DoD Chief Information Officer (DoD CIO) in consultation with the Under Secretary of Defense for Personnel and Readiness (USD(P&R)), the Under Secretary of Defense for Policy ((USD(P)), and the DoD Component heads.

b. The employees occupying CES positions must perform, manage, supervise, or support functions necessary to execute the responsibilities of the United States Cyber Command, pursuant to Section 1599f of Title 10, U.S.C.

c. CES will:

(1) Contain human resource policies and management practices that will make the DoD Components attractive places to work and establish them as employers of choice for, and facilitate the recruitment and retention of, top cyber talent.

(2) Provide for planned training, education, and diverse assignments that support the career development and retention of cyber professionals in the DoD Components.

(3) Provide an opportunity for employees in the competitive service who occupy DoD cyber positions to convert voluntarily to the CES, pursuant to Section 1599f of Title 10, U.S.C.,

within a specified period of time. If an employee declines to voluntarily convert to CES, the CES-designated position will be converted to CES when vacated by that employee. An employee's decision to decline an offer to convert voluntarily to the excepted service will be final, although the employee may compete for other positions in CES.

(4) Require those employees appointed under the Cyber Security Schedule A 213.3106(b)(11) Hiring Authority who occupy a CES-designated position on the effective date of this issuance to convert to CES.

(5) Be implemented in a manner that is understandable, clearly establishes employee and manager roles and responsibilities, and provides for continuous evaluation and improvement.

(6) Be developed with appropriate consideration of the DoD human capital planning strategic guidance.

(7) Be implemented based on a graded rank-in-position structure. Any DoD Component seeking to transition to a non-graded banded structure or a rank-in-person construct must forward the fully supported mission rationale and proposed implementing guidance, to the USD(P&R) for approval prior to implementation.

(8) Be designed and implemented to incorporate the merit systems principles in Section 2301 of Title 5, U.S.C., at all organizational levels.

SECTION 2: RESPONSIBILITIES

2.1. USD(P&R). In conjunction with the DoD CIO and the Under Secretary of Defense for Policy (USD(P)) and in coordination with the Under Secretary of Defense for Intelligence (USD(I)), the USD(P&R) establishes and maintains CES policies.

2.2. USD(I). In conjunction with the USD(P&R) and in coordination with the DoD CIO, the USD(P), the Defense intelligence components, and the Military Departments, the USD(I) develops and maintains DCIPS policies for DoD intelligence personnel required to operate in the cyberspace domain or support cyber operations.

2.3. DOD CIO. The DoD CIO:

- a. Oversees the implementation and management of the CES volumes.
- b. Develops CES policy in coordination with the USD(P) and the USD(I), and provides recommended CES volumes to the USD(P&R) for inclusion in this instruction.
- c. In consultation with the USD(P&R) and the DoD Components, designates cyber positions as CES positions.
- d. Conducts ongoing evaluations of the implementation, management, and administration of the CES. Advises the USD(P&R) of policy issues identified as a result of these evaluations and recommends such corrective actions or policy updates as necessary to achieve the goals and objectives of the CES.

2.4. DOD COMPONENT HEADS. The DoD Component heads:

- a. Implement and comply with the CES volumes.
- b. Obtain the approval of the General Counsel of the Department of Defense/Director, Defense Legal Services Agency, concerning personnel policies and actions taken with regard to or affecting Office of the General Counsel of the Department of Defense and Defense Legal Services Agency personnel, in accordance with DoDD 5145.04 and DoDI 1442.02.
- c. Issue supplemental regulations or policy to the extent authorized by, and consistent with, the CES Volumes. In accordance with DoDD 1400.25, DoD Component Heads shall comply with the philosophy and policy of the Secretary of Defense to keep supplementation of the CES volumes to a minimum and to eliminate regulations that are redundant or unnecessary.
- e. Submit supplemental regulations and policy implementing CES policy to the DoD CIO for oversight and program evaluation within 30 days of issuance.
- f. Recommend to the DoD CIO that cyber positions be designated as CES positions.

GLOSSARY

G.1. ACRONYMS.

CES	Cyber Excepted Service
DoD CIO	Department of Defense Chief Information Officer
DoDD	DoD directive
U.S.C.	United States Code
USD(I)	Under Secretary of Defense for Intelligence
USD(P)	Under Secretary of Defense for Policy
USD(P&R)	Under Secretary of Defense for Personnel and Readiness

G.2. DEFINITIONS. Unless otherwise noted, these terms and their definitions are for the purpose of this issuance.

cyber positions. Positions that are part of the cyberspace workforce pursuant to DoDD 8140.01.

cyber excepted service position. A designated position in the cyber excepted service in which the employee occupying such position performs, manages, supervises, or supports functions necessary to execute the responsibilities of the United States Cyber Command, pursuant to Section 1599f of Title 10, U.S.C.

excepted service. Federal civil service positions that are not in the competitive service or the Senior Executive Service. Excepted service positions are generally excluded from OPM's competitive service hiring procedures. These organizations have their own hiring system which establishes the evaluation criteria used in filling vacancies.

rank-in-person. Personnel management construct in which the organization's position structure establishes aggregate workforce requirements at the occupational and work levels for the purposes of planning recruitment, development, and assignment activities based on aggregate assessment of workforce capabilities. Individual personnel capabilities are separately assessed against mission requirements to establish title and grade or pay band level of an employee of the organization.

rank-in-position. Personnel management construct in which the organization's position structure establishes workforce requirements at both the occupational and work levels and provides the basis for establishing the title and grade or pay band level of an employee assigned to a position in the organization.

REFERENCES

- DoD Directive 1400.25, “DoD Civilian Personnel Management System,” November 25, 1996
- DoD Directive 5124.02, “Under Secretary of Defense for Personnel and Readiness USD(P&R),” June 23, 2008
- DoD Directive 5144.02, “DoD Chief Information Officer (DoD CIO),” November 21, 2014
- DoD Directive 5145.04, “Defense Legal Services Agency (DLSA),” April 16, 2012
- DoD Directive 8140.01, “Cyberspace Workforce Management,” August 11, 2015
- DoD Instruction 1442.02, “Personnel Actions Involving Civilian Attorneys,” September 30, 2010
- United States Code, Title 5
- United States Code, Title 10



DoD INSTRUCTION 1400.25, VOLUME 3005

DoD CIVILIAN PERSONNEL MANAGEMENT SYSTEM: CYBER EXCEPTED SERVICE (CES) EMPLOYMENT AND PLACEMENT

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- This volume:
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 - Pursuant to Section 1599f of Title 10, United States Code (U.S.C.), establishes the policies, responsibilities, procedures, and delegations for the design and administration of employment and placement programs in the CES.

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SECTION 1: GENERAL ISSUANCE INFORMATION

1.1. APPLICABILITY.

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b. This issuance does **not** apply to:

(1) Employees covered by the Defense Civilian Intelligence Personnel System or the Federal Wage System, or equivalent; non-appropriated fund employees; and foreign national employees employed under authority other than the CES.

(2) Employees in CES-designated cyber positions who declined the voluntary opportunity to convert to the CES.

(3) Employees in cyber positions that are not CES-designated.

(4) Employees in Senior Executive Service, senior level, scientific and professional, and equivalent positions, unless specifically addressed in the CES volumes of this instruction.

1.2. POLICY. It is DoD policy that CES employment and placement practices will:

a. Facilitate the recruitment and employment of a high-quality, diverse workforce with the skills and competencies needed to meet mission requirements.

b. Facilitate the development of a workforce that acquires an integrated enterprise-wide and inter-agency perspective through assignments that cross DoD Component and DoD boundaries.

c. Incorporate best practices from government and, consistent with law, the private sector in recruiting and placing qualified staff.

d. Facilitate the development of talent exchange programs, consistent with law, with the private sector to bring measurable benefits to DoD to meet mission requirements.

SECTION 2: RESPONSIBILITIES

2.1. UNDER SECRETARY OF DEFENSE FOR PERSONNEL AND READINESS (USD(P&R)). In conjunction with the DoD Chief Information Officer (DoD CIO) and in coordination with the Under Secretary of Defense for Intelligence (USD(I)), the USD(P&R) establishes and maintains CES policies covered by this volume.

2.2. DOD CIO. Oversees the implementation and management of this volume.

2.3. DOD COMPONENT HEADS. The DoD Component heads:

a. Conduct workforce planning; identify appropriate applicant sources; and recruit, assign, and manage CES-covered positions and personnel within their DoD Components in accordance with the CES Volumes and DoD Instruction (DoDI) 1400.25, Volume 250.

b. Develop, publish, and maintain current qualifications criteria for all CES positions within each Component, in conjunction with the DoD CIO and applicable OSD official as described in DoDD 8140.01.

c. Monitor Component compliance and respond to reporting requirements determined by DoDD 8140.01.

SECTION 3: OVERVIEW OF CES EMPLOYMENT AND PLACEMENT PRACTICES AND PROCEDURES

3.1. GENERAL STRUCTURE. CES employment and placement programs will incorporate the principles and practices of:

a. Merit System Principles. Merit system principles will apply to CES employment and placement actions, in accordance with Section 2301 of Title 5, U.S.C.

b. Prohibited Personnel Practices. CES employment and placement actions will be free from unlawful discrimination, as well as other practices prohibited by Section 2302 of Title 5, U.S.C., as required by applicable law.

c. Equal Employment Opportunity. CES employment and placement actions will be consistent with equal employment opportunity principles, including part 1607 of title 29, Code of Federal Regulations.

d. Restrictions on Employment of Relatives. Advocacy for CES appointment, employment, promotion, and advancement of relatives is prohibited in accordance with Section 3110 of Title 5, U.S.C.

e. Uniformed Services Employment and Reemployment Rights Act. DoD Components will apply the provisions of Uniformed Services Employment and Reemployment Rights Act in employment and placement policies and practices in order to ensure the protection of civilian job rights and benefits for veterans and members of Reserve Components as provided for by applicable law, Sections 4314-4315 of Title 38, U.S.C.

3.2. APPOINTMENT AUTHORITY.

a. CES positions will be filled in accordance with the authority of Section 1599f of Title 10, U.S.C.

b. Appointments may be permanent, indefinite, temporary, or term.

(1) In special circumstances, and in accordance with applicable security and suitability policy and restrictions, DoD Components may appoint non-U.S. citizens into the federal service.

(2) Appointment authorities other than Section 1599f of Title 10, U.S.C, including those eligible for competitive service or leading to competitive service status, are not applicable to CES.

3.3. STATUTORY AND REGULATORY LIMITS ON APPOINTING OFFICIAL

AUTHORITY. Before filling positions by any other means, the DoD Components must satisfy the rights of employees entitled to:

- a. Restoration following military duty or recovery from compensable injury or disability in accordance with Part 353 of Title 5, C.F.R.
- b. Reemployment required by law or regulation.
- c. Restoration after a successful grievance or appeal.

3.4. FLEXIBILITY IN RECRUITMENT SOURCES. CES recruitment and placement policies provide maximum flexibility within statutory and regulatory guidelines to recruit high-quality, diverse candidates from internal (federal) and external (non-federal) sources.

- a. In issuing internal CES guidance, DoD Components will allow for varying areas of consideration depending on the nature and level of the positions to be filled.
- b. Consistent with merit system principles, recruitment and placement procedures may include any combination of internal and external recruitment sources, allowing concurrent consideration of all sources identified.
 - (1) Procedures will provide for management's right to select from any appropriate source.
 - (2) Joint DoD and federal-wide recruiting efforts for cyber workforce talent, where appropriate, are encouraged.

3.5. EXTERNAL RECRUITMENT. When recruiting from external (non-federal) sources, DoD Components will:

- a. Provide the most direct access to local or national sources of high-quality, diverse candidates by creating recruitment and appointment programs consistent with the authority granted by Section 1599f of Title 10, U.S.C.
- b. Identify, recruit, and appoint directly from any non-federal applicant source with or without public notification or vacancy notices.
- c. Determine when public notification and advertising are warranted considering mission requirements, costs, and organizational benefits, as described in Paragraph 3.8 of this issuance.
 - (1) The general standing announcements used in support of college recruitment programs or other established CES special employment programs will qualify as public notice or publication of vacancy notices.
 - (2) Records for external recruitment actions must include documentation to ensure compliance with merit system principles and veterans' preference procedures.

3.6. VETERANS' PREFERENCE IN EXTERNAL RECRUITMENT.

a. Veterans' Preference.

(1) DoD Components will identify external candidates entitled to veterans' preference as identified in Section 2108 of Title 5, U.S.C.

(2) Preference-eligible candidates with a Service-connected disability of 30 percent or more must be specifically identified.

(3) When filling positions with external applicants, preference-eligible veterans will be granted preference in selection over non-preference-eligible candidates with substantially equal qualifications.

(4) The procedures outlined in Paragraph 3.6.c of this volume will apply to the non-selection of a substantially equally qualified preference-eligible candidate with a Service-connected disability of 30 percent or more.

(5) Former CES employees who served on permanent appointments, completed a probationary or trial period, and were not separated for cause may be reappointed in a CES position without application of veterans' preference.

b. Veterans' Preference Methodology and Documentation.

(1) The criteria in Section 2108 of Title 5, U.S.C for determining the preference eligibility of each applicant will apply to CES.

(2) DoD Component procedures will ensure that, at a minimum, when making final selections (i.e., at the point where those candidates under serious consideration for an offer have been identified), the selecting official, with the assistance of the human resources staff, will ascertain whether any of the candidates are preference eligible. If all relevant considerations for the position are deemed substantially equal, the selecting official will offer the position to a substantially equally qualified preference-eligible candidate as opposed to a non-preference eligible candidate.

c. Additional Procedures for Passing Over a Substantially Equally Qualified Veteran with a Compensable Service-Connected Disability of 30 Percent or More. DoD Components must notify and receive approval from USD(P&R) before passing over of any substantially equally qualified preference-eligible candidate with a Service-connected disability of 30 percent or more.

(1) USD(P&R) approval must be received prior to extending an offer of employment to the non-preference eligible candidate.

(2) Reasons for non-selection and USD(P&R) approval of the passover must be made part of the selection record.

(3) Reasons for non-selection will be provided to the preference-eligible candidate with a compensable Service-connected disability of 30 percent or more by the servicing human resources office.

3.7. APPLICANT SOURCES. DoD Components may access applicant sources through any legal means, including:

- a. The Office of Personnel Management (OPM) USAJOBS website (<http://www.usajobs.gov>);
- b. DoD Component-specific or cyber community-hosted websites;
- c. Newspaper and periodic publications distributed in applicant-rich population areas;
- d. Job fairs or college campus recruiting activities organized by the DoD Component or jointly by cyber community or federal entities;
- e. Employee referral programs; or
- f. Other means consistent with the merit system principles in Section 2301 of Title 5, U.S.C.

3.8. ADVERTISING. DoD Components, when advertising Component requirements will communicate employment opportunities through the most practical venues designed to foster diverse applicants and ensure the qualifications of candidates. Component instructions will ensure that all potential applicants, including those being recruited through job fairs or college campus recruiting activities, have access to the minimal information relevant to the opportunity being offered, to include:

- a. A brief description of job responsibilities.
- b. The pay plan, occupational series, position title, work level, pay band (for organizations operating under the CES banded structure) or grade(s) (for those organizations operating under the CES graded structure), and pay range.
- c. An organizational and geographic location.
- d. A statement of who may apply.
- e. A statement that the position is in the excepted service and covered by CES.
- f. An explanation of how CES applies veterans' preference as provided in this volume.
- g. A DoD Component-specific explanation of how applicants are to claim veterans' preference and what documents are required to support the claim.

- h. The minimum qualifications required.
- i. The criteria against which applications will be evaluated.
- j. The conditions of employment (e.g., probationary period, mobility program requirements, security clearances, exceptional travel).
- k. A brief description of the CES occupational structure.
- l. A brief description of the pay-for-performance process for those organizations operating under the CES banded structure, or a description of the career advancement process applicable to those organizations operating under the CES graded structure.
- m. Application documentation and procedures, including the preferred means of contact, whether the advertisement has a specific closing date, is open-ended, etc.
- n. An equal employment opportunity or diversity and inclusion statement.
- o. A statement of any incentives or entitlements for which the applicant may be considered.

3.9. QUALIFICATION REQUIREMENTS. DoD Components will apply general qualification profiles developed in accordance with DoDD 8140.01. These profiles will include descriptions of the competencies, knowledge, skills, abilities, education, training, and the type and quality of experience required for successful job performance in the CES occupational structure as defined in Volume 3007 of this instruction. In the absence of DoD CIO general qualification profiles, DoD Components may adopt OPM qualification standards, or use existing Component qualification standards based on OPM guidelines, to evaluate candidate qualifications.

a. Evaluating Qualifications. Applicants must meet the minimum qualification requirements established by the DoD CIO, or OPM as appropriate, for:

- (1) Work category, occupation, and work level;
- (2) Pay band (for those organizations operating under the CES banded structure); or
- (3) Grade (for those organizations operating under the CES graded structure).

b. Attorney Positions. DoD Components will comply with DoDI 1442.02 for attorney positions.

c. Use of Time-in-Band or Time-in-Grade. Application of a specific time-in-band (for those organizations operating under the CES banded structure) or time-in-grade (for those organizations operating under the CES graded structure) will not be used to determine an employee's qualifications. However, an associated time standard may be used as an element to define specific competency-based qualification requirements that are experiential in nature.

