UNDER SECRETARY OF DEFENSE
4000 DEFENSE PENTAGON
WASHINGTON, D.C. 20301-4000

PERSONNEL AND
READINESS

APR 5 2010

MEMORANDUM FOR SECRETARIES OF THE MILITARY DEPARTMENTS
CHAIRMAN OF THE JOINT CHIEFS OF STAFF
UNDER SECRETARIES OF DEFENSE
DEPUTY CHIEF MANAGEMENT OFFICER
COMMANDERS OF THE COMBATANT COMMANDS
ASSISTANT SECRETARIES OF DEFENSE
GENERAL COUNSEL OF THE DEPARTMENT OF DEFENSE
DIRECTOR, OPERATIONAL TEST AND EVALUATION
DIRECTOR, COST ASSESSMENT AND PROGRAM EVALUATION
INSPECTOR GENERAL OF THE DEPARTMENT OF DEFENSE
ASSISTANTS TO THE SECRETARY OF DEFENSE
DIRECTOR, ADMINISTRATION AND MANAGEMENT
DIRECTOR, NET ASSESSMENT
DIRECTORS OF THE DEFENSE AGENCIES
DIRECTORS OF THE DOD FIELD ACTIVITIES

SUBJECT: Implementation of Authority to Employ Individuals Completing Department of Defense Scholarship or Fellowship Programs

Sections 1101, 1102 and 1103 of the National Defense Authorization Act Fiscal Year 2010, Public Law 111-84, grants the Secretary of Defense authority to make appointments of certain scholarship graduates to the excepted service, with non-competitive conversion to a career or career-conditional appointment available upon their completion of two years of successful service. These scholarship programs include: the National Security Education Program; the Information Assurance Scholarship Program; and the Science, Mathematics And Research for Transformation Scholarship Program.

The authority to appoint individuals under these authorities is delegated to DoD Component Heads and Defense Agencies with independent appointing authority for

themselves and their serviced organizations. This authority may be further re-delegated in writing. Procedures for using this authority for each of the aforementioned scholarship programs are attached.

Clifford L. Stanley

Attachment:
As stated

NATIONAL SECURITY EDUCATION PROGRAM (NSEP)

References:

Reference (a): Section 802 of the David L. Boren National Security Education Act of 1991 (50 U.S.C. 1902), as amended by Section 1101 of Public Law 111-84 (NDAA FY 2010)

Reference (b): DoDI 1025.02, Subject: National Security Education Program, dated March 9, 2006

Reference (c): Section 1908 of title 50, United States Code

Reference (d): Section 1902 of title 50, United States Code

I. Authority

Reference (a) provides that the Secretary of Defense may, without regard to any provision of title 5 governing appointments in the competitive service, appoint to a position identified as having national security responsibilities, an individual who has successfully completed an academic program for which an NSEP scholarship or fellowship was awarded. Such appointments may be to the excepted service, and may be noncompetitively converted to a career or career-conditional appointment in the competitive service upon satisfactory completion of two years of substantially continuous service. The following requirements must be met in order to use this appointing authority.

II. Definitions –

A. Eligible NSEP individuals. Eligible NSEP individuals are defined as those who:

a. Meet or will meet NSEP award program completion requirements, for appointment to a position with national security responsibility (Reference (b) provides additional information on NSEP regulations and participant eligibility);

b. Have an active NSEP service obligation and service agreement;

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

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

B. Positions Having National Security Responsibilities. National Security Positions are defined in Reference (c).

C. Authorized Agencies. The Secretaries of the following Federal Agencies have been granted this authority: the Department of Defense, the Department of Homeland Security, The Department of State or the head of a Federal agency or office identified by the Secretary of Defense as having national security responsibilities in accordance with subsection (g) of Reference (d).

III. Procedures

A. Scholarship recipients who meet NSEP program completion requirements may be given an excepted service appointment in order to fulfill their service obligations. Recipients must provide documentation from the NSEP Program Office that they have completed the scholarship program and that they have a service obligation to fulfill.

B. Upon satisfactory completion of two years of continuous service, the candidate may be non-competitively converted to a permanent career or career-conditional appointment in the competitive service.

