

**Functional Series 400  
Personnel**

**INTERIM UPDATE 02-11**

**SUBJECT: Approval of Outside Hiring for Headquarters**

**NEW MATERIAL:** The purpose of this notice is to reiterate the Administrator's decision of August 15, 2002, to no longer require bureaus/offices with approved reorganizations to submit to the Chief of Staff Action Memoranda requesting approval to hire U.S. Direct Hires for headquarters (Civil Service and Foreign Service) from outside the Agency.

**SUPERSEDES:** Series 200 Interim Update 02-02, Approval of Outside Hiring for Headquarters

**EFFECTIVE DATE: 08/15/2002**

**ADMINISTRATOR**

**USAID/W Notice  
A/AID  
10/17/2002**

**Subject: Approval of Outside Hiring for Headquarters**

The purpose of this notice is to reiterate the Administrator's decision of August 15, 2002, to no longer require bureaus/offices with approved reorganizations to submit to the Chief of Staff Action Memoranda requesting approval to hire U.S. Direct Hires for headquarters (Civil Service and Foreign Service) from outside the Agency. This modifies the March 4, 2002, notice as reflected below in a revised version of that notice. Please note that approval of the Director, Office of Human Resources (M/HR), is still required, although procedures are simplified and streamlined. The policies and procedures described below will now be followed, until further notice, effective August 15, 2002. This notice supersedes all previous notices and memoranda on this topic.

#### **POLICY**

To assure that the Administrator has accurate and complete information on the total headquarters workforce, and to assist him in carrying out the Agency's reorganization and reform plans, central approval of hiring from the outside is essential.

#### **PROCEDURES**

##### **- APPROVED ORGANIZATIONS**

All hiring from outside the Agency by those organizations approved by the Administrator for services to be performed predominately in Washington, D.C., full-time,

part-time or intermittent, for a duration of one year or more, by direct hires, are subject to the following policies and procedures.

Memoranda requesting the hiring of Civil Service or Foreign Service employees from outside the Agency must be from the head of the requesting bureau or office, addressed to the Director, Office of Human Resources (M/HR/OD). The memorandum should describe the requested action, identify the Individual Position Number (IP#), pay plan and grade, job title, and organization for each requested hiring action. The Request(s) for Personnel Action (SF-52) should be attached to the memorandum and the Avue File Name(s) of the Position Description(s) (PD) included in the memorandum. (AMS offices should be able to assist managers to save the Avue PD file to the appropriate M/HR Specialist's Associated User file.) The memorandum should certify that the position(s) to be filled are positions identified in the organizational structure as approved by the Administrator and copies of the approved staffing pattern and organization chart showing the position(s) should be attached. The memorandum must also certify that filling the position(s) will not result in the organization exceeding its authorized U.S. Direct Hire ceiling, in accordance with Position Ceiling Management Plan policies. Should the position not be currently vacant, or if the current on-board level is at the authorized ceiling, it will be necessary to attach a Position Ceiling Management Plan that demonstrates why it is reasonable to initiate a recruitment action at this time. An electronic copy of all documentation, other than the SF-52s and PDs, must be submitted to the Deputy Director, M/HR, as an e-mail attachment when the memorandum is submitted.

#### - NOT YET APPROVED ORGANIZATIONS AND ALL OTHER HIRING ACTIONS

All hiring from outside the Agency, for services to be performed predominately in Washington, D.C., full-time, part-time or intermittent, for a duration of one year or more, including direct hires for those organizations not yet approved by the Administrator, all non-direct hires and other mechanisms through which the Agency receives the services of individuals, including employees of institutional contractors, are subject to the following policies and procedures.