(1) DoD Components will emphasize the quality, rather than the duration, of experience and assess how the quality of the experience of the candidate demonstrates possession of the required knowledge, skills, abilities, and competencies necessary for successful job performance in the CES occupational structure when staffing CES positions.

(2) Additional experience from any source, at or equivalent to the candidate's current grade (for those organizations operating under the CES graded structure), or pay band (for those organizations operating under a banded structure) and not previously used to qualify the employee for his or her current position may be credited toward eligibility for the next level within a graded or banded structure.

d. Qualification Standards. DoD Components will ensure that all qualification standards, vacancy advertisements, and other documentation related to descriptions of work used in recruitment and staffing are consistent with the DoDD 8140.01 qualification profiles and issuances, or OPM criteria as appropriate, and will use the taxonomy and nomenclature consistent with Volume 3007 of this instruction.

e. Positive Education Requirements. Establishment of positive, or minimum, education requirements must be consistent with accepted OPM practices and regulations.

(1) DoD Components may not establish minimum education requirements for CES positions unless they determine in advance of recruitment through a formal validation process conducted in accordance with Federal policy and practice that persons without that education, generally of a scientific, technical, or professional nature (but with related experience), cannot perform the work.

(2) Before use, additional education requirements must be submitted to and approved by USD(P&R) in conjunction with the respective OSD official pursuant to DoDD 8140.01.

f. Professional Positions. At a minimum, all groups in the Professional work category, as established in Volume 3007 of this instruction, require either a bachelor's degree or equivalent experience. Some groups may have a positive education requirement that cannot be replaced with experience, such as a requirement for a particular type or level of academic degree.

g. Pay Setting on Appointment to a CES Position. Initial pay setting will be made in accordance with Volume 3006 of this instruction.

3.10. CONDITIONS OF EMPLOYMENT.

a. Applicants are required to sign a statement indicating they understand the conditions of employment or assignment unique to CES positions and acknowledge the consequences of failing to meet required conditions. Applicants who do not meet applicable conditions of employment may not be appointed or assigned to a CES position.

b. DoD Components may deny employees who do not meet or maintain a condition of employment assignment to a position, or may remove them from a position requiring a condition

of employment by reassignment, demotion, or removal from the federal service in accordance with law and applicable DoD Component regulations.

c. Each non-CES applicant selected for a CES position must acknowledge in writing, as early as is practicable, that the position for which he or she has been selected is in the excepted service and covered by CES. The time at which this acknowledgment is executed is at the discretion of the DoD Component, but the document must be signed before the appointment or assignment start date.

3.11. INVESTIGATIVE STANDARDS AND GUIDELINES. When access to classified information is a condition of employment or assignment, DoD Components will follow common investigative standards and adjudicative guidelines established by Executive Order 12968, DoD Manual 5200.02 and, as applicable, Intelligence Community Directive 704.

3.12. SECURITY ELIGIBILITY AND SUITABILITY. Candidates must meet applicable eligibility and suitability standards in Executive Order 12968 and Intelligence Community Directive 704, as applicable. This includes completion of an appropriate background investigation on the candidate and a favorable adjudication by a determining authority in addition to completion of any related authorized examinations or security procedures. DoD Components will not appoint selectees to a position requiring a clearance without the approval of their servicing security office.

3.13. QUALITY IN EMPLOYMENT AND PLACEMENT OUTCOMES. Employment and placement activities of DoD Components will:

a. Incorporate quality goals and standards to measure recruitment and placement results. Quality standards will state how DoD Components, through their employment and placement practices, will give consideration to qualified applicants from diverse backgrounds.

b. Use essential metrics to support the assessment of employment and placement actions. At a minimum, these metrics will include but will not be limited to:

(1) **Time-to-Fill Metric.** DoD Components will measure the average time it takes to fill a position as determined by the DoD CIO and USD(P&R) collaborative methodology.

(2) **Vacancy Rate Metric.** DoD Components will track vacancy rates in key mission categories, work categories, work levels, and pay bands (for those organizations operating under the CES banded structure) or grades (for those organizations operating under the CES graded structure). The DoD CIO will consult with DoD Components on the appropriate vacancy rate percentages to allow for normal career growth and rotational and exchange development while maintaining opportunities for new hiring.

(3) **Workforce Quality and Representation Metric.** Pursuant to Section 1599f(g) of Title 10 U.S.C., DoD Components will track workforce quality and representation metrics related, but not limited, to the total number of veterans hired, separations, retirements and monetary

incentives by pay bands (for those organizations operating under CES banded structure) or grades (for those organizations operating under the CES graded structure).

(4) **Transparency Metric.** DoD Components will measure employee and candidate perceptions of the fairness of Component selection and advancement processes through regular opinion surveys provided through the DoD or DoD CIO.

(5) **Collaboration Metric.** DoD Components will track, as determined by the DoD CIO, indicators of collaboration in employment and placement. Such indicators will be developed by the DoD CIO in consultation with the DoD Components.

(6) **Other Metrics.** DoD Components will use surveys and other appropriate means as determined by the DoD CIO in consultation with the USD(P&R) to measure manager satisfaction with the hiring process and with the quality of selectees.

3.14. TARGETING RECRUITMENT. DoD Components may limit consideration of applicants to the smallest group or segment of a population that will attract a diverse pool of qualified applicants to meet mission staffing requirements in the minimum amount of time. Applicant source groupings may be limited to:

- a. The organization, unit or office where the vacancy exists;
- b. The local commuting area or may be regional, national, or worldwide;
- c. Only specific DoD Components;
- d. Other federal cyber community sources; or
- e. Those in both the private sector and federal sector.

3.15. PROBATIONARY PERIODS. Except as noted in Paragraphs 3.16.a. and 3.16.b of this issuance, all employees newly appointed to a CES position will serve a 3-year probationary period. During the first two years of this probationary period, an employee may be separated with no right of appeal (except as provided for preference eligibles defined as “employees” in Section 7511 (a)(1)(B) of Title 5, U.S.C.) if it is determined that the employee’s conduct or performance is unsatisfactory. Time served in a temporary appointment is not credited towards completion of the CES probationary period (except as provided for preference eligibles defined as “employees” in Section 7511(a)(1)(B) of Title 5, U.S.C.).

a. Previously Completed Probationary or Trial Period. Current permanent and term employees will not be required to serve another probationary or trial period upon acceptance of, or reappointment to, a CES position if they have previously completed:

- (1) A probationary period in the competitive service; or
- (2) A probationary or trial period in the excepted service.

b. Current Probationary or Trial Period. Permanent and term employees currently serving in a probationary period in the competitive service or a probationary or trial period in the excepted service will complete the period as prescribed in their original conditions of employment, in the new CES position if they:

- (1) Transfer without a break in service; or
- (2) Are promoted, demoted, or reassigned to a CES position.

c. Probationary Period for Supervisors and Managers. Supervisory and managerial probationary periods required by Section 3321 of Title 5, U.S.C., are applicable to CES.

3.16. SUPERVISORY AND MANAGERIAL ASSIGNMENTS. DoD Components will ensure that employees newly-selected to CES supervisory or managerial positions possess the required supervisory or managerial competencies for the position. Development of the necessary supervisory or managerial competencies may be achieved via training, successful accomplishment of specific supervisory or managerial work objectives, individual coaching, and other development activities.

3.17. INTERNAL PLACEMENT. When DoD Components deem that a sufficiently well-qualified applicant pool is available within their Components by recruiting from internal sources, the Components will determine the size and scope of internal areas of consideration based on the availability of the skills and competencies required for the positions to be filled.

a. Veterans' Preference. Veterans' preference is not applicable to recruitment from internal candidate sources.

b. Internal Placement: Competitive

(1) **Selection to a Position at a Higher Work Level, Pay Band, or Grade.** When selecting employees for placement in a CES position at a higher work level, pay band (for those organizations operating under the CES banded structure), or grade (for those organizations operating under the CES graded structure) than that currently held by the employee, but within the same work category, the DoD Component generally will use a competitive process as documented in the Component's internal merit placement policy. Competitive selection includes a promotion as defined in Volume 3006 of this instruction. The promotion will be handled in accordance with procedures contained in that volume.

(a) Salary progression through the Entry/Developmental Work Level, and promotions to and salary progression to the Full Performance Work Level (for those organizations operating under the CES banded structure) and promotions through the Entry/Developmental Work Level, and promotions to the Full Performance Work Level (for those organizations operating under the CES graded structure), as part of developmental progression for the Professional work category may be treated as non-competitive career promotions or salary progression based on the demonstration of appropriate performance and competency requirements of the next pay band or grade. For the provisions of this subparagraph

to apply, the program must be authorized in the Component's merit placement policy, selection for the development progression path must have been conducted competitively, and such competition must have specified the end work level or grade of the developmental plan.

(b) Promotions to a higher pay band or grade made as a part of a documented CES career progression for employees in other work categories or occupations may be developed and implemented by CES policy, if included in the Component's merit placement policy.

(2) **Reassignment.** When reassigning employees within the same pay band (for those organizations operating under the CES banded structure) or grade (for those organizations operating under the CES graded structure), but to a work category with higher pay band or grade potential (e.g., from the Technician/Administrative Support work category to the Professional work category), DoD Components will normally use a formal, competitive process as documented in the Component's merit placement policy.

(3) **Details.** DoD Components will normally apply competitive procedures to details of more than 240 days to CES positions at a higher work level or pay band (for those organizations operating under the CES banded structure) or higher work level or grade (for those organizations operating under the CES graded structure), and to CES positions in a different work category with higher pay band or grade potential, as determined by the DoD Component. DoD Components may apply competitive procedures between excepted service and competitive service organizations across DoD for a temporary promotion, or detail to a higher grade position or a position with known promotion potential, of 120 days or more, in accordance with Section 335.103 of Title 5, CFR.

c. Internal Placement: Exceptions to Competition.

(1) **Lateral Transfer.** DoD Components may noncompetitively move an employee from one Component to another within the same or equivalent work category, work level, pay band, or grade. Qualification requirements associated with the new position must be met.

(2) **Reassignment.** DoD Components may noncompetitively reassign an employee within the Component at the same or equivalent work category, work level, pay band, or grade. Qualification requirements associated with the new position must be met.

(3) **Detail.** DoD Components may detail employees to positions in the same or equivalent work category, work level, pay band, or grade within or across Components. Normally details should not exceed 1 year. DoD Components will regularly review their use of details to ensure that principles of merit and proper workforce management are not compromised. DoD Components may apply non-competitive procedures between excepted service and competitive service organizations across DoD for a temporary promotion, or detail to a higher grade position or a position with known promotion potential, of 120 days or less, in accordance with Section 335.103 of Title 5, CFR and Section 3341 of Title 5, U.S.C.

(4) **DoD Placement Programs.** As applicable, DoD Components will, in accordance with appropriate security guidance and considerations for limiting access to classified national security information, satisfy the rights of employees who are entitled to priority consideration for continued employment or reemployment from local special placement programs, the DoD

Priority Placement Program, and the other mandatory placement programs including the Reemployment Priority List.

(5) **Developmental Programs.** DoD Components will establish career development programs for employees in the Professional work category, as established in Volume 3007 of this instruction. Programs may establish planned salary advancement programs for those organizations operating under the CES banded structure, or career promotion programs for those organizations operating under the CES graded structure. If provided for in Component policies, and with DoD CIO approval in coordination with USD(P&R), DoD Components may establish planned salary advancement programs, or career promotion programs, to support developmental goals for employees in certain occupations in other work categories. Programs may include non-competitive salary advances or promotions up to the full performance work level for the work category.

(a) Career development programs will be developed in coordination with the DoD CIO and USD(P&R) and be approved by the DoD Component head, or designee. They will include:

1. Hiring guidance for the occupation.
2. Planned duration of the developmental program relative to experience at hire.
3. Developmental benchmarks, performance requirements, supporting criteria, and standards that must be met in order to receive a developmental salary progression or non-competitive promotion.
4. Salary advancement or promotion schedule associated with the program, when applicable.

(b) Selections for these programs are conducted through a formal competitive process outlined in the DoD Component's internal merit placement policy.

(c) As part of an approved developmental program, an employee selected competitively for a position in the developmental program may be advanced noncompetitively to the established end work level, pay band (for those organizations operating under the CES banded structure), or grade (for those organizations operating under the CES graded structure) included in the original competition for the developmental program upon meeting developmental benchmarks, performance requirements, and other requirements as applicable. Salary advancements or promotions within the program are not an entitlement, but are contingent on meeting all advancement criteria within the program.

(d) Employees in developmental programs remain eligible to compete in the pay pools, as applicable, and to apply for competitive promotion opportunities.

(e) If applicable, career development programs developed for positions in other work categories will include information provided in Paragraphs 3.18.c.(5)(a)1.- 4 of this volume, in addition to any information specific to the program.

(6) **Reclassification.** If provided by DoD Component policy, as applicable, promotions resulting from the application of a new job grading standard or the correction of a position classification that assign a position to a higher work level, pay band (for those organizations operating under the CES banded structure), or grade (for those organizations operating under the CES graded structure) will be made noncompetitively.

(7) **Accretion of Duties.** If provided by DoD Component policy, and at Component discretion, promotions to a higher pay band (for those organizations operating under the CES banded structure), or grade (for those organizations operating under the CES graded structure) in the same work category or occupation resulting from the accretion of additional duties and responsibilities may be made noncompetitively. Such promotions will be rare occurrences in DoD Components practicing effective position management. In meeting the standard for accretion of duties, the DoD Components will affirm that the additional duties do not adversely affect another position and that the employee meets all eligibility requirements for the higher work level, pay band, or grade.

(8) **Previously Held Position.** Placement of an employee into a pay band or grade that he or she previously held, to include positions in an equally merit based system, or to which the employee previously had promotion potential may be made noncompetitively.

3.18. APPOINTMENT OF RETIRED SERVICE MEMBERS. Retired Service members will be considered for federal civilian employment in accordance with DoDI 1402.01 and Paragraph 3.6 of this volume.

3.19. APPOINTMENT OF FEDERAL ANNUITANTS. A federal civilian annuitant under either the Civil Service Retirement System or the Federal Employees' Retirement System may be reemployed in any position for which he or she is qualified. In accordance with DoD Component policy and procedures, reemployed annuitants may be hired on a term, temporary, or indefinite basis in either a full-time or part-time status. Federal annuitants will be reemployed and compensated subject to the criteria and delegations of authorities in Volume 3006 of this instruction.

3.20. STUDENT PROGRAMS. DoD Components may utilize and structure temporary and intermittent paid student employment, intern employment, and scholarship programs to provide students with temporary exposure to work environments, acquaint them with cyber missions, and encourage student interests in new or developing occupations and professions. Use of student programs is limited to students who are enrolled at least half-time in a DoD approved and accredited educational institution and who have the permission of that institution, where necessary, to work at the Component.

a. Converting Student Hires to Permanent Positions. Noncompetitive conversion to a permanent position is permitted for student program participants who have graduated or met other program requirements established by the DoD Component. In determining the appropriate work level and pay band or grade, as applicable, for student employees who are being placed in

permanent positions, the DoD Components will consider all qualifications including the student's performance record as a student employee.

b. Inter-Component Conversion. DoD Components may noncompetitively convert student program participants from other DoD Components with the consent of the parent Component.

c. Scholarship Programs. DoD Components may use scholarship programs, whether statutorily limited to individual DoD Components or broadly applicable in the government, the federal cyber community or the DoD, consistent with Component staffing requirements and governing statutes and regulations.

3.21. UPWARD MOBILITY AND SIMILAR HIRING PROGRAMS. DoD Components may establish special hiring programs designed to improve recruitment in specific work categories, occupations, geographic areas, or other areas of focus. In establishing such programs, DoD Components will consider all requirements of the positions, and required qualifications of program participants and will develop plans for development of employees to support success of the employees in the program.

3.22. TEMPORARY AND TERM APPOINTMENT. DoD Components may make temporary or term CES appointments to meet short-term surge or other short-duration mission requirements.

a. Temporary Appointments.

(1) DoD Components may make temporary appointments without competition or through a competitive recruitment process. The circumstances under which a temporary appointment is appropriate include, but are not limited to: addressing a temporary workload peak; or completing a project or meeting a staffing need that is anticipated not to exceed a 1-year timeframe for reasons such as abolishment or reorganization of a function.