C. In those rare situations, where there are more graduates than position vacancies, the following procedures govern:

a. Candidates must be assessed in accordance with merit principles.

b. Assessment must include an evaluation of the candidate's career interests and geographic preferences, and his/her skills or education against the position requirements.

c. This assessment can be conducted among the scholarship group only, since open competition was conducted upon award of the scholarship.

d. Candidates should be appointed as soon as practicable upon completion of their scholarship requirements. Appointments under this authority may, however, be made up until such time as all service obligations have been met.

D. NSEP award recipients who have not fulfilled their service obligation and are currently serving in an "excepted service" appointment may be re-appointed under this authority. Documentation, as stated in III A above, must be furnished. All time continuously served (with less than a 30 day break in service) will count

toward the two-year continuous service rule for non-competitive conversion to career or career-conditional status.

IV. Legal Authority Codes (LAC):

A. LAC for appointment to Excepted Service: ZLM(Section 802 (k) of the David L. Boren National Security Education Act of 1991 (50 U.S.C. 1902)), 10-28-09

B. LAC for conversion to Competitive Service: ZLM(Section 802 (k) of the David L. Boren National Security Education Act of 1991 (50 U.S.C. 1902)), 10-28-09

V. Oversight

A. Full documentation for appointments made under this authority, sufficient to allow reconstruction of the action, must be maintained.

B. DoD components will provide oversight, accountability and reporting for their respective component on the effectiveness of the use of this authority in meeting component strategic human capital goals.

C. CPMS shall oversee and monitor use of this authority throughout the DoD and compile and submit reports, as required.

D. An annual assessment of the usage of the authority will be conducted at the start of the Fiscal Year beginning FY 2011.

SCIENCE, MATHEMATICS AND RESEARCH FOR TRANSFORMATION (SMART) PROGRAM

References:

Reference (a): Subsection (d) of section 2192a of title 10, United States Code, as amended by Section 1102 of Public Law 111-84 (NDAA FY 2010)

Reference (b): 2009 SMART Scholarship Program Participant Handbook Revised, 2009

I. Authority

Reference (a) provides that the Secretary of Defense may, without regard to any provision of title 5 governing appointments in the competitive service, appoint an individual who has successfully completed an academic program for which a SMART scholarship or fellowship was awarded. Such appointments may be to the excepted service, and may be noncompetitively converted to a career or career-conditional appointment in the competitive service upon satisfactory completion of two years of substantially continuous service. The following eligibility requirements must be met in order to use this appointing authority. Information on the SMART Scholarship Program can be found at Reference (b).

II. Definitions – Eligible SMART individuals are defined as those who:

A. Meet or will meet SMART award program completion requirements, within required time frame, for appointment to the position being filled under this authority;

B. Have an active SMART service obligation and service agreement;

C. Meet the minimum standards for the position as published in OPM's operating manual, "Qualification Standards for General Schedule Positions," and any DoD qualification standards specific to the position to be filled; and

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

III. Procedures

A. Scholarship recipients who meet SMART program completion requirements may be given an excepted service appointment in order to fulfill their service obligations. Recipients must provide documentation from the SMART Program

Office that they have completed the scholarship program and that they have a service obligation to fulfill.

B. Upon satisfactory completion of two years of continuous service, the candidate may be non-competitively converted to a permanent career or career-conditional appointment in the competitive service.

C. In those rare situations, where there are more graduates than position vacancies, the following procedures govern:

   a. Candidates must be assessed in accordance with merit principles.

   b. Assessment must include an evaluation of the candidate's career interests and geographic preferences, and his/her skills or education against the position requirements.

   c. This assessment can be conducted among the scholarship group only, since open competition was conducted upon award of the scholarship.

   d. Candidates should be appointed as soon as practicable upon completion of their scholarship requirements. Appointments under this authority may, however, be made up until such time as all service obligations have been met.

D. SMART award recipients who have not fulfilled their service obligation and are currently serving in an "excepted service" appointment may be re-appointed under this authority. Documentation, as stated in III A above, must be furnished. All time continuously served (with less than a 30 day break in service) will count toward the two-year continuous service rule for non-competitive conversion to career or career-conditional status.

IV. Legal Authority Codes (LAC):

A. LAC for appointment to Excepted Service: ZLM (Excepted Service Appointment (SMART Program, 10 USC 2192a(d)), 10-28-09

B. LAC for conversion to Competitive Service: ZLM (Conversion to Competitive Service (SMART Program, 10 USC 2192a(d)), 10-28-09

V. Oversight

A. Full documentation for appointments made under this authority, sufficient to allow reconstruction of the action, must be maintained.