Action Memoranda requesting approval to obtain services from outside the Agency must be from the head of the requesting bureau or office, addressed to the Chief of Staff, through the Director, Office of Human Resources (M/HR/OD). Approval is required for all types of non-direct hire employees, whether financed by Operating Expense or Program funds. Non-direct hires and other mechanisms include: U.S. Personal Services Contracts (USPSC), Resources Support Services Agreements (RSSA), Participating Agency Service Agreements (PASA), TAACS (Technical Advisors in AIDS and Child Survival), Intergovernmental Personnel Act (IPA) details and appointments, Fellows, and those persons engaged under Purchase Orders for Services, Cooperative Administrative Support Units (CASU) mechanisms, Indefinite Quantity Contracts and associated Task Orders, or obtained through institutional contracts through which the Agency receives services performed in the past or elsewhere in the Agency by direct hire staff. These procedures also apply to requests

to extend non-direct hire employment mechanisms, including requests to act on "options" to extend, but not requests to fund incrementally. All ongoing hiring actions must comply with these policies and procedures before an offer is made or any contract or agreement or amendment to same is signed.

The Action Memorandum to the Chief of Staff should indicate the proposed employment or institutional contract mechanism, briefly describe the function of the position, describe the location and relationship of the position within the organization and identify the source of funds for the position. It should also indicate whether this is a new or continuing position, justify why it needs to be filled at this time through the proposed employment mechanism, and identify a contact person, with a telephone number, other than Administrative Management staff, who can respond to further questions about the position. If the position is a U.S. Direct Hire position performing a "commercial activity" as defined by OMB Circular A-76 and reportable by the Agency under the FAIR Act reporting requirements (See ADS 104), a clear explanation of why the function cannot be contracted out needs to be provided. The memorandum must also confirm that any requested direct-hire position is within the on-board ceiling allocated to the organization or, in the case of other than direct-hire requests, that sufficient funds are available. In addition, an electronic copy of the Action Memorandum should be submitted by e-mail to the Deputy Director, M/HR.

## INSTITUTIONAL CONTRACTS

Experience with the review of USAID/W institutional contracts has resulted in a refinement of the definition to require that only "Administrative Support Service Contracts" must be reviewed and approved. The following definition is the current working definition and may be applied in your determination of whether a particular action must be submitted. If in doubt, submit the request or ask the point of contact.

An Institutional Contractor that provides USAID offices/missions/bureaus with strategic, program and administrative and technical support to carry out the Agency's mission and program activities. Institutional contractors provide a wide range of services and products that support USAID in accomplishing its mission. Institutional contractors, both profit and non-profit, support the Agency in carrying out its functions and programs, where USAID is the main beneficiary of the support. These institutional contractors provide USAID offices with contractor personnel who perform administrative services, prepare strategic and program planning, monitoring and evaluation documents and other support functions. Individuals performing work under these arrangements are not employees of the Agency or any other Federal Agency, but remain employed by their parent contract organization.

## APPROVAL PROCESS

Approvals will be based on consistency with the Agency's reorganization and reforms, the Office of Management and Budget's (OMB) and Office of Personnel Management's (OPM) guidance on de-layering and increased span of control, requirements to out-source "commercial activities," and why these human resources are needed to achieve results. Consideration will also be given to the rationale to "buy" versus "rent" human capital, i.e., direct hires versus other hires. Finally, the critical nature of the function and the cost-effectiveness of the proposed means to perform that function will be considered.

Once the decision is made by the Director, M/HR, for requests to hire U.S. direct hires for approved organizations, and the Chief of Staff, for all other requests, the original request memorandum and attachments will be acted upon by M/HR from where the decision will be communicated to all concerned parties, e.g., the Office of Procurement. A copy of the approval documentation should be attached to any subsequent documentation used to effect the hiring action, e.g., procurement requests submitted to the Office of Procurement for USPSCs, RSSAs or PASAs, and modifications to existing or new purchase orders for services, indefinite quantity contracts and associated task orders, or institutional contracts. One expected outcome is an enhanced capability of M/HR to provide complete and accurate workforce information and analysis.

The Foreign Service assignment process and hiring for overseas functions and positions are unaffected by these controls.

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