(a) A temporary appointment may not be used or apply as an unofficial probationary period.

(b) A temporary appointment generally will be more appropriate than a term appointment when management is unable to determine in advance exactly how long the temporary need will exist and therefore anticipates releasing the temporary employee with little advance notice.

(2) Temporary appointments will be made for periods of 1 year or less. Temporary appointments terminate automatically upon the expiration date unless, at an earlier date, an extension is granted. These appointments may be terminated at any time by the DoD Component. A notice period of 30 days is desired before a temporary appointment is terminated. Temporary appointments may be extended for up to 1 additional year to a maximum of 2 years of total service.

b. Cyber Term Appointments (CTAs).

(1) CTAs may be made competitively or noncompetitively from any source for an initial period of at least 1 year and 1 day, but not more than 5 years.

(a) These appointments must have a pre-determined end date and may be extended after the initial period up to a total of 5 years.

(b) The USD(P&R), upon the request of the DoD Component, may authorize extending an employee in a CTA appointment beyond 5 years when the extension is clearly justified and is consistent with applicable statutory or regulatory provisions.

(c) CTAs are used to meet legitimate non-permanent staffing needs as determined by the DoD Component. Reasons for making CTAs include, but are not limited to, project work, extraordinary workload surge, scheduled abolishment or reorganization of a function, uncertainty of future funding, or the need to maintain permanent positions for placement of surplus employees otherwise subject to reduction.

(2) CTAs terminate automatically upon the expiration date unless, at an earlier date, an extension is granted. These appointments may be terminated at any time by the DoD Component. A notice period of 30 days is desirable before effecting a termination. A preference eligible on a CTA who is terminated after 1 year of service is afforded due process rights under Section 7511(a)(1)(B) of Title 5, U.S.C.

(3) A term employee may be promoted, reassigned, or reduced in work level, pay band (for those organizations operating under the CES banded structure), or grade (for those organizations operating under the CES graded structure), to another term position provided the total combined service under the term appointments does not exceed the maximum 5-year time limitation and the employee meets the qualification requirements of the position.

(4) A CES term employee may be eligible for conversion to a CES permanent appointment. To be converted to such an appointment, the employee must:

(a) Be initially selected from an announcement that specifically stated the individual could be eligible for noncompetitive conversion to a permanent CES appointment at a later date.

(b) Have completed at least 3 years of continuous service with at least a “Successful” overall performance evaluation rating of record.

(c) Be converted to a permanent CES position in the same or lower work level, pay band, or grade for which hired, except that employees hired in special programs (e.g., students) may be converted to a higher work level, pay band, or grade, in accordance with established special program guidelines.

3.23. TEMPORARY ASSIGNMENTS TO OTHER CES POSITIONS. DoD employees in the cyber workforce will be afforded every opportunity to develop skills and contribute their

talents across the DoD and in other federal agencies, in domestic and foreign field assignments. To that end, the DoD Components will:

- a. Fully utilize competitive and noncompetitive details to other DoD Components and any additional opportunities for employees to serve across organizational lines.
- b. Facilitate such assignments through advertisement, including them in career planning, affording recognition during performance management deliberations, and providing appropriate rewards consistent with Volumes of this instruction and other applicable DoD cyber workforce recognition programs.
- c. Comply with DoD policy on prescribed tour lengths and rotations to DoD Components and provide administrative return rights to employees on such rotations within the parent Component upon completion of their tours.

GLOSSARY

G.1. ACRONYMS.

CES	Cyber Excepted Service
CTA	Cyber Term Appointment
DoD CIO	Department of Defense Chief Information Officer
DoDD	DoD directive
DoDI	DoD instruction
OPM	Office of Personnel Management
U.S.C	United States Code
USD(I)	Under Secretary of Defense for Intelligence
USD (P&R)	Under Secretary of Defense for Personnel and Readiness

G.2. DEFINITIONS. These terms and their definitions are for the purpose of this volume.

competitive service. Those organizations that use the OPM’s competitive hiring processes to evaluate and rank candidates.

competition. The established process, as detailed in the DoD Component’s merit promotion and placement plan, by which candidates are considered for the purpose of determining the best qualified individual for specific career or advancement opportunities.

condition of employment. Requirements or precondition for holding a position that are in addition to knowledge, skills, abilities, or educational qualification requirements. Conditions of employment will be imposed when required by law or regulation, when determined by appropriate management authority to be in the best interests of CES or national security, or to be mandatory for effective performance in the position. Examples of conditions of employment include, but are not limited to, the requirement to obtain and maintain access to the level of classified information required for a position, undergo a periodic polygraph examination, meet physical or medical standards, or be mobile, including in support of contingency operations.

CTA. A CES term appointment to a position where the need for an employee’s service is not permanent.

detail. A temporary assignment to a different position. During the period of detail, the employee is considered as permanently occupying his or her position of record for pay and strength purposes.

excepted service. Federal civil service positions that are not in the competitive service or the Senior Executive Service. Excepted service positions are generally excluded from OPM’s competitive service hiring procedures. These organizations have their own hiring system which establishes the evaluation criteria used in filling vacancies.

external (non-federal) recruitment. Recruitment of applicants not currently serving in permanent or CES positions in the federal service.

internal (federal) recruitment. Recruitment of applicants currently serving in federal service to appointments in CES.

internal placement. Movement of a CES employee by a competitive or noncompetitive action within a DoD Component.

lateral transfer. The permanent appointment of a CES employee involving the noncompetitive movement from one CES position to another position in the same work category, work level, pay band, or grade.

permanent appointment. An appointment without time limitation.

preference eligible candidate. Defined in Section 2108 of Title 5, U.S.C.

priority placement program. The program established pursuant to DoD Instruction 1400.20 and Volume 1800 of this instruction.

promotion. Movement to a higher work level, or pay band (for those organizations operating under the CES banded structure), or grade (for those organizations operating under the CES graded structure) in accordance with provisions in Volume 3007 of this instruction.

rank-in-person. Personnel management construct in which the organization's position structure establishes aggregate workforce requirements at the occupational and work levels for the purposes of planning recruitment, development, and assignment activities based on aggregate assessment of workforce capabilities, but in which individual personnel capabilities are separately assessed against mission requirements to establish title and grade or pay band level of an employee of the organization.

rank-in-position. Personnel management construct in which the organization's position structure establishes workforce requirements at both the occupational and work levels and provides the basis for establishing the title and grade or pay band level of an employee assigned to a position in the organization.

reassignment. The assignment of a CES employee to another CES position in the same work level, pay band (for those organizations operating under the CES banded structure), or grade (for those organizations operating under the CES graded structure), within his or her Component.

temporary appointment. An appointment made initially for 1 year or less to meet short-term surge or other short-duration mission requirements.

work category. Defined in Volume 3007 of this instruction.

work level. Defined in Volume 3007 of this instruction.

REFERENCES

- Code of Federal Regulations, Title 29, Part 1607
- DoD Directive 1400.25, “DoD Civilian Personnel Management System,” November 25, 1996
- DoD Directive 5124.02, “Under Secretary of Defense for Personnel and Readiness (USD(P&R)),” June 23, 2008
- DoD Directive 5144.02, “DoD Chief Information Officer (DoD CIO),” November 21, 2014
- DoD Directive 8140.01, “Cyberspace Workforce Management,” August 11, 2015
- DoD Instruction 1400.20, “DoD Program for Stability of Civilian Employment,” September 26, 2006
- DoD Instruction 1400.25, Volume 1800 “DoD Civilian Personnel Management System: DoD Priority Placement Program (PPP),” June 7, 2007, as amended.
- DoD Instruction 1400.25, Volume 3006, “DoD Civilian Personnel Management System: Cyber Excepted Service (CES) Compensation Administration,” xx 2017
- DoD Instruction 1400.25, Volume 3007, “DoD Civilian Personnel Management System: Cyber Excepted Service (CES) Occupational Structure” xx 2017
- DoD Instruction 1402.01, “Employment of Retired Members of the Armed Forces,” September 9, 2007
- DoD Instruction 1442.02, “Personnel Actions Involving Civilian Attorneys,” September 30, 2010
- DoD Manual 5200.02, “Procedures for the DoD Personnel Security Program (PSP),” April 3, 2017
- Executive Order 12968, “Access to Classified Information,” August 2, 1995, as amended
- Intelligence Community Directive 704, “Personnel Security Standards and Procedures Governing Eligibility for Access to Sensitive Compartmented Information and Other Controlled Access Program Information,” October 1, 2008
- United States Code, Title 5
- United States Code, Title 10
- United States Code, Title 38



DoD INSTRUCTION 1400.25, VOLUME 3006

DoD CIVILIAN PERSONNEL MANAGEMENT SYSTEM: CYBER EXCEPTED SERVICE (CES) COMPENSATION ADMINISTRATION

Originating Component: Office of the Under Secretary of Defense for Personnel and Readiness

Effective: August 15, 2017

Releasability: Cleared for public release. Available on the Directives Division Website at <http://www.esd.whs.mil/DD/>.

Approved by: A. M. Kurta, Performing the Duties of the Under Secretary of Defense for Personnel and Readiness

Purpose: This instruction is composed of several volumes, each containing its own purpose. In accordance with the authority in DoD Directive (DoDD) 5124.02:

- This instruction establishes and implements policy, establishes procedures, provides guidelines and model programs, delegates authority, and assigns responsibilities regarding civilian personnel management within the DoD.
- This volume:
 - Is part of the 3000 Volume series of this instruction. In accordance with the authority in DoDDs 1400.25, 5124.02, 5144.02, and 8140.01, the 3000 Volumes establish policy, assign responsibilities, and provide guidance for Cyber Excepted Service and are referred to as “the CES Volumes.”
 - Pursuant to Section 1599f of Title 10, United States Code (U.S.C.), establishes the policies, responsibilities, procedures, and delegations for the design and administration of compensation programs in the CES.

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SECTION 1: GENERAL ISSUANCE INFORMATION

1.1. APPLICABILITY.

a. This issuance applies to OSD, the Military Departments, the Office of the Chairman of the Joint Chiefs of Staff and the Joint Staff, the Combatant Commands, the Office of the Inspector General of the Department of Defense, the Defense Agencies, the DoD Field Activities, and all other organizational entities within the DoD that employ individuals under the CES, referred to collectively in this issuance as the “DoD Components.”

b. This issuance does **not** apply to:

(1) Employees covered by the Defense Civilian Intelligence Personnel System or the Federal Wage System, or equivalent; non-appropriated fund employees; and foreign national employees employed under authority other than the CES.

(2) Employees in CES-designated cyber positions who declined the voluntary opportunity to convert to the cyber excepted service).

(3) Employees in cyber positions that are not CES-designated.

(4) Employees in Senior Executive Service, senior level, scientific and professional, and equivalent positions, unless specifically addressed in the CES volumes of this instruction.

1.2. POLICY. It is DoD policy that compensation practices for CES-covered employees will:

a. Be competitive to attract and retain a high-quality workforce dedicated to the cyber mission and consistent with practices across DoD.

b. Provide for the appropriate exchange of compensation information with other human resource or financial systems within the DoD Components.

c. Provide a basis for linking awards, performance-based pay increases (for Components operating under an approved pay for performance system), and bonuses to individual accomplishments, demonstrated competencies, and contributions to organizational results.

d. Provide for special demands created by unique working conditions and deployment requirements.

e. Comply with merit system principles in accordance with Section 2301 of Title 5, U.S.C.

f. Establish basic rates of pay consistent with other comparable DoD cyber and related positions as prescribed in Section 1599f(b) of Title 10, U.S.C. Such basic rates of pay will comply with the maximum pay limitation of Level IV of the Executive Schedule for basic pay. Supplemental pay to which an employee is otherwise eligible under paragraphs 3.3 or 3.4 will comply with this limitation.

g. Establish additional rates of pay (including incentives and allowances, in addition to basic pay) as prescribed in Section 1599f(c) of Title 10, U.S.C., consistent with, and not in excess of the level authorized for, comparable positions authorized by Title 5. As provided in paragraph 3.15.c, an employee's aggregate compensation during a calendar year will not exceed Level I of the Executive Schedule, unless otherwise permitted by statute or regulation.

SECTION 2: RESPONSIBILITIES

2.1. UNDER SECRETARY OF DEFENSE FOR PERSONNEL AND READINESS (USD(P&R)). In conjunction with the DoD Chief Information Officer (DoD CIO) and in coordination with the Under Secretary of Defense for Intelligence (USD(I)), the USD(P&R) establishes and maintains CES covered by this volume.

2.2. USD(I). The USD(I) coordinates on compensation equity issues that cross Defense Cyber and Defense Intelligence interests and makes recommendations to the DoD CIO and the USD(P&R).

2.3. DOD CIO. The DoD CIO oversees the implementation and management of this volume.

2.4. DOD COMPONENT HEADS. The DoD Component heads implement and comply with this Volume.

SECTION 3: CES COMPENSATION ADMINISTRATION PROCEDURES

3.1. GENERAL STRUCTURE. The CES implements a world-wide base compensation structure consistent with the goals and principles of the CES compensation philosophy in Appendix 3A. For CES-covered employees the structure consists of 5 broad pay bands (for those organizations operating under the CES banded structure), and 15 grades (for those organizations operating under the CES graded structure), aligned to labor market factors to enable DoD Components to effectively recruit, develop, and retain a high-quality cyber workforce. The CES will be implemented based on a graded rank-in-position structure. Any DoD Component seeking to transition to a non-graded banded structure or a rank-in-person construct must forward the fully supported mission rationale and proposed implementing guidance, to the USD(P&R) for approval prior to implementation.

3.2. ESTABLISHING BASE GRADED PAY SCHEDULES AND PAY BAND RATE RANGES. Pursuant to Section 1599f (b) of Title 10, U.S.C., the DoD CIO, in conjunction with the USD(P&R), will establish CES base pay schedules and rate ranges based on the General Schedule (GS), other federal schedule adjustments, and appropriate labor market data analyses. The rate ranges established for other appropriate DoD human resources systems will be considered.

a. CES positions will be assigned to the CES occupational structure in accordance with Volume 3007 of this instruction.

b. CES base pay band and grade rate ranges will correspond to the rate ranges for the GS-equivalent GG grades extended by the value of two steps pursuant to authorities granted in Sections 1599f(a) and 1599f(b) of Title 10, U.S.C. The pay band and grade rate ranges will correspond to work levels defined in Volume 3007 of this instruction.

c. When GS grade rate ranges are adjusted based on an Executive order (E.O.) or by an act of Congress, CES base pay bands and grade rate ranges will be adjusted automatically, consistent with the new GS grade rate ranges.

d. CES base pay bands and grade rate ranges adjusted in accordance with Paragraph 3.2.c. will be effective the first full pay period in January of each year. New or revised base pay rate ranges may also be issued with effective dates other than January, with the DoD CIO's and USD(P&R)'s approval, in response to specific recruitment or retention demands or in other circumstances that would warrant changes to CES base pay schedules and rate ranges or pay structures.

3.3. LOCAL MARKET SUPPLEMENT (LMS). Pay band and grade rate ranges will be adjusted by LMSs that reflect the difference between the CES base rate structure and the competitive requirements for the labor market in the CES locality area. An LMS applies to a geographic area that is identical to an Office of Personnel Management (OPM)-established locality pay area listed in Section 531.603 of Title 5, Code of Federal Regulations (CFR), or a

subdivision of such an area. For any LMS, a uniform percentage supplement applies to all employees officially stationed in a given LMS area- i.e., the same percentage applies in all occupations and at all band or grade levels. LMS rates will be set in accordance with Section 1599f(b) of Title 10, U.S.C., based either on GS locality rates relative to the CES base rate structure, or on targeted labor market analyses conducted in accordance with generally accepted compensation practices and approved by the DoD CIO and the USD(P&R). LMS rates are based on the location of the employee's official worksite as documented on the employee's Standard Form (SF) 50, "Notification of Personnel Action."

a. LMS rates will be based on rates established for the GS pay system pursuant to Section 5304 of Title 5, U.S.C., but will be established separately from these rates.

b. LMSs will be established as additions to the CES base rate for pay bands and grades, and will be considered basic pay for purposes of Section 5304(c)(2)(A) of Title 5, U.S.C and Section 531.610 of Title 5, CFR. When GS locality rates are adjusted based on an E.O. or by an act of Congress, corresponding CES LMS rates will be adjusted automatically with rates equal to the new GS locality rates. Adjustments to CES LMS rates based on GS locality rates will be effective the first full pay period in January of each year.

c. Additional or modified local market areas may be established by the DoD CIO, in conjunction with the USD(P&R) and in coordination with the USD(I), where a mission-based business case exists for redefining the established local market areas in Section 531.603 of Title 5 CFR, into geographical subdivisions. Any adjustments to these additional CES LMS rates will be adjusted by the DoD CIO, in conjunction with the USD(P&R), as appropriate.

d. LMSs will be granted to employees otherwise eligible on the effective date of their permanent assignment to a specific locality area qualifying for an LMS. The LMS will be computed as a percentage of pay added to their base pay rate. Eligibility for a particular LMS rate ends on the date before permanent assignment out of that particular local market rate area. Assignment to a new local market area will begin on the effective date of the personnel action..

e. The DoD CIO, in conjunction with the USD(P&R) and in coordination with USD(I), may increase or decrease LMSs at any time in response to mission requirements.

f. When an LMS is increased or decreased as a result of the annual market analysis or for other reasons (e.g., an E.O.), the adjustment applies to all employees receiving the supplement regardless of current performance evaluation rating of record. Pay retention pursuant to this volume does not apply when a reduction in an employee's pay results from a reduction in an LMS. This reduction in an employee's pay will not be an adverse action and will be handled consistent with the provisions in Section 531.611(d), of Title 5, CFR.

g. For an employee who is temporarily assigned to a different local market area, and the official worksite remains unchanged (i.e., the location of the permanent assignment) then there is no change to the LMS unless the employee is authorized to receive relocation expenses under Section 5737 of Title 5, U.S.C., in conjunction with a temporary change of station for a period of not less than six months and not greater than 30 months.