B. DoD components will provide oversight, accountability and reporting for their respective component on the effectiveness of the use of this authority in meeting component strategic human capital goals.

C. CPMS shall oversee and monitor use of this authority throughout the DoD and develop and submit reports, as required.

D. An annual assessment of the usage of the authority will be conducted at the start of the Fiscal Year beginning FY 2011.

DOD INFORMATION ASSURANCE SCHOLARSHIP PROGRAM (IASP)

References:

Reference (a): Subsection (g) of section 2200a of title 10, United States Code, as amended by Section 1103 of Public Law 111-84 (NDAA FY 2010)

Reference (b): Deputy Chief Information Officer memo, "DoD Information Assurance Scholarship Program Opportunities," dated October 9, 2009

I. Authority

Reference (a) provides that the Secretary of Defense may, without regard to any provision of title 5 governing appointments in the competitive service, appoint an individual who has successfully completed an academic program for which a IASP scholarship was awarded. Such appointments may be to the excepted service, and may be noncompetitively converted to a career or career-conditional appointment in the competitive service upon satisfactory completion of two years of substantially continuous service. The following eligibility requirements must be met in order to use this appointing authority. Information on the DoD IASP can be found at Reference (b).

II. Definitions – Eligible IASP candidates are defined as those who:

A. Meet or will meet IASP completion requirements, within the required time frame, for appointment to the position being filled under this authority. ISAP candidates are non-DoD individuals who are either junior or senior undergraduate students enrolled at an institution designated as a National Center of Academic Excellence in Information Assurance Education or Research (collectively referred to as CAEs) or graduate students accepted at or enrolled at a CAE;

B. Have an active IASP obligation and service agreement;

C. Meet the minimum standards for the position as published in OPM's operating manual, "Qualification Standards for General Schedule Positions," and any DoD qualification standards specific to the position to be filled; and

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

III. Procedures

A. Scholarship recipients who meet IASP program completion requirements may be given an excepted service appointment in order to fulfill their service obligations.

Recipients must provide documentation from the IASP Program Office that they have completed the scholarship program and that they have a service obligation to fulfill.

B. Upon satisfactory completion of two years of continuous service, the candidate may be non-competitively converted to a permanent career or career-conditional appointment in the competitive service.

C. The number of non-DoD participants in the IASP program is contingent on DoD Component requirements. DoD Components who identify a requirement must ensure that a position is available for placement of a IASP graduate. In those rare situations, where there are more graduates than position vacancies, the following procedures govern:

   a. Candidates must be assessed in accordance with merit principles.

   b. Assessment must include an evaluation of the candidate's career interests and geographic preferences, and his/her skills or education against the position requirements.

   c. This assessment can be conducted among the scholarship group only, since open competition was conducted upon award of the scholarship.

   d. Candidates should be appointed as soon as practicable upon completion of their scholarship requirements. Appointments under this authority may, however, be made up until such time as all service obligations have been met.

D. IASP award recipients who have not fulfilled their service obligation and are currently serving in an "excepted service" appointment may be re-appointed under this authority. Documentation, as stated in III A above, must be furnished. All time continuously served (with less than a 30 day break in service) will count toward the two-year continuous service rule for non-competitive conversion to career or career-conditional status.

III. Legal Authority Codes (LAC):

A. LAC for appointment to Excepted Service: ZLM (Excepted Service Appointment (Information Assurance Scholarship Program, 10 USC 2200a(g)), 10-28-09

B. LAC for conversion to Competitive Service: ZLM (Conversion to Competitive Service (Information Assurance Scholarship Program, 10 USC 2200a(g)), 10-28-09

IV. Oversight

A. Full documentation for appointments made under this authority, sufficient to allow reconstruction of the action, must be maintained.

B. DoD components will provide oversight, accountability and reporting for their respective component on the effectiveness of the use of this authority in meeting component strategic human capital goals.

C. CPMS shall oversee and monitor use of this authority throughout the DoD and develop and submit reports, as required.

D. An annual assessment of the usage of the authority will be conducted at the start of the Fiscal Year beginning FY 2011.