3.4. TARGETED LOCAL MARKET SUPPLEMENT (TLMS). TLMS is a type of local market supplement that may be implemented within the CES pay band and grade structure in appropriate circumstances. TLMSs are established following the same principles as the LMSs in Paragraph 3.3. However, TLMSs may be established for positions in specified local market areas (or worksites) that cross established locality area boundaries. They may also be established for employees in specific occupational categories or specializations that require separate interventions to ensure that qualified employees can be hired and retained in support of the cyber mission. They may cover one or more work levels inclusive of the grades included in the work levels. They are established in response to labor market conditions that are not fully addressed by the CES pay band or grade rate ranges and LMSs. These TLMSs will be established as additions to the standard CES pay band and grade rate ranges.

a. The DoD CIO and USD(P&R), in coordination with the USD(I), may set, modify, or eliminate a TLMS. In determining the amount of the TLMS, mission staffing challenges, labor market conditions, availability of funds, comparability with similarly-situated employees of the DoD and other federal agencies, and any other relevant factors will be considered.

b. DoD Components operating under other market-based pay practices on the effective date of this volume will be granted exceptions to continue with their current practices until a review and analysis of requirements is completed and a phased-in TLMS implementation plan is developed. The implementation plan will be approved by the DoD CIO in coordination with the USD(P&R) based on assessment of mission impact by the head of the affected component and DoD and government-wide equity considerations.

c. A TLMS may not be paid in addition to an LMS. TLMSs include consideration of the total market situation with regard to the targeted situation.

d. DoD Components with CES positions assigned to foreign locations are authorized to pay a common TLMS tied to the Washington-Baltimore-Northern Virginia, DC-MD-PA-VA-WV locality rate (LMS), or another established DoD or Component-specific TLMS that has been approved by DoD CIO and USD(P&R). A TLMS may be subject to limitations established by statute or changes made by the DoD CIO in conjunction with the USD(P&R). DoD Components paying special rates or allowances on the effective date of this Volume must adopt the targeted local market authority established by this volume for their employees assigned to foreign and non-foreign locations outside the contiguous United States.

e. TLMSs are established as additions to the CES base rate for pay bands and grades and are considered basic pay, consistent with Section 530.308 of Title 5, CFR. TLMS areas correspond to the GS- locality pay areas, unless otherwise identified.

f. Procedures for adjusting individual employee pay when a TLMS is increased or decreased, or when an employee is assigned to a different geographic area, will be handled in accordance with those established for LMSs in Paragraphs 3.3.b, f, and g.

g. When GS locality pay rates are adjusted based on an E.O. or by an act of Congress, any TLMS rate that is directly linked to a specific CES local market area corresponding to a GS locality pay area, such as that described in Paragraph 3.4.d., will be adjusted automatically by the

same percentage as the GS locality rates. These TLMS rates will be effective the first full pay period in January of each year.

3.5. ESTABLISHMENT OF ADDITIONAL MARKET-BASED COMPENSATION

RATE RANGES. If labor market conditions warrant, the DoD CIO and the USD(P&R) in coordination with the USD(I) may establish new CES base compensation rate ranges applicable to specific DoD Components, locations, occupational groups, and specialties. Generally, such action will be taken only when it has been demonstrated that other flexibilities within CES policy are no longer sufficient to ensure ability to staff and retain a quality workforce in the targeted occupational or specialty groups required to execute the Defense Cyberspace mission. Additional market based compensation would be required only when the market situation in the targeted workforce group is such that separate policy considerations are deemed necessary to maintain the integrity of the CES compensation framework, in accordance with section 1599f(b).

a. The establishment of new CES base compensation rate ranges will be supported by:

(1) Detailed analysis of recruiting or retention issues regarding the targeted occupational or specialty groups, and supporting evidence that other actions within the existing CES policy framework, including recruitment, relocation, and retention incentives are insufficient to ensure successful maintenance of the required workforce.

(2) An accompanying plan for ongoing review of the effectiveness of the new base compensation structure and trigger indicators for phasing the new structure into the core CES framework as conditions warrant.

b. All policies regarding LMSs, TLMSs, and base rate range maintenance are applicable to any new CES base compensation rate ranges.

c. When a new CES rate range is created, the rate range applies to employees who are assigned to positions with the same occupation or specialization and at the band or grade for which the new rate range was created. Performance rating is not an indicator of whether an employee should be assigned to a particular rate range. Employees on CES pay retention will remain on pay retention unless the employee's basic pay falls within the base pay band or grade ranges of the new rate range plus any applicable LMS or TLMS. In that case, the compensation administration guidelines for an employee not on pay retention will apply.

3.6. OTHER CES TOOLS FOR MAINTAINING COMPENSATION MARKET

COMPETITIVENESS. Local circumstances may suggest the need for pay flexibilities less significant than the establishment of a new compensation base schedule, LMSs, or TLMSs. Under CES, the variable control point provides an additional flexibility to address more subtle market pressures.

a. Variable Control Point. For organizations operating under the CES banded structure or for progression within work levels for organizations operating under the CES graded structure, it may be appropriate, in certain circumstances, to establish control points that are above or below the midpoint of the work level.

(1) These control points are appropriate when market rates for a specific occupation or occupational specialty, or work level within that occupation or occupational specialty, differ significantly from other occupations assigned to the work level.

(2) Variable control points may be used to accelerate or moderate the rate of increase within the work level for the affected occupations sufficiently to preclude the need for additional TLMSs or a new base compensation structure.

(3) The variable control point applicable to an employee is determined by the employee's occupation, specialization, work category, work level or pay band, and official worksite. Control points in a graded structure will be set to a specific grade within a work level, rather than a specific salary within the pay range associated with the work level.

b. Establishing Variable Control Points. DoD Components may submit requests to establish variable control points to the DoD CIO. All requests must be accompanied by supporting market analysis and an assessment of the effects the additional control points are expected to have on recruitment and retention of the affected occupations, specialties, or locations. The DoD CIO, in coordination with the USD(P&R), will determine whether such control points will be applicable to a specific DoD Component or to all CES employees in the affected occupation, specialties, or locations.

c. Funding Variable Control Points. No additional funding will be added to the pay pool of CES Components operating under the CES banded structure as a result of the establishment of variable control points.

d. Adjusting or Terminating Variable Control Points. Variable control points are established for a period of 1 year. Absent action by the DoD CIO to continue or modify an individual control point other than the standard range midpoint for pay bands, all variable control points will terminate before initiation of the annual compensation decision process for CES employees. DoD Components may submit requests to continue or modify individual control points, based on a supportive business case analysis during the annual review of CES compensation competitiveness. Based on the substance of the Component submission, the DoD CIO and the USD(P&R) will determine to continue, adjust, or terminate those control points in response to appropriate market analysis.

3.7. DETERMINING THE OFFICIAL WORKSITE. Implementation of some of the tools for maintaining compensation market competitiveness requires establishment of an official worksite for the employee.

a. The official worksite is the location where the employee regularly performs his or her duties. If the employee's work involves regular travel, or the employee's work location varies on a daily basis, or if the employee is absent from the worksite for an extended period due to injury, military reserve service, or other reasons, the official worksite is the location where the work activities are based as determined by the employing DoD Component. The employing Component must document the employee's official worksite on the employee's SF 50.

b. For an employee serving on a rotational assignment of significant duration, the official worksite is the location where the employee regularly performs work associated with the rotation. Rotational assignments will be documented in accordance with law and standard DoD Component practices.

c. For an employee covered by a telework agreement who is scheduled while in duty status to report at least twice each biweekly pay period on a regular and recurring basis to the regular worksite for the employee's position of record, the regular worksite is the official worksite, in accordance with Section 531.605(d) of Title 5, CFR. However, for an employee whose work location varies on a daily basis, the employee need not report at least twice each biweekly pay period to the established official worksite as long as the employee is performing work within the local market area for that worksite at least twice each biweekly pay period on a regular and recurring basis. If an employee covered by a telework agreement does not meet the requirements of Paragraph 3.7.a., the employee's official worksite is the location of the employee's telework site. An authorized management official may make a temporary exception in appropriate situations, such as when an employee is recovering from an injury or medical condition that prevents the employee from commuting to the regular worksite.

3.8. OFFERS OF COMPENSATION FOR CES POSITIONS. Compensation offers (that are consistent with law, regulations, and DoD policy) once made generally may not be reduced by the offering Component, subject to requirements and budget still existing for the position and the applicant meeting all conditions of employment.

3.9. SETTING PAY WITHIN CES

a. Setting Pay - General. Pay for CES positions will generally be set between the minimum and step 10 of the applicable GG grade for organizations operating under the CES graded structure, or between the band minimum and the rate that is equivalent to the step 10 rate for organizations operating under the CES banded structure. On initial appointment to a CES position from a federal position not covered by CES, DoD Components may set pay higher than the step 10 rate or equivalent pay band rate, but not higher than the maximum (step 12) for the CES rate range or grade, when such rate is necessary because the losing entity has authority to pay rates higher than those authorized for the CES position to which the appointment is being made and the employee's current rate of pay exceeds the step 10 rate or equivalent pay band rate. DoD CIO authorization, in conjunction with the USD(P&R), is required for this type of appointment for employees who possess critical skills for hard to fill cyber positions.

b. Setting Pay on Initial CES Appointment From Outside Federal Service.

(1) The DOD Component heads will establish pay setting guidelines for new CES appointments in coordination with the DoD CIO. At a minimum these guidelines will require consideration of specific labor market indicators used to set salary offer ranges, evaluation of the quality of the employee's work history and experience, the employee's prior salary, and internal equity. The guidelines will include criteria for setting appointment salaries above the midpoint or step 5.

(2) Newly appointed CES employees from outside the federal service will be placed within the appropriate pay band (for those organizations operating under the CES banded structure) or work level and grade (for those organizations operating under the CES graded structure) based on the occupational structure in Volume 3007 of this instruction. Discretionary considerations may include:

- (a) Previous salary received for work in a similar occupation or specialty;
- (b) The individual's highest previous rate if a former Federal Government employee;

or

(c) Qualifying work or educational experience applicable to the work category, occupation or specialty, work level, band (for organizations operating under the CES banded structure) or grade (for organizations operating under the CES graded structure), and job title of work to be assigned.

(3) For organizations operating under the CES banded structure, initial individual salaries may be set anywhere between the band minimum and the rate equivalent to step 10 of the highest equivalent GG grade in the CES graded structure, but are normally set at or below the midpoint of the band. When an employee possesses critical skills for a hard to fill cyber position, DoD Components may submit a request to offer a salary at a rate above the step 10, but not to exceed the CES step 12 rate, for DoD CIO and USD(P&R) approval.

(4) For organizations operating under the CES graded structure, initial individual salaries generally are set to the work level and grade that most appropriately represents the individual's experience. Once the appropriate grade within the work level is determined, salary is determined. Salary offers typically do not exceed step 10 of the grade, but generally are set at or below step 5 of the grade. When an employee possesses critical skills for a hard to fill cyber position, DoD Components may submit a request to offer a salary at a step above the step 10 rate, but not to exceed the CES step 12 rate, for DoD CIO and USD(P&R) approval.

(5) Decisions on initial salaries will consider work to be performed, specific labor market, salary history, internal equity considerations, and other considerations that comply with the merit system principles and guidelines established by the DoD Component.

(6) Initial salary offers will be established from a basic pay compensation perspective considering the combined CES base compensation and any available LMSs or TLMSs and other authorized incentives.

c. Setting Pay on Initial Appointment to a CES Position from Federal Service Outside of DoD.

(1) CES appointments made for employees from the federal service outside of DoD will be placed within the appropriate work category, work level, and pay band (for those organizations operating under the CES banded structure) or work category, work level, and grade (for those organizations operating under the CES graded structure) based on the occupational structure in Volume 3007 of this instruction.

(2) For those organizations operating under the CES banded structure, except as provided under Paragraph 3.9.a., initial individual salaries may be set anywhere between the band minimum and the rate equivalent to step 10 of the highest GG grade in the CES graded structure but are normally set at or below the midpoint of the band. When an employee possesses critical skills for a hard to fill cyber position, DoD Components may submit a request to offer a salary at a rate above the step 10, but not to exceed the CES step 12 rate, for DoD CIO and USD(P&R) approval, when such rate is necessary because the losing entity has authority to pay rates higher than those authorized for the CES position to which the appointment is being made.

(a) For those employees whose CES appointment is not a promotion, specific consideration may be given to the period of time completed toward a periodic step increase in the previous position at the time of the CES appointment.

1. If a buy-in of the within-grade increase (WGI) is authorized, the employee's current base pay rate will be adjusted for the pro-rata share of their next WGI earned as of the date of CES appointment.

2. The pro-rata share adjustment will be computed by dividing the number of full calendar days completed toward the next due date by the number of calendar days in the waiting period and multiplying that number by the value of the WGI.

3. Due dates for appointment computation purposes will be adjusted in accordance with the requirements in Part 531, subpart D, of Title 5, Code of Federal Regulations (CFR) for periods in non-pay status that would normally have affected the WGI due date.

4. The annualized WGI buy-in amount will be added to the employee's base pay rate on the effective date of appointment to establish the initial salary rate under CES.

5. Employees at step 10 or higher of their GS grade at the time of CES appointment will not be eligible for a buy-in adjustment of base pay. Payment of a WGI buy-in sets the employee's date of last equivalent increase.

(b) Employees under a non-CES pay banded system on the date of appointment into a CES pay banded position who do not have WGI eligibility under their current system are not eligible for a WGI buy-in upon CES appointment.

(c) For those employees whose CES appointment is a promotion, pay setting will be accomplished as noted in Paragraph 3.9.f.(1).

(3) For organizations operating under the CES graded structure, there is no change in salary upon assignment to a CES position for employees whose appointment from the GS to the CES graded structure is determined to be a lateral movement except as provided in Paragraph 3.9.a. of this section.

d. Setting Pay on Appointment to a CES Position from Another DoD Component. The CES authorities established in this volume should not be used to provide competitive advantage in recruiting employees for CES positions from other DoD Components. Pay-setting practices

for DoD employees into a CES position will comply with CES policy in Paragraph 3.9.c. except that:

(1) When an employee is assigned from another pay banded system to a CES pay band and the two pay bands overlap, consideration may be given to experience and current pay levels in determining whether the CES pay band placement is a promotion or a reassignment. If the employee is not otherwise eligible for a pay increase in either system upon CES appointment, consideration may also be given to a performance-based pay increase the employee would have been likely to receive had he or she not been appointed to CES.

(2) For GS or equivalent employees placed into a CES pay banded position, consideration in determining the appropriate CES salary may be given to:

- (a) Time completed toward a WGI under the GS or equivalent pay system.
- (b) A documented career ladder promotion expectation.
- (c) The employee's highest previous salary rate if a former federal employee.

(3) For GS or equivalent employees assigned to a CES pay banded component, a WGI buy-in may be offered as part of the salary negotiation process if they are otherwise being offered a lateral transfer at their current salary. The procedures in Paragraph 3.9.c.(2)(a) will be applied to determine the amount of any such increase in salary.

(4) For GS or equivalent employees whose appointment to the CES graded structure is determined to be a lateral move, there is no change in salary upon assignment to a CES position from another DoD Component except as provided in Paragraph 3.9.a.

(5) Former National Security Personnel System employees who were placed on retained pay as a result of conversion out of National Security Personnel System or Defense Civilian Intelligence Personnel System employees who transitioned from pay bands to a graded structure and who have not otherwise lost eligibility for pay retention will retain their pay retention status on appointment into CES if the retained rate of pay cannot otherwise be accommodated within the CES work level and grade to which the employee is appointed.

e. Setting Pay Upon Lateral Transfer Within and Between DoD Components. CES employees who accept a position within the DoD Component through competitive or non-competitive processes in accordance with Volume 3005 of this instruction will be moved at their current base salary as of the effective date of the move. Employees on retained pay laterally reassigning keep the retained pay rate in accordance with paragraph 3.9.g.

(1) For an employee moving from an organization operating under the CES banded structure to an organization operating under the CES graded structure, the salary will be aligned to the closest step of the new grade that is not less than the employee's current salary, typically not exceeding step 10 of the new grade. If the employee's current salary in the CES banded structure is over the step 10 rate of the applicable GG grade in the CES graded structure, the employee will be transferred at a step that is not less than his or her current base rate of pay, not to exceed the CES step 12 rate.

(2) For an employee moving from an organization operating under the CES graded structure to an organization operating under the CES banded structure, a WGI buy-in will be offered as part of the salary negotiation process provided the employee is not currently at or above step 10 of their grade. The procedures in Paragraph 3.9.c.(2)(a) will be applied to determine the amount of any such increase in salary.

(3) Employees who move from an organization operating under the CES graded structure into a CES organization operating under the CES banded structure will be eligible for consideration in the gaining organization's pay pool process.

(4) When an employee transfers from an organization operating under the CES banded structure to another organization operating under the CES graded structure, and the timing of the transfer will make the employee ineligible for a within-band developmental salary increase or performance-based salary increase for which he or she would otherwise have been eligible, the gaining DoD Component may, in consultation with the losing component, adjust the employee's salary on the effective date of the transfer by an amount not greater than that which would have been received as a developmental salary increase or the expected performance-based salary increase. The new salary must align to a specific grade and step.

f. Setting Pay Upon Promotion for Movements Within and Between DoD Components.

A promotion occurs when an employee moves to a higher work level, pay band, or grade within the CES compensation structure either within his or her current DoD Component or to another DoD Component, in accordance with provisions in Volume 3007 of this instruction.

(1) Promotion to a Position in the CES Banded Structure.

(a) Upon the effective date of the promotion, an employee promoted to the next higher pay band, or promoted into a pay banded position, will receive a base pay increase of 6 percent of the base pay rate, or the minimum rate of the pay band to which the employee is being promoted, whichever is greater. Typically, an employee's rate of base pay will not be set higher than the rate equivalent to step 10 of the highest equivalent GG grade in the CES graded structure. When an employee possesses critical skills for a hard to fill cyber position, a DoD Component may request authorization from DoD CIO, in conjunction with USD(P&R), to process promotion personnel actions with base pay increase calculations that result in equivalent rates above the step 10 (not to exceed the CES step 12).

(b) Promotions for employees under pay retention will be treated in the same manner as Paragraph 3.9.f.(1)(a).

(2) Promotion Within the CES Graded Structure.

(a) Upon the effective date of the promotion, an employee promoted to the next higher grade will have his or her base pay increase calculated as equivalent to two steps in the employee's current grade aligned to the next highest step of the new grade, or the minimum rate for the grade to which the employee is being promoted, whichever is greater. Typically, an employee's rate of base pay will not be set higher than step 10 of the grade. When an employee possesses critical skills for a hard to fill cyber position, a DoD Component may request authorization from DoD CIO, in conjunction with USD(P&R), to process promotion personnel

actions with base pay increase calculations that result in equivalent steps above the step 10 rate (not to exceed the CES step 12).

(b) Upon the effective date of the promotion, an employee promoted from a position in the CES banded structure to a position in the CES graded structure will receive an increase of 6 percent to his or her current base pay, aligned to the next highest step of the new grade, or the minimum rate for the grade to which the employee is being promoted, whichever is greater. Typically, an employee's rate of base pay will not be set higher than step 10 of the grade. When an employee possesses critical skills for a hard to fill cyber position, a DoD Component may request authorization from DoD CIO, in conjunction with USD(P&R), to process promotion personnel actions with base pay increase calculations that result in equivalent rates above the step 10 (not to exceed the CES step 12).

(c) When an employee under pay retention is promoted, he or she is entitled to the greater of basic pay at the lowest rate of the higher grade which exceeds the maximum rate (the equivalent of step 12) of the grade from which promoted by not less than two step increases of that grade; or his or her existing retained rate.

(d) If the employee's existing retained rate is the greater amount, the retained rate must be compared to the rate range of the position after promotion and the employee is entitled to the lowest step rate in the range that equals or exceeds the retained rate. If the retained rate exceeds the maximum of the rate range (the equivalent of step 12) after promotion, the employee is entitled to the retained rate.

g. Geographic Adjustment. When setting pay upon lateral transfer, reassignment, promotion, demotion, or change to lower grade (or band) that involves a change in work location to a geographic area with a higher or lower LMS or TLMS rate, the previous LMS or TLMS rate will cease to apply, and the new LMS or TLMS rate will apply upon the effective date of the action.

3.10. ADVANCEMENT THROUGH THE RATE RANGE

a. Advancement Within the CES Banded Structure. Employees will progress through the pay band structure based on performance and personal base rate level within the pay band.

b. Advancement Within the CES Graded Structure.

(1) Employees with a performance evaluation of record of "successful" or above in the CES graded structure will advance through the steps of their grade in accordance with the provisions of Part 531, Subpart D, of Title 5, CFR, except that no employee will advance beyond step 10 of the grade unless supplemental CES guidance allows for additional salary increases in connection with awards recognition.

(2) Employees within the CES graded structure who are granted increases beyond step 10 of the pay grade, in accordance with supplemental CES guidance for awards recognition, or who are placed there through other means (such as setting pay at competitive rates in accordance with Paragraph 3.9.a.) are not considered to be on pay retention.

c. Advancement Between Grades Included in a CES Work Level in the CES Graded Structure. CES employees assigned to a grade within a work level will be advanced between grades in that work level in accordance with procedures in Paragraph 3.9.f.(2) and Volume 3005 of this instruction.

d. Employees in Developmental Programs. Employees in developmental programs will advance through the Entry/Developmental grades (or the Entry/Developmental pay band) in accordance with rules established at the DoD Component level and in accordance with Volume 3005 of this instruction.

(1) Developmental progression terminates at the Full Performance work level, as detailed in Section 6 of Volume 3007 of this instruction, once the employee has reached the termination point designated by the DoD Component.

(2) Employees may not be placed into a developmental progression program if hired into the position at the Full Performance work level, as detailed in Section 6 of Volume 3007 of this instruction.

3.11. VOLUNTARY REDUCTION TO A LOWER PAY BAND OR GRADE

a. Voluntary Reduction to a Lower Pay Band. When an employee voluntarily requests and is approved to move to a lower pay band, the employee's rate of pay in the new pay band will be set at his or her current rate, or the maximum rate for the new pay band if the current salary exceeds that new pay band. If an employee is placed in a lower pay band without a reduction in pay, or a reduction in pay of less than 6 percent in a banded system, and is later promoted back to the higher band, the component will determine if there will be any salary increase associated with the promotion.

b. Voluntary Reduction to a Lower Grade. When an employee voluntarily requests and is approved to move to a lower grade, the employee's rate of pay in the new grade will be set at his or her current rate. If the employee's current rate does not align directly with a step at the new grade, management will match the employee's current salary in the lower grade by rounding up to the next step. For employees whose salary exceeds step 10 of the new grade, their pay will be set at that rate, not to exceed the equivalent of step 12 of the new grade. If an employee is placed in a lower pay grade without a reduction in pay, or a reduction in pay of less than the equivalent of 2 steps, and is later promoted back to the grade, the component will determine if there will be any salary increase associated with the promotion.

c. Pay Retention. Pay retention is not authorized under a voluntary reduction to a lower pay band or a lower grade for employee salaries that exceed the step 12 of the new grade.

3.12. INVOLUNTARY REDUCTION TO A LOWER PAY BAND OR GRADE

a. As a Result of Adverse Action. When an employee is involuntarily moved to a lower pay band (for those organizations operating under the CES banded structure) or grade (for those organizations operating under the CES graded structure) through adverse action procedures (as a

result of poor performance or misconduct), the authorizing management official may reduce the employee's base pay rate by the amount directed in the adverse action decision executed in accordance with the guidelines in Chapter 75 of Title 5, U.S.C. The employee's base pay may be reduced to an amount not less than the minimum for the pay band or grade. In no case may the employee's salary exceed the maximum for the pay band or the equivalent of step 12 of the grade. Salaries below the step 10 rate of the new grade must be aligned to an actual step. An employee's annual compensation may not be reduced under involuntary procedures more than once in a 12-month period. Pay retention is not authorized for employees who are moved to a lower pay band or grade through adverse action procedures.

b. As a Result of Reduction-in-Force (RIF). When an employee is involuntarily moved to a lower pay band or grade through RIF procedures pursuant to Part 351 of Title 5, CFR, salary will be set for pay retention in accordance with Part 536 of Title 5, CFR. If an employee is separated as a result of RIF and rehired into a GS position as a result of placement through the DoD Component Reemployment Priority List procedures, the employee's pay will be set in accordance with Part 531 of Title 5, CFR. DoD Components will follow the DoD Priority Placement Program policy and procedures for setting pay when the registrant is placed through the Priority Placement Program, even when the employee has had a break in service.

c. As a Result of Management-Directed Action. When a reduction to a lower pay band or grade occurs as a management-directed action that is not the result of adverse action, the action will be treated the same as a reduction as a result of RIF. If the employee's salary at the time of reduction exceeds the maximum rate for the pay band or the equivalent of step 12 of the grade, he or she will be entitled to pay retention. Pay retention will not be authorized for employees on temporary and term appointments in accordance with Section 5361(1) of Title 5, U.S.C and Part 536. 102(b)(2) of Title 5, CFR. If the employee's banded salary at the time of the reduction does not exceed the maximum rate for the pay band, he or she will be entitled to that salary within the band. For those graded employees whose salary does not exceed step 10 of the new grade, his or her salary will be aligned to the closest step of the new grade that is not less than the employee's current salary, not to exceed step 10 of the new grade. For those graded employees whose current salary exceeds step 10 of the new grade, his or her salary in the new grade may be set at a step that is not less than the employee's current salary, not to exceed the equivalent of step 12 of the new grade.

3.13. EMPLOYEES WITH STATUTORY RETURN OR REEMPLOYMENT RIGHTS TO A POSITION CONVERTED TO CES DURING THEIR ABSENCE. Employees returning to a CES position under a statutory entitlement will have their initial CES salary set such that they receive all entitlements to salary adjustments they would have received under governing CES regulations, and may be eligible for a WGI buy-in in accordance with Paragraph 3.9.c.(2)(a).

3.14. ADJUSTMENT OF RETAINED RATES AND TERMINATION OF PAY RETENTION.

a. When an increase to an employee's pay schedule is authorized, those employees on retained pay who have a current evaluation of record above "unacceptable" will receive 50 percent of the increase to the maximum rate for the applicable grade or pay band of the employee's schedule to include any applicable LMS or TLMS. The DoD CIO and USD(P&R) in coordination with USD(I), may authorize alternative methodologies for the adjustment of retained rates to address unique situations.

b. An employee's eligibility for pay retention terminates when any of the conditions are met as described in Section 536.308(a) of Title 5, CFR.

3.15. OTHER COMPENSATION ADMINISTRATION AUTHORITIES AND

LIMITATIONS. Except as specifically otherwise provided in this volume, compensation authorities and limitations contained in Titles 5 and 10, U.S.C; OPM regulations in Title 5 CFR; Department of State Standardized Regulations; and other compensation-related DoD issuances that apply to other than base and locality structure administration and are not otherwise addressed in this volume, are applicable to covered CES employees. Specific coverage includes:

a. Additional Compensation. CES employees are eligible for additional compensation under the following provisions of law and regulation:

(1) Premium pay (e.g., overtime, holiday pay, Sunday pay, night pay differential, and annual premium pay for administratively uncontrollable overtime) subject to the same requirements and limitations as in Subchapter V or Chapter 55 of Title 5, U.S.C., and Subpart A of Part 550 of Title 5, CFR.

(2) Overtime pay pursuant to Chapter 8 of Title 29, U.S.C. (also known as "The Fair Labor Standards Act of 1938"); Section 5542(c) of Title 5, U.S.C.; and Part 551 of Title 5, CFR.

(3) Compensatory time off in lieu of overtime, subject to the same requirements in Section 5543 of Title 5, U.S.C., and Sections 550.114 and 551.531 of Title 5, CFR.

(4) Post differentials for environmental conditions at overseas posts as authorized by Section 5925 of Title 5, U.S.C.

(5) Post differentials and cost of living allowances for non-foreign posts as authorized by Section 5941 of Title 5, U.S. C., and Part 591 of Title 5, CFR.

(6) Danger pay in foreign areas as authorized by Section 5928 of Title 5, U.S.C.

(7) Cost of living allowances for foreign areas as authorized by Section 5924 of Title 5, U.S.C.

(8) Living quarters allowances for foreign areas as authorized by Section 5923 of Title 5, U.S.C.

(9) Hazard pay for duty involving unusual physical hardship or hazard as authorized by Section 5545(d) of Title 5, U.S.C., and Subpart I of Part 550 of Title 5, CFR.

(10) Physicians' comparability allowances as authorized by Section 5948 of Title 5, U.S.C., and Part 595 of Title 5, CFR.

(11) Foreign language proficiency pay authorized by Section 1596a of Title 10, U.S.C.

(12) Other compensation authorized by Section 1599f of Title 10, U.S.C.

(13) Other compensation authorized by Titles 5 and 10, U.S.C.

b. Recruitment, Retention, and Relocation Incentives. Payment of special incentives to attract, retain, and encourage the relocation of employees critical to the mission of an organization will be provided on the same basis as provided under Sections 5753-5754 of Title 5, U.S.C., and the implementing regulations in Part 575 of Title 5, CFR, but DoD will exercise the authority granted to OPM under those laws and regulations. Those incentives are available to the DoD Components subject to the requirements that:

(1) The DoD Components will develop recruitment, relocation, and retention incentive plans consistent with Sections 575.107, 575.207, and 575.307 of Title 5, CFR and forward those plans to the DoD CIO for review and approval in conjunction with the USD(P&R).

(2) Proposals to offer incentives to categories of employees (e.g., a specific occupation) will be submitted, to the DoD CIO for review and approval in conjunction with the USD(P&R), on the potential effects on other elements of the Defense Cyber workforce.

c. Aggregate Compensation Limitation. The aggregate compensation limit provisions of Section 5307 of Title 5, U.S.C., will be applied to CES employees if payments (in addition to basic pay) made under the CES authority in Section 1599f of Title 10, U.S.C., are being made under Title 5. An employee's aggregate compensation paid during a calendar year will not exceed Level I of the Executive Schedule, unless otherwise permitted by statute, consistent with OPM regulations under Subpart B or Part 530 of Title 5, CFR.

d. Projecting the Lump Sum Leave Payment. CES employees are covered under the annual leave lump-sum law and regulations found in Sections 5551-5553 of Title 5, U.S.C., and Subpart L of Part 550 of Title 5, CFR.

APPENDIX 3A: CES COMPENSATION PHILOSOPHY

3A.1. The DoD Components, as a community, will implement a CES compensation strategy as part of a human capital strategy and an integrated business process that aligns with and supports their individual and collective organizational mission, goals, and objectives. DoD Components will share an overarching compensation architecture intended to support the DoD goal of facilitating interchange of personnel across the DoD Components in the interest of expanding individual perspective in solving cyber problems. The shared compensation architecture will consider DoD human capital initiatives, thereby facilitating the exchange of personnel within the larger cyber community and further increasing individual perspective in problem solving.

3A.2. CES recognizes that, while pay is not the only factor in the satisfaction of the DoD cyber workforce, competitive compensation is the cornerstone for recruiting, retaining, and motivating the type of employees needed by the DoD Components. The management of compensation of individual employees under CES will be consistent with the needs and objectives specified by the Department, including those within the Defense Cyber Strategy, regarding the disposition of funds for employee compensation, recognition, and reward. CES endeavors to:

- a. Provide employees with a total compensation package comprising both salary and benefits that recognizes and rewards performance and productivity, while maintaining internal equity and a market-competitive position, within the financial resources available.
- b. Maintain a compensation system that is legally compliant, consistent with DoD and individual DoD Component policies and guidelines, and compliant with merit system principles.
- c. Provide for a compensation system that is portable, scalable, operable, and sustainable and that supports the desired outcomes of collaboration, cooperation, information-sharing, personnel exchange, and shared mission awareness among the DoD Components.
- d. Provide pay opportunities that enable the flexible and effective recruitment, management, and retention of a high-quality, high-performance workforce having the results-oriented competencies necessary to plan and accomplish the DoD cyber mission.
- e. Provide a reward system that motivates employees to increase performance contributions and results in levels of employee performance that are commensurate with total compensation.
- f. Provide fair, equitable, and consistent salary treatment; provide for appropriate promotion, reassignment, transfer, and developmental opportunities.
- g. Promote a work environment that encourages employee productivity, innovation, and performance excellence through increased satisfaction, commitment, and engagement.
- h. Optimize the delivery of reward and recognition to employees to maximize motivation and the accomplishment of organizational objectives.

GLOSSARY

G.1. ACRONYMS.

CES	Cyber Excepted Service
CFR	Code of Federal Regulations
DoD CIO	Department of Defense Chief Information Officer
DoDD	DoD directive
E.O.	Executive order
GG	General Grade
GS	General Schedule
LMS	local market supplement
OPM	Office of Personnel Management
RIF	reduction in force
TLMS	targeted local market supplement
U.S.C.	United States Code
USD(I)	Under Secretary of Defense for Intelligence
USD(P&R)	Under Secretary of Defense for Personnel and Readiness
WGI	within-grade increase

G.2. DEFINITIONS. The following terms and their definitions apply to this volume and serve as the basic compensation administration taxonomy for DoD Components with CES positions.

adjusted basic pay. The sum of an employee's base pay rate plus any applicable LMS or TLMS.

base compensation structure. The worldwide pay structure applicable to all CES employees unadjusted for local or market differences.

base pay. A rate of pay exclusive of additional pay of any kind such as an LMS or TLMS.

base rate pay band. A single rate range within the CES base compensation structure that establishes the range of pay for a work category, occupational group, and work level.

basic pay. A rate of pay including any applicable LMS or TLMS, and before any deductions and exclusive of additional pay of any other kind.

control point. A target point within a CES pay band that serves both as a reference point for establishing the relationship between employee base compensation and the relevant labor market and for moderating the rate of progression of an employee through a pay band.

foreign area. Those areas outside of the United States and its territories and possessions.

LMS. An addition to the base salary of employees assigned to a geographic region that reflects the competitive requirements for the applicable labor market. An LMS applies to a geographic area that is identical to an OPM-established locality pay area listed in Section 531.603 of Title 5, CFR, or a subdivision of such an area. For any LMS, a uniform percentage supplement applies to all employees officially stationed in a given LMS area—i.e., the same percentage applies in all occupations and at all band or grade levels. An LMS is considered part of basic pay for most purposes, including retirement purposes.

maximum pay rate for band or grade. The maximum rate of base pay for a grade is equal to the step 10 rate of the GS base pay schedule, plus two additional steps. The maximum rate of base pay for a CES band is equal to the maximum rate of base pay for the highest CES grade contained within the pay band in accordance with provisions in Volume 3007 of this instruction.

midpoint. The point halfway between the minimum and maximum of a pay band. The midpoint is the default control point for all CES pay bands and serves as the reference point for establishing the relationship between CES band rate ranges and the applicable labor market.

promotion. Movement to a higher work level, or pay band (for those organizations operating under the CES banded structure), or grade (for those organizations operating under the CES graded structure) in accordance with provisions in Volume 3007 of this instruction.

rate range. A range of rates of basic pay for a pay band or a grade within an established pay schedule, excluding any retained rate. A rate range may consist of base pay rates, LMS rates, TLMS rates, or similar rates under other legal authority.

reduction to lower pay band or grade. Movement to a lower work level, or pay band (for those organizations operating under the CES banded structure), or grade (for those organizations operating under the CES graded structure) in accordance with provisions in Volume 3007 of this instruction.

TLMS. An addition to the base salary for a subpopulation of employees, where the subpopulation may be defined based on occupational category or specialization, work level, geographic location, or other factor to address labor market competitiveness issues that are not appropriately addressed by an LMS. TLMSs may be established for positions in specified local market areas that cross established locality area boundaries. The TLMS is considered basic pay for most purposes, including retirement purposes.

REFERENCES

Code of Federal Regulations, Title 5

Department of State Standardized Regulations, current version¹

DoD Directive 1400.25, “DoD Civilian Personnel Management System,” November 25, 1996

DoD Directive 5124.02, “Under Secretary of Defense for Personnel and Readiness (USD(P&R)),” June 23, 2008

DoD Directive 5144.02, “DoD Chief Information Officer (DoD CIO),” November 11, 2014

DoD Directive 8140.01, “Cyberspace Workforce Management,” August 11, 2015

Defense Cyber Strategy, April 2015²

United States Code, Title 5

United States Code, Title 10

United States Code, Title 29 (Section 201 et. seq. also known as “The Fair Labor Standards Act of 1938”)

¹ Available at https://aoprals.state.gov/content.asp?content_id=231&menu_id=92

² Available at http://www.defense.gov/News/Special-Reports/0415_Cyber-Strategy



DoD INSTRUCTION 1400.25, VOLUME 3007

DoD CIVILIAN PERSONNEL MANAGEMENT SYSTEM: CYBER EXCEPTED SERVICE (CES) OCCUPATIONAL STRUCTURE

Originating Component: Office of the Under Secretary of Defense for Personnel and Readiness

Effective: August 15, 2017

Releasability: Cleared for public release. Available on the Directives Division Website at <http://www/esd.whs.mil/DD/>.

Approved by: A. M. Kurta, Performing the Duties of the Under Secretary of Defense for Personnel and Readiness

Purpose: This instruction is composed of several volumes, each containing its own purpose. In accordance with the authority in DoD Directive (DoDD) 5124.02:

- This instruction establishes and implements policy, establishes procedures, provides guidelines and model programs, delegates authority, and assigns responsibilities regarding civilian personnel management within the DoD.
- This volume:
 - Is part of the 3000 Volume series of this instruction. In accordance with the authority in DoDDs 1400.25, 5124.02, 5144.02, and 8140.01, the 3000 Volumes establish policy, assign responsibilities, and provide guidance for the Cyber Excepted Service (CES) and are referred to as “the CES Volumes.”
 - Pursuant to section 1599f of Title 10, United States Code (U.S.C.), establishes the policies, responsibilities, procedures, and delegations for the design and administration of the CES occupational structure and supports the application of the occupational structure to individual positions covered by CES.

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SECTION 1: GENERAL ISSUANCE INFORMATION

1.1. APPLICABILITY.

a. This issuance applies to OSD, the Military Departments, the Office of the Chairman of the Joint Chiefs of Staff and the Joint Staff, the Combatant Commands, the Office of the Inspector General of the Department of Defense, the Defense Agencies, the DoD Field Activities, and all other organizational entities within the DoD that employ individuals under the CES, referred to collectively in this issuance as the “DoD Components.”

b. This issuance does **not** apply to:

(1) Employees covered by the Defense Civilian Intelligence Personnel System or the Federal Wage System, or equivalent; non-appropriated fund employees; and foreign national employees employed under authority other than the CES.

(2) Employees in CES-designated cyber positions who declined the voluntary opportunity to convert to the CES.

(3) Employees in cyber positions that are not CES-designated.

(4) Employees in Senior Executive Service, senior level, scientific and professional, and equivalent positions, unless specifically addressed in the CES volumes of this instruction.

1.2. POLICY. It is DoD policy that:

a. Each position and title will be mapped to an occupational series and title established by the Office of Personnel Management.

b. Position classification practices for CES-covered positions will be categorized, classified, and aligned in accordance with the provisions of Sections 5 through 7 of this volume, DoDD 8140.01, and the National Initiative for Cybersecurity Education (NICE) Workforce Framework.

SECTION 2: RESPONSIBILITIES

2.1. UNDER SECRETARY OF DEFENSE FOR PERSONNEL AND READINESS (USD(P&R)). In conjunction with the DoD Chief Information Officer (DoD CIO) and in coordination with the Under Secretary of Defense for Intelligence (USD(I)), the USD(P&R) establishes and maintains CES policies covered by this volume.

2.2. USD(I). The USD(I) coordinates on occupational structure issues that cross Defense Cyber and Defense Intelligence interests and makes recommendations to the DoD CIO and the USD(P&R).

2.3. DoD CIO. The DoD CIO oversees the implementation and management of this volume.

2.4. DoD COMPONENT HEADS. The DoD Component heads:

a. Establish procedures for the evaluation of CES positions using systematic application of CES position classification criteria to ensure an effective and efficient workforce alignment in support of the cyber mission.

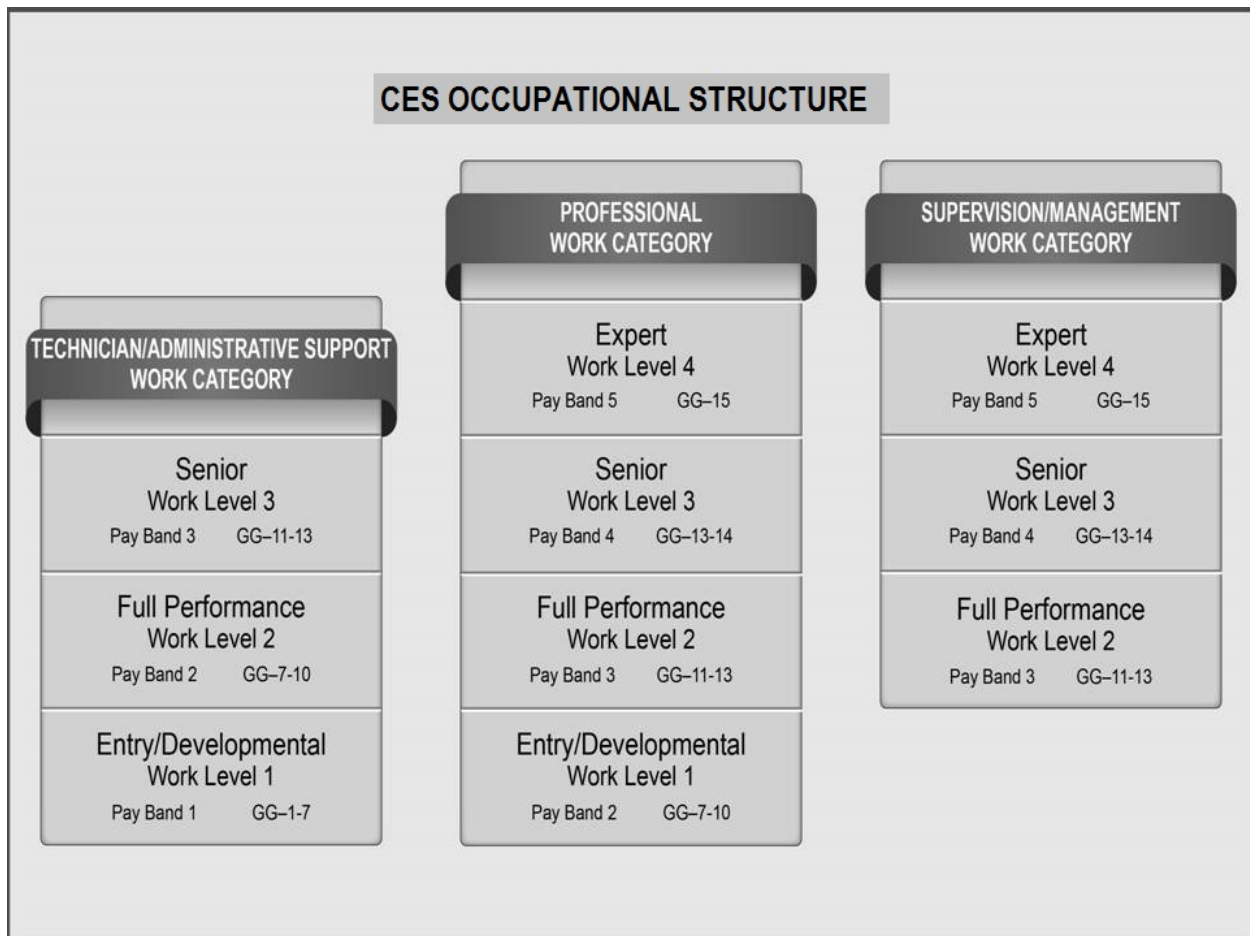
b. Ensure that each CES position is reviewed for appropriate classification as mission requirements change.

SECTION 3: CES OCCUPATIONAL STRUCTURE PROCEDURES

3.1. GENERAL STRUCTURE.

a. The CES occupational structure, in Figure 1, aligns with the mission categories, work categories, and work levels to ensure positions are established and maintained to accomplish the DoD cyber mission, as prescribed in DoDD 8140.01. The CES occupational structure facilitates position classification procedures for aligning civilian cyber work to the appropriate pay band or grade range. Through the occupational structure, the CES allows for work to be assigned and positions to be organized in a way that best accomplishes the mission, while upholding the merit principle of equal pay for work of equal value.

Figure 1. CES Occupational Structure



b. The CES will be implemented based on a graded rank-in-position structure. Any DoD Component seeking to transition to a non-graded banded structure or a rank-in-person construct must forward the fully supported mission rationale and proposed implementing guidance, to the USD(P&R) for approval prior to implementation. DoD organizations operating under either a

rank-in-position or rank-in-person personnel management construct will use the CES occupational and position structure to establish workforce requirements that structure their recruitment, retention, and development programs in support of the DoD cyber mission.

c. The CES occupational structure provides the foundation for managing the CES pay structure. It consists of the following elements: mission categories, occupational groups and series, job titles, competencies, work categories, work levels, pay bands (for those DoD Components operating under the CES pay banded structure using pay plan IA), and grades (for those DoD Components operating under the GG graded structure using pay plan GG).

d. CES graded positions will be grouped in accordance with the work category and work level descriptors in Sections 2 and 3 of this volume. DoD Components will regularly review positions in accordance with Paragraph 3.2.a. of this volume to ensure they are properly aligned to mission category, occupational series, job title, work category, work level, and pay band (for those Components operating under CES pay bands), or grade (for those Components operating under the GG graded structure) based on work requirements.

3.2. MAINTAINING DOD COMPONENT POSITION STRUCTURES.

a. DoD Components will maintain an ongoing program to assign all CES positions to the appropriate mission category, occupational series, job title, work category, work level, and pay band or grade, as applicable, in accordance with mission requirements of the respective Components.

b. Before DoD Components assign an employee to a CES position, they will verify that the position is appropriately aligned to the CES occupational structure in accordance with the guidance provided in this volume.

SECTION 4: CES MISSION CATEGORIES

4.1. GENERAL. CES mission categories will be established in accordance with DoDD 8140.01 and the National Initiative for Cybersecurity Education (NICE) Workforce Framework.

4.2. CES MISSION CATEGORIES. CES mission categories will be established in accordance with the DoDD 8140.01, NICE Workforce Framework, and Joint Publication 3-12(R).

SECTION 5: WORK CATEGORIES

5.1. GENERAL. Each CES position will be assigned to a work category according to the criteria in this section. These required work categories describe broad sets of related occupational groups characterized by common types of work within the CES enterprise. In applying these criteria, the DoD Components will base their decisions on the work category most applicable to the predominant type of work assigned to the position and performed by the incumbent (e.g., primary purpose of the work, required qualifications).

5.2. CES WORK CATEGORIES.

a. Technician and Administrative Support. This CES work category includes positions with duties and responsibilities that primarily involve support for the operations and functions of a particular type of work or organizational unit. Such support activities are technical or administrative, and qualifications generally are acquired through practical experience supplemented by on-the-job or skills-specific training. Such work generally has fewer career progression stages and work levels. Positions in this category typically are covered by Section 201 *et seq.* of Title 29, U.S.C., also known as the “Fair Labor Standards Act of 1938.”

b. Professional. This CES work category includes positions with duties and responsibilities that primarily involve professional or specialized work that requires the interpretation and application of concepts, theories, and judgment. At a minimum, all groups in this category require either a bachelor’s degree or equivalent experience for entry. However, some occupations in this category have positive education requirements (i.e., a requirement for a particular type or level of academic degree). This work category features multiple career progression stages and work levels.

c. Supervision and Management. This CES work category includes positions with duties and responsibilities that primarily involve planning, directing, and coordinating the operation of units within DoD Components; overseeing daily operations, managing material, financial or human resources; developing and executing strategy; and formulating and implementing policies.

SECTION 6: WORK LEVEL DESCRIPTIONS

6.1. GENERAL. DoD Components will use the work level descriptions in this section to describe and classify the work of CES positions in each of the work categories established in Section 4 of this volume. Positions at the Full Performance, Senior, or Expert Work Levels in the Professional Work Category may also be defined as supervisors or managers, if appropriate, based on the functional role the positions are designed to fulfill.

6.2. CES WORK LEVELS.

a. Entry and Developmental. In both the Professional and the Technician and Administrative Support Work Categories, work at this foundational level includes learning and applying basic procedures and acquiring competencies through training or on-the-job experience. Positions in the Technician and Administrative Support Work Category at this level may involve independent performance of duties. Technician and Administrative Support positions should be placed in this work level when their primary function is performing established office procedures and standard program practices, and when typical career patterns for the occupation do not extend to the complexity, variety, and scope of the Full Performance Work Level.

b. Full Performance. Work at this journeyman level involves independently performing the full range of non-supervisory duties assigned to the employee. Employees at this level have successfully completed required entry-level training or developmental activities either within the employing organization or before joining the organization. Employees at this work level have a full understanding of the technical or specialty field, independently handle situations or assignments with minimal day-to-day instruction or supervision, and receive general guidance and direction on new projects or assignments. Within established priorities and deadlines, Full Performance employees exercise independent judgment in selecting and applying appropriate work methods, procedures, techniques, and practices in accomplishing their duties and responsibilities. Actions at this level may have impact beyond the work unit and, as a result, employees at this level typically collaborate internally and externally with their peers.

c. Senior. Work at this mastery level involves a wide range of complex assignments and non-routine situations that require extensive knowledge and experience in the technical or specialty field. Receiving broad objectives and guidelines from their supervisors, Senior Work Level employees independently handle a wide range of complex assignments and non-routine situations, and exercise independent judgment to identify and take alternative courses of action. Following broad objectives and guidelines, employees act independently to establish priorities and deadlines within expectations established by their supervisor and exercise individual judgment to choose alternative guidelines to complete assignments. Employees may lead and coordinate special projects, teams, tasks, and initiatives, and may be required to build and use collaborative networks with key contacts within and outside of their immediate organization. Actions at this level are likely to have an impact beyond the employee's immediate organization.

d. Expert. Work at this level involves an extraordinary degree of specialized knowledge or expertise to perform highly complex and ambiguous assignments that normally require

integration and synthesis of a number of unrelated disciplines and disparate concepts. Employees at this level set priorities, goals, and deadlines and make final determinations on how to plan and accomplish their work. DoD Components rely on employees at this level for the accomplishment of critical mission goals and objectives, and as a result, employees may lead the activities of senior and other expert employees, teams, projects, or task forces. Employees at this level create formal networks involving coordination among groups across DoD and other external organizations.

6.3. APPLYING CES WORK LEVELS TO THE SUPERVISION AND MANAGEMENT WORK CATEGORY.

a. Supervision. Work of this type involves planning, directing, assigning, leading, and monitoring the work of the unit; hiring or selecting employees; managing and appraising employee and organizational performance; disciplining employees; resolving employee complaints; and supporting the development of employees. Supervisors make decisions that impact the resources (people, budget, materials) of the work unit, ensure the technical quality and timeliness of the work produced by employees in the unit, and collaborate with supervisors across the organization in unstructured situations.

b. Management. Work of this type involves supervision of other subordinate managers or supervisors or direction of units, functions, or projects that may be staffed by civilian or military personnel. Managers are responsible for justification, direction, and allocation of resources (people, budget, material) across the organization through one or more levels of supervision and for setting organizational goals, objectives, and priorities. They handle highly complex, sensitive, or ambiguous challenges facing the organization; interact with, influence, and persuade high-ranking officials within and outside the organization, agency, and other external organizations; and make decisions that have an impact within and outside of the immediate organization and agency.

SECTION 7: CES GRADING STANDARD FOR GG GRADED POSITIONS

7.1. GENERAL.

a. CES organizations using the GG graded structure will use the guidance in this section to assign GG grades to nonsupervisory and supervisory and managerial positions following assignment of the CES mission category, work category, and work level, using guidance contained in Sections 1, 2, and 3 of this volume.

b. The CES grading standard for GG positions is the standard for assigning grades in the alignment of all CES positions in the GG grade structure, grades GG-1 through GG-15. The standard is derived from the Office of Personnel Management's Factor Evaluation System Primary Standard in the "Introduction to the Position Classification Standards." This CES standard consists of two parts: Part I provides grading criteria for nonsupervisory positions; Part II provides grading criteria for supervisory and managerial positions.

7.2. PART I: GRADING CRITERIA FOR CES NON-SUPERVISORY POSITIONS. The grading criteria for nonsupervisory CES positions is used to assess five job-content factors that when appropriately applied and summed allow for consistent placement of CES positions into the CES work level and GG structure across occupations and work categories. For each factor below, a degree of difficulty and its associated point total is assigned to a position (See Table 1 for CES nonsupervisory grade conversion and Figure 1 for CES occupational structure alignment).

a. Factor A Essential Knowledge. This factor measures the nature and extent of information or facts that employees must understand to do acceptable work (e.g., steps, procedures, practices, rules, policies, theories, principles, and concepts) and the nature and extent of the skills needed to apply this knowledge.

(1) **Degree A-1 – 5 Points.** The work requires: knowledge of simple, routine, or repetitive tasks or operations that typically include step-by-step instructions and require little or no previous training, experience, or skill to operate simple equipment requiring little or no previous training or experience.

(2) **Degree A-2 – 15 Points.** The work requires knowledge of basic or commonly used rules, procedures, or operations that typically require some previous training or experience; or basic skills to operate equipment that requires some previous training or experience, such as keyboard equipment or reproduction equipment.

(3) **Degree A-3 – 20 Points.** The work requires knowledge of a body of standardized rules, procedures, or operations requiring considerable training and experience in order to perform the full range of standard clerical and non-clerical assignments and resolve recurring problems; or the skill, acquired through considerable training and experience, to operate and adjust varied equipment for purposes such as performing numerous standardized tests or operations.

(4) Degree A-4 – 30 Points. The work requires:

(a) Knowledge of an extensive body of rules, procedures, or operations that require extended training and experience to perform a wide variety of interrelated or non-standard procedural assignments and resolve a wide range of problems; or

(b) Practical knowledge of standard procedures in a technical field, requiring extended training or experience in order to perform such work as adapting equipment, when this requires:

1. Considering the functioning characteristics of equipment;
2. Interpreting results of tests based on previous experience and observations (rather than directly reading instruments or other measures); or
3. Extracting information from various sources when this requires considering the applicability of information and the characteristics and quality of the sources.

(5) Degree A-5 – 40 Points. The work requires knowledge (such as would be acquired through a pertinent baccalaureate educational program or its equivalent in experience, training, or independent study) of basic principles, concepts, and methods of a professional or administrative occupation and skill in applying this knowledge in carrying out elementary assignments, operations, or procedures; or, in addition to the practical knowledge of standard procedures in Degree A-4, practical knowledge of technical methods to perform assignments such as carrying out limited projects that involve use of specialized, complicated techniques.

(6) Degree A-6 – 60 Points. The work requires knowledge of the principles, concepts, and methods of a professional or administrative occupation as previously described in Degree A-5 that has been supplemented either by:

(a) Skill gained through job experience to permit independent performance of recurring assignments;

(b) Expanded professional or administrative knowledge gained through relevant graduate study or experience, which has provided skill in carrying out assignments, operations, and procedures in the occupation that are significantly more difficult and complex than those covered by Degree A-5; or

(c) Practical knowledge of a wide range of technical methods, principles, and practices similar to a narrow area of a professional field and skill in applying this knowledge to such assignments as the design and planning of difficult, but well preceded projects.

(7) Degree A-7 – 80 Points. The work requires knowledge of a wide range of concepts, principles, and practices in a professional or administrative occupation, such as would be gained through extended graduate study or experience and skill in applying this knowledge to difficult and complex work assignments; or a comprehensive, intensive, practical knowledge of a technical field and skill in applying this knowledge to the development of new methods, approaches, or procedures.

(8) **Degree A-8 – 95 Points.** The work requires a mastery of one or more professional or administrative fields. The employee at this level applies experimental theories and new developments to problems that cannot be resolved with traditionally accepted methods; or makes decisions or recommendations that significantly change, interpret, or develop important policies and programs.

(9) **Degree A-9 – 115 Points.** The work requires a mastery of a professional or administrative field to generate and develop new hypotheses and theories. The employee at this level is a leading authority in the specialty within the joint organization or throughout DoD.

b. Factor B – Guidelines. This factor measures the nature of the guidelines the employee uses (e.g., regulations, procedures, precedents, methods, techniques, and forms of governance over the work) and the degree of interpretation required of these references, including judgment and originality, to perform their assigned responsibilities.

(1) **Degree B-1 – 10 Points.** Specific, detailed guidelines covering all-important aspects of the assignments are provided to the employee. The employee works in strict adherence to the guidelines; deviations must be authorized by the supervisor.

(2) **Degree B-2 – 25 Points.** Procedures for performing the work are established, and a number of specific guidelines are available. The number and similarity of guidelines and work situations require the employee to use judgment in locating, selecting, and applying the most appropriate guidelines, references, and procedures for application and in making minor deviations to adapt the guidelines in specific cases. Adaptability and versatility are required to meet changing work situations.

(3) **Degree B-3 – 50 Points.** Guidelines are available, but are not completely applicable to the work or have gaps in specificity. The employee uses judgment in interpreting and adapting guidelines, such as the policies, regulations, precedents, and work directions for application to specific cases or problems. The employee analyzes results and recommends changes.

(4) **Degree B-4 – 70 Points.** Administrative policies and precedents are applicable, but are stated only in very general terms. Guidelines for performing the work are scarce or of limited use. The employee uses initiative and resourcefulness in deviating from traditional methods or researching trends and patterns to develop new methods, criteria, or proposed new policies.

(5) **Degree B-5 – 95 Points.** Guidelines are broadly stated and nonspecific, such as broad policy statements and basic legislation that require extensive interpretation. The employee must use judgment and ingenuity in interpreting the intent of guides that do exist and in developing applications to specific areas of work. Frequently, the employee is recognized as an authority in the development and interpretation of guidelines.

(6) **Degree B-6 – 115 Points.** Guidelines are virtually non-existent. Precedents are obscure or not available. Originality, creativity, or extensive experience are required to deal with or to plan theoretical, experimental, or complex programs of such advanced and novel character that new concepts and methods must be developed. The lack of guidelines requires the employee

to develop definitive plans and head pioneering efforts to solve problems that require an extension of theory.

c. Factor C – Scope of Authority and Effect of Decisions. This factor covers the relationship between the nature of the work (e.g., purpose, breadth, and depth of assignments) and the effect of the work products or services within and outside the organizational element. Effect also measures such things as whether the work output facilitates the work of others, provides timely service of a personal nature, or impacts on the adequacy of research conclusions.

(1) **Degree C-1 – 15 Points.** The employee takes or recommends actions on routine assignments or portions of special assignments where errors in decisions or commitments can be readily detected and corrected. The primary consequence of error is localized loss of time.

(2) **Degree C-2 – 30 Points.** The employee makes decisions on the application of established procedures and initiates actions that affect various organizational units within the DoD Component. Errors in decisions or commitments are not immediately apparent, but are revealed in subsequent operations. An error may result in loss of time in other organizational units within the Component or activity.

(3) **Degree C-3 – 50 Points.** The employee makes decisions based on the interpretation of regulations and practices and initiates actions that affect various organizational units. Commitments do not involve interpretation of policy or the setting of precedents, but may have an adverse effect upon the activities of the assigned element. Errors could prove costly in terms of delay and waste of time and resources within the element.

(4) **Degree C-4 – 70 Points.** The employee makes decisions and initiates actions that involve the interpretation of policy or the setting of precedents. The employee makes authoritative determinations and advises on technical problems. Decisions and commitments often involve large expenditures of resources and have a strong impact on important programs.

(5) **Degree C-5 – 90 Points.** The employee makes recommendations and decisions that materially affect the scope and direction of large, complex, and significant programs, or technical and scientific activities of crucial importance to the DoD activity, Component's, or DoD's mission. Commitments may result in the initiation of major programs or the cancellation or modification of existing major programs.

d. Factor D – Work Relationships. This factor includes contacts with persons not in the supervisory chain and is based on what is required to make the initial contact, the difficulty of communicating with those contacted, and the degree to which the employee and those contacted recognize their relative roles and authorities. Also considered by this factor are the purposes of the contacts, which range from factual exchanges of information to situations involving significant or controversial issues and differing viewpoints, goals, or objectives.

(1) **Degree D-1 – 5 Points.** Person-to-person work relationships occur, but generally are of an incidental nature and do not constitute a significant part of the work.

(2) **Degree D-2 – 15 Points.** Person-to-person work relationships are a regular and necessary part of the job and are for the purpose of giving or obtaining factual information that is easy to convey and simple to understand.

(3) **Degree D-3 – 35 Points.** Person-to-person work relationships are for the purpose of giving or obtaining information on problems where some explanation or interpretation of facts is required to render service, implement regulations and policies, or maintain coordination.

(4) **Degree D-4 – 55 Points.** Person-to-person work relationships are for the purpose of giving or obtaining information on non-routine problems requiring not only explanation or interpretation of facts, but also discussion and inferences to gain concurrence or persuade to action.

(5) **Degree D-5 – 75 Points.** Person-to-person work relationships are for the purpose of discussing policy matters and major changes in program emphasis to provide authoritative advice on their effect and feasibility, to gain necessary cooperation and support, or to persuade to action.

(6) **Degree D-6 – 95 Points.** Person-to-person work relationships are for the purpose of securing acceptance or indispensable support of or explaining and defending policies and programs that represent the most controversial or crucial phases of the DoD or joint organization's programs. Personal contacts are typically with high-ranking officials at national or international levels, with executives of large industrial firms or with specific policy makers and senior staff of other DoD, federal organizations, or joint organizations.

e. Factor E – Supervision Received. This factor covers the nature and extent of direct or indirect controls exercised by the supervisor, the employee's responsibility, and the method for reviewing completed work.

(1) **Degree E-1 – 5 Points.** The supervisor gives specific assignments to the employee and provides clear, detailed, and specific instructions. As the employee gains familiarity with the work, instructions are not detailed for repetitive tasks, but the employee's responsibilities remain clearly defined. The employee works as instructed and consults with the supervisor as required on matters not covered in the original instructions. The supervisor maintains control through review of the work for such things as accuracy, adequacy, and adherence to instructions and established procedures.

(2) **Degree E-2 – 20 Points.** The supervisor maintains control over work by checking for accuracy, adequacy, and adherence to instructions. The instructions the supervisor gives to the employee are well defined, but the employee may recommend modifications to those instructions if the assignment is new, difficult, or unusual. The employee carries out routine assignments, but unforeseen problems and unusual situations may be referred to the supervisor for help or decisions.

(3) **Degree E-3 – 35 Points.** The supervisor makes assignments by defining objectives, priorities, and deadlines, and assists the employee with unusual situations that do not have clear precedents. The employee plans and carries out successive steps and handles problems and deviations in the work assignment in accordance with instructions, previous training, or accepted

practices in the occupation. The supervisor reviews finished work for accuracy, quality, and compliance with more complex instructions and guidelines.

(4) **Degree E-4 – 55 Points.** The supervisor sets the overall objectives and resources available. The employee and supervisor, in consultation, develop the deadlines and projects. The employee is responsible for planning and carrying out the assignment, resolving most of the conflicts that arise and interpreting policy in terms of established objectives. The employee keeps the supervisor informed of progress and any controversial matters. The supervisor reviews finished work and methods for accuracy and effectiveness and for compliance with complex instructions and guidelines.

(5) **Degree E-5 – 75 Points.** The supervisor generally provides only administrative direction, with assignments made in terms of broadly defined missions or functions. The employee has responsibility for planning, designing, and carrying out programs, projects, studies, or other work independently. The employee keeps the supervisor informed of significant developments. The supervisor reviews completed work only from an overall standpoint in terms of feasibility, compatibility, effectiveness or expected results, and contribution to the overall project or program.

(6) **Degree E-6 – 95 Points.** Assignments are made in terms of the overall organizational mission and policies. The employee selects objectives, plans, and methods independent of any review. Delegated authority is complete. Broad policy questions or major problems of coordination are resolved in conference with advisors or personnel in other activity or Component elements. Recommendations for new projects and alterations of objectives are usually evaluated for such considerations as availability of funds and other resources, broad program goals, or national priorities. Results of completed work are considered technically authoritative and are normally accepted without significant change.

(7) **Degree E-7 – 115 Points.** The employee is often the most authoritative professional in a particular field with the DoD or joint organization. The work is generally considered to be pioneering in a particular specialty. Supervision is virtually nonexistent. The independence of action inherent at this level is hampered only by the constraint on the availability of funds or other resources or major program goals and national priorities.

Table 1. Grade Conversion Chart for CES Non-supervisory Positions

Total Points	GG Grade Level	CES Work Category and Work Level Descriptor (defined in Sections 5 and 6)
< 45	1	Entry and Developmental Work Level for the Technician and Administrative Support Work Category
	2	
	3	
45-79	4	
80-104	5	
105-129	6	
130-159	7	
130-159	7	Entry and Developmental Work Level for the Professional Work Category; Full Performance Work Level for the Technician and Administrative Support Category
160-179	8	
180-204	9	
205-224	10	
225-244	11	Senior Work Level for the Technician and Administrative Support Work Category; Full Performance Work Level for the Professional Work Category
245-294	12	
295-339	13	Senior Work Level for the Professional Work Category
295-339	13	
340-379	14	Expert Work Level for the Professional Work Category
380 and above	15	
When applying this grade conversion chart, all work is aligned first to the Work Category and Work Level using the guidance contained in this volume, and then to the appropriate GG grade based on this chart.		

7.3. PART II: GRADING CRITERIA FOR CES SUPERVISORY POSITIONS. The following are the factor and degree descriptors for CES supervisory and managerial positions. When applying the grading guidelines below, they should be applied in the context of the total job. For those positions with mixed supervisory and non-supervisory responsibilities, the position should be titled as a supervisor if the position meets the requirements for designation as a supervisor, as prescribed in Section 5 of this volume; however, the final grade of the position should be assigned based on the highest level of work the individual performs on a regular and recurring basis (see Table 2 for CES supervisory and managerial positions grade conversions and Figure 1 for CES occupational structure alignment).

a. Factor A – Guidelines. This factor measures the degree to which judgment and originality play a role in the supervisor’s assignment. It is the availability and degree to which they apply, or the degree to which guidelines are absent, that determines the level of independent judgment and initiative in a supervisory position.

(1) **Degree A-1 – 15 Points.** The supervisor works in strict adherence to guidelines, and their immediate supervisor must authorize any deviations.

(2) **Degree A-2 – 35 Points.** The supervisor works in adherence to guidelines, but may use some independent discretion in locating and selecting the most appropriate guidelines or references.

(3) **Degree A-3 – 55 Points.** The supervisor uses judgment, resourcefulness, and initiative in adapting and applying guidelines, and is responsible for analyzing results and recommending changes to deal with the more difficult or unusual assignments.

(4) **Degree A-4 – 75 Points.** Guidelines exist, but the supervisor must use judgment and ingenuity to interpret the intent of these guides. The supervisor may be required to make major or novel adaptations to existing guides to accomplish the mission.

(5) **Degree A-5 – 95 Points.** Guidelines have only limited application in the most significant areas of supervised work. The supervisor exercises a very high degree of originality and judgment in formulating, evaluating, and monitoring the organization's programs in instances where new concepts or technologies are developed, where there are no precedents or guidelines to use to predict expected results, and where few if any existing guidelines can be used to develop appropriate criteria, methods, procedures, and techniques. Inherent in a position at this level are the exercise of judgment and ingenuity in guiding personnel in the analysis of unique problems, and the development of new and improved techniques and methods for accomplishing the organization's mission.

(6) **Degree A-6 – 115 Points.** The only available guidelines are broad statements of policy, and precedents are obscure or non-existent. A supervisor at this level has full and final technical responsibility for the work of the organization and is responsible for developing plans and programs related to pioneering efforts. The limited guidelines pose a significant and continuing requirement for a high level of ingenuity and originality to lead and supervise the organization.

b. Factor B – Scope and Variety of Operations. This factor is intended to measure the extent to which size, workload, and variety of functions of the organization supervised contribute to the difficulty of the supervisor's position.

(1) **Degree B-1 – 25 Points.** The supervisor is responsible for supervising the day-to-day work of an element in which the operations are well defined and work methods are firmly established. Only one kind of work is normally represented. The supervisor directs workflow, guides employees in the application of established procedures, assigns new or additional work when required, trains new employees, and initiates personnel actions. The supervisor reviews work in progress or upon completion for compliance with instructions and overall quality.

(2) **Degree B-2 – 65 Points.** The supervisor is responsible for planning and supervising the work of a work unit for which the programs and objectives are clearly defined and the organizational structure is fully established. At this level of supervision, more than one kind of work may be present, requiring an additional body of knowledge, and moderate variations in workload may be imposed on the supervisor due to cyclic fluctuations. The supervisor plans workflow and makes work assignments, adjusting workloads and adapting or modifying procedures to alleviate backlogs or delays. The supervisor reviews completed work for technical

adequacy and for compliance with instructions and is responsible for the quality and quantity of completed work.

(3) **Degree B-3 – 95 Points.** The supervisor is responsible, directly or through subordinate supervisors, for organizing, planning and directing the work program of an organization that has established program objectives and limitations. At this level of supervision, a greater variety of work and activities requires frequently shifting work assignments and diversified occupational specialties. The supervisor may be required to alter the organizational structure of the immediate organization under his or her control or work methods to meet changes in requirements and shifts in workload. The supervisor assigns and reassigns personnel and consults with superiors on major technical and administrative problems. He or she is responsible for the effective use of assigned personnel and for the quality and quantity of work produced.

(4) **Degree B-4 – 125 Points.** The supervisor is responsible for directing and coordinating diverse work programs through intermediate levels of supervision. Within the framework of policy, the supervisor determines organizational structure and approves work plans and methods to efficiently and economically manage personnel and material resources. At this level, additional supervisory problems may exist, such as subordinates located in widely separate locales; frequent changes to assignments and deadlines; frequent, often abrupt and unexpected changes in work assignments and goals; a wide variety of distinct occupations; or supervision of shift operations, i.e., activities that are carried out over two or more shifts. Work at this level requires the supervisor to be constantly adjusting to the unpredictable consequences of added pressure.

(5) **Degree B-5 – 150 Points.** The supervisor is responsible for executing a primary mission of the organization by managing and administering a group of major work programs. The supervisor is fully accountable for the economy and efficiency of operations, for compliance with activity or Component policy, and for accomplishing program goals and objectives. The variety and nature of the work supervised is often at the technical frontier of not only the activity or Component but DoD.

c. Factor C – Work Relationships. This factor measures the difficulty of accomplishing work goals and objectives through personal contacts within and outside the organization and the nature, frequency, and purpose of person-to-person relationships that the duties of the position requires.

(1) **Degree C-1 – 15 Points.** Contacts are with personnel in the supervisor's immediate organization and are either so highly structured or of such an incidental nature that they do not play a role in overall performance.

(2) **Degree C-2 – 35 Points.** Person-to-person work relationships are required, but are not essential in overall daily work performance. Contacts at this level would normally be within the supervisor's organization to explain changes in work patterns or to explain deviations in work processes or methods. Occasional coordination with other organizations having a similar mission relationship may occur if guidelines or instructions require joint coordination to avoid backlogs or delays.

(3) **Degree C-3 – 55 Points.** Contacts are a regular and necessary part of the function and are generally to clarify or give facts or information if the subject matter requires some interpretation. At this level, most contacts are within the supervisor's own assigned organization; however, occasional contacts may be with external organizations whose missions differ considerably from the supervisor's.

(4) **Degree C-4 – 75 Points.** Daily contact is required with personnel in a wide variety of organizations that have mission-related activities and occasionally with operating personnel within DoD. The purpose of contacts at this level is to resolve non-routine problems affecting the overall activities of the organization. At this level, the supervisor must persuade or influence others to gain concurrence on major issues that affect the supervisor's organization.

(5) **Degree C-5 – 95 Points.** Person-to-person work relationships are for the purpose of justifying, demanding, negotiating, or settling matters involving significant or controversial issues. Contacts are generally with high-ranking officials both within and outside the supervisor's organization. The supervisor is expected to provide authoritative advice and guidance, to be a spokesperson for the organization, and be able to win support for the organization's programs.

(6) **Degree C-6 – 115 Points.** Person-to-person work relationships are to negotiate or solve issues relating to the most significant programs of the organization. The supervisor must defend extremely controversial or critical long-range plans of the organization, frequently at the highest levels of the activity or Component, with ranking officials of other DoD or federal agencies, or with executives of corporations having dealings with the activity or Component.

d. Factor D – Supervision Exercised. This factor measures the degree to which the supervisor is responsible for the various facets of technical and administrative supervision or management; his or her involvement in such things as work planning and organization, work assignment and review, and the exercise of supervisory personnel functions. This is, in effect, an expression of the extent of supervision received from higher levels and the extent of the supervisor's own responsibility for the work produced.

(1) **Degree D-1 – 25 Points.** At this level, the supervisor performs only basic supervision, such as ensuring that work schedules are met, staffing is adequate to accomplish assigned tasks, and adequate equipment and supplies are available for employees. The supervisor reviews work in progress or upon completion, explains any special instructions, and ensures that new employees are given proper training to perform the work. The supervisor also oversees attendance and leave, approves sick and annual leave and vacation schedules, and evaluates the performance of subordinates through the CES or other appropriate DoD performance appraisal systems. Any controversial or disciplinary measures are referred to higher level supervisors for adjudication.

(2) **Degree D-2 – 65 Points.** At this level of supervision, the supervisor typically:

(a) Plans work schedules and sequences of operations for assigned personnel, ensuring that deadlines are met and that there is even flow of work.

(b) Revises work schedules to meet changes in workload, including use of overtime or alternate work schedules.

(c) Gives special instructions on difficult or different operations, and answers technical questions about the work.

(d) Informs higher level supervisors of anticipated vacancies, increases in workload, or other circumstances requiring replacement or additional staff.

(e) Informally recommends promotions, reassignments, and recognition and rewards outstanding performance.

(f) Resolves employees' informal complaints that are within his or her jurisdiction, and contacts higher levels of supervision for information and correction of unsatisfactory conditions.

(g) Directs on-the-job training for employees and provides back-up skills by cross training.

(h) Advises employees of the performance requirements of their positions and provides ongoing feedback on progress toward meeting requirements.

(i) Holds correcting interviews with employees and refers disciplinary problems to higher level supervisors in the chain of command, in accordance with local policies and procedures.

(j) Prepares formal evaluations of employee performance and provides feedback on the evaluation.

(k) Explains to employees the main features and general procedures of promotion plans, training programs, and other opportunities, and seeks answers to more technical questions from higher level supervisors or staff specialists.

(l) Informs employees about the policies, procedures, and goals of management as they relate to the work of the organization.

(3) **Degree D-3 – 95 Points.** The supervisor at this level has authority to plan for and make changes in the organization of work to achieve efficient and economical operations within allowable budget, staffing levels, and policies established by higher organizational levels. While the normal work situation typically provides resources the supervisor can use for advice and assistance on particularly difficult and out-of-the-ordinary technical problems, the supervisor does have substantial responsibility for the technical soundness of work. This responsibility includes the authority to define work quality standards and to prepare and issue internal instructions and procedures for employees to use to accomplish their work. In addition to responsibilities for keeping employees and higher level supervisors informed of administrative, budgeting, and personnel matters that affect them, the supervisor at this level has authority to prepare formal and follow-up actions for most supervisory personnel functions, including providing the primary input for promotions and award recommendations.

(4) **Degree D-4 – 125 Points.** At this level, the supervisor has full technical responsibility for the work of the organization and oversees an organization through one or more levels of subordinate supervisors. In addition to the authority to make changes in the organization of work within allowable budget and established policy, the supervisor has the authority to develop plans and schedules that guide subordinate supervisors in meeting program goals, objectives, and broad priorities established by higher level management. The supervisor establishes quality standards and internal instructions and procedures, and establishes operating guidelines to coordinate activities of subordinate supervisors in all substantive and management areas. The supervisor at this level approves, modifies, or rejects personnel actions initiated by subordinate supervisors.

e. Factor E – Complexity of Work Supervised. This factor measures the nature, level, and difficulty of the nonsupervisory work being supervised or managed for two or more employees. The degree level selected for this factor should represent the highest full-performance level of nonsupervisory work found in the subordinate work unit.

- (1) **Degree E-1 – 35 Points.** Supervises grades GG-1 through GG-4.
- (2) **Degree E-2 – 40 Points.** Supervises grades GG-5 and GG-6.
- (3) **Degree E-3 – 45 Points.** Supervises grades GG-7 and GG-8.
- (4) **Degree E-4 – 50 Points.** Supervises grades GG-9 and GG-10.
- (5) **Degree E-5 – 55 Points.** Supervises grades GG-11.
- (6) **Degree E-6 – 60 Points.** Supervises grades GG-12.
- (7) **Degree E-7 – 65 Points.** Supervises grades GG-13.
- (8) **Degree E-8 – 70 Points.** Supervises grades GG-14.
- (9) **Degree E-9 – 75 Points.** Supervises grades GG-15.

Table 2. Grade Conversion Chart for CES Supervisory and Managerial Positions

Total Points	GG Grade Level	CES Work Category and Work Level Descriptor (defined in Sections 5 and 6)
228-249	11	CES supervisory and managerial work is considered to be professional work, and begins at the Full Performance Work Level (2) in the Professional Work Category. Positions that are found to have point totals less than the minimum shown on this chart will be aligned using the CES nonsupervisory grading criteria.
250-289	12	
290-344	13	
290-344	13	Senior Work Level for the Supervision and Management Work Category.
345-394	14	
395 and above	15	Expert Work Level for the Supervision and Management Work Category.
When applying this grade conversion chart, all work is aligned first to the Work Category and Work Level using the guidance contained in this volume, and then to the appropriate GG grade based on this conversion chart.		

GLOSSARY

G.1. ACRONYMS.

CES	Cyber Excepted Service
DoD CIO	Department of Defense Chief Information Officer
DoDD	DoD directive
NICE	National Initiative for Cybersecurity Education
U.S.C.	United States Code
USD(I)	Under Secretary of Defense for Intelligence
USD(P&R)	Under Secretary of Defense for Personnel and Readiness

G.2. DEFINITIONS. These terms and their definitions are for the purposes of this volume and serve as the basic occupational structure taxonomy for CES positions.

activity. Organizational entities subordinate to a DoD Component.

competencies. The measurable or observable knowledge, skills, abilities, behaviors, and other characteristics needed to perform a type of work or function.

DoD cyber mission. Those activities that fall within the responsibility of the DoD CIO, as defined in DoDDs 5144.02 and 8140.01.

GG. The pay plan used for CES positions in the graded structure.

grade. The numerical designation, GG-1 through GG-15, grouped by work levels, which differentiate the required qualifications, difficulty, and responsibilities of the position.

IA. The pay plan used for CES positions in the pay-banded structure.

job titles. The labels DoD Components apply to systematically defined sets of work activities that identify specialized tasks and competencies needed to perform a specific job.

mission categories. Broad classifications of work that reflect DoD cyber missions and functions. CES mission categories will be established in accordance with DoDD 8140.01 and the NICE Workforce Framework.

occupational groups. One or more functionally related occupations, specialties, families, or classes of positions that share distinct, common technical qualifications, competency requirements, career paths, and progression patterns.

occupational series. Classes of positions that share distinct, common technical qualifications, competency requirements, career paths, and progression patterns.

occupational structure. A common lexicon for structuring, defining, and categorizing CES positions across DoD. Mission categories, occupational groups, work categories, work levels, grades, and pay bands comprise the CES occupational structure.

pay band. A single rate range within the CES compensation structure that establishes the range of pay for a work category, occupational group, and work level.

rank-in-person. Personnel management construct in which the organization's position structure establishes aggregate workforce requirements at the occupational and work levels for the purposes of planning recruitment, development, and assignment activities based on aggregate assessment of workforce capabilities, but in which individual personnel capabilities are separately assessed against mission requirements to establish title and grade or pay band level of an employee of the organization. The CES will be implemented based on a graded rank-in-position structure. Any DoD Component seeking to transition to a non-graded banded structure or a rank-in-person construct must forward the fully supported mission rationale and proposed implementing guidance, to the USD(P&R) for approval prior to implementation.

rank-in-position. Personnel management construct in which the organization's position structure establishes workforce requirements at both the occupational and work levels and provides the basis for establishing the title and grade or pay band level of an employee assigned to a position in the organization.

work categories. Broad sets of related occupational groups that are characterized by common types of work (e.g., Technician and Administrative Support; Professional; and Supervision and Management).

work levels. General descriptions that define work in terms of increasing complexity, span of authority and responsibility, level of supervision (received or exercised), scope and impact of decisions, and work relationships associated with a particular work category.

REFERENCES

- DoD Directive 1400.25, “DoD Civilian Personnel Management System,” November 25, 1996
- DoD Directive 5124.02, “Under Secretary of Defense for Personnel and Readiness (USD(P&R)),” June 23, 2008
- DoD Directive 5144.02, “DoD Chief Information Officer (DoD CIO),” November 21, 2014
- DoD Directive 8140.01, “Cyberspace Workforce Management,” August 11, 2015
- Joint Publication 3-12(R), “Cyberspace Operations,” February 5, 2013
- National Initiative for Cybersecurity Education (NICE) Workforce Framework, current edition, <http://csrc.nist.gov/nice/framework/>
- United States Code, Title 10, Section 1599f
- United States Code, Title 29
- U.S. Office of Personnel Management, “Introduction to the Position Classification Standards,” August 2009, <https://www.opm.gov/policy-data-oversight/classification-qualifications/classifying-general-schedule-positions/positionclassificationintro.pdf>