
CATEGORY RATING AND SELECTION POLICY

1. PURPOSE

This Directive establishes Marketing and Regulatory Programs (MRP) policy on the use of category rating, a method of evaluating applicants under the Agency's existing Delegated Examining authority and as prescribed in the Office of Personnel Management's (OPM) Delegated Examining Operations Handbook.

2. BACKGROUND

On June 15, 2004, OPM published final regulations that:

- a. Permit Federal agencies to develop and use a category rating method as an alternative method to assess applicants for positions filled through competitive examining, and
- b. Direct agencies to establish their own policies.

On May 11, 2010, The White House issued a Presidential Memorandum entitled *Improving the Federal Recruitment and Hiring Process*. The Presidential Memorandum directs Federal agencies to use the category rating approach rather than the "rule of three" approach no later than November 1, 2010.

3. AUTHORITIES/REFERENCES

- a. Public Law 107-296 (Homeland Security Act of 2002);
- b. Title 5, United States Code, Part 3317;
- c. Title 5, United States Code, Part 3319;
- d. Title 5, Code of Federal Regulations, Part 337, Subpart C;
- e. Federal Register (FR), Vol. 69, No. 114, pages 33271 to 33277, dated June 15, 2004;

- f. FR, Vol. 68, No. 114, pages 35265 to 35270, dated June 13, 2003;
- g. USDA Departmental Regulation, 4030-337-2, Category Rating;
- h. Delegated Examining Operations Handbook, Chapter 5;
- i. Delegated Examining Operations Handbook, Chapter 6;
- j. Uniform Guidelines on Employee Selection Procedures; and
- k. Presidential Memorandum, *Improving the Federal Recruitment and Hiring Process*, dated May 11, 2010.

4. SCOPE

- a. This Directive applies to MRP recruitment actions processed under delegated examining procedures.
- b. This Directive does not apply to MRP recruitment actions processed under merit promotion procedures or excepted service procedures.

5. DEFINITIONS

- a. Category Rating. A ranking and selection procedure used to assess applicants for positions filled through the competitive examining process. Under category rating, applicants are evaluated based on job-related criteria and placed into predefined quality categories with individuals who possess similar levels of job related competencies or knowledge, skills, and abilities (KSAs). Category rating is synonymous with alternative rating as described in 5 U.S.C. §3319.
- b. Quality Categories. Groupings of candidates with similar levels of job-related competencies/KSAs.

6. POLICY

It is MRP policy to:

- a. Comply with all Federal and Departmental rules, regulations, and policies governing category rating.
- b. Provide managers and supervisors with effective hiring flexibilities to facilitate and streamline the selection of highly qualified candidates.

- c. Enhance the scope and timeliness of recruitment efforts by utilizing category rating as a ranking and selection procedure for positions filled through competitive examining.

7. MRP USE OF CATEGORY RATING

Category rating may be used to fill permanent, term, and temporary positions in the competitive civil service under competitive examining procedures. Use of category rating is optional until November 1, 2010, but required for all competitive examining selections on or after that date, unless OPM authorizes an exception.

MRP will not use category rating procedures to fill positions covered by the Luevano Consent Decree at the GS-5 and GS-7 grade levels. NOTE: A court decree was entered on November 19, 1981 by the United States District Court for the District of Columbia in the civil action known as *Luevano v. OPM*. The purpose of the decree was to eliminate adverse impact, if any, in certain appointments to a variety of positions at GS-05 and GS-07 formerly covered by the Professional and Administrative Career Examination (PACE).

Category rating is not required when using a direct hire authority.

8. QUALITY CATEGORIES

MRP will use three quality categories to assess applicants under the category rating method: *Best Qualified*, *Well Qualified*, and *Qualified*. Each category will be defined through a job analysis process that uses the level of job competencies/KSAs required for the job as a basis for each definition. The job analysis must be consistent with the *Uniform Guidelines on Employee Selection Procedures*.

Exception: When using OPM's Standing Registers, MRP must follow OPM's established quality categories for each register.

9. RATING METHODS

MRP may use either of the following category rating methods:

- a. Score-Based Method. Under this method, applicants will be placed into quality categories based on their scores obtained through an applicant assessment system (e.g., Hiring Management). Quality categories are defined by the following score ranges. NOTE: The cut-off score for the *Best Qualified* category may be increased or lowered, as appropriate. However, all cut-off scores must be identified prior to issuing the job announcement.

- (1) *Best Qualified*¹ – Applicants who have a score between 95 and 100.

- (2) *Well Qualified** – Applicants who have a score between 85 and 94.99.

- (3) *Qualified* – Applicants who have a score between 70 and 84.99.

* *The cut-off score for the Well Qualified category (85 points) is consistent with MRP's Well Qualified cut-off score under the Career Transition Assistance Plan (CTAP).*

- b. Manual Method. Under this method, the MRP Servicing Personnel Office (SPO) will work with the hiring manager and/or subject matter expert to:

- (1) Create and distinguish three quality categories: *Best Qualified*, *Well Qualified*, and *Qualified*; and
- (2) Define each quality category through a job analysis that uses level of job competencies/KSAs required for the job as a basis for each definition. (Note: All quality categories must be identified before opening the job announcement.)

10. JOB ANNOUNCEMENT REQUIREMENTS

MRP must include the following information in all job announcements for positions filled under category rating procedures:

- a. A statement describing that category rating procedures will be used to rank and select eligible candidates. This statement must be included in the “How You Will Be Evaluated” section.
- b. A statement describing the quality categories. This statement may be as simple as identifying the categories as *Best Qualified*, *Well Qualified*, and *Qualified*.
- c. A description of how veterans’ preference is applied under category rating procedures.

11. VETERANS’ PREFERENCE

MRP will apply veterans' preference as prescribed in 5 U.S.C. § 3319(b) and (c) 2, and as referenced below:

- a. Within each quality category, veterans’ preference eligibles will be listed ahead of non-preference eligibles in alphabetical order by preference type:
 - (1) Compensable disability of 30 percent or more (CPS);
 - (2) Compensable disability of 10 percent or more, but less than 30 percent (CP);

- (3) Compensable disability of less than 10 percent, derived preference; and other “10 point” preference eligibles (XP);
 - (4) Other preference eligibles not listed above (TP); and then
 - (5) Non-preference eligibles in alphabetical order.
- b. Preference eligibles do not receive additional points under category rating procedures.
 - c. For positions other than professional and scientific at the GS-09 level or higher, qualified preference eligibles with a compensable service-connected disability of 10 percent or more (i.e., 30 percent Compensable Disability Preference (CPS) and Compensable Disability Preference (CP)) are placed at the top of the highest quality category.
 - d. For professional and scientific positions at the GS-09 level or higher, qualified preference eligibles with a compensable service-connected disability of 10 percent or more (i.e., CPS and CP) are placed at the top of the appropriate quality category for which they qualify.

12. REFERRAL AND SELECTION OF CANDIDATES

- a. Under category rating, eligible candidates are referred in the following order:
 - (1) Interagency Career Transition Assistance Program (ICTAP) eligibles;
 - (2) Eligible candidates who lost consideration due to erroneous certification; and
 - (3) Eligible candidates in the highest quality category, using either option described below. (In accordance with Departmental Regulation 4030-337-2, this determination may be made on a case-by-case basis.)
 - i. All eligible candidates in the highest quality category, with preference eligibles listed ahead of non-preference eligibles; or
 - ii. Only the preference eligibles in the highest quality category when the number of preference eligibles equals or exceeds the number of positions to be filled.
 - (4) If there are fewer than three candidates in the highest quality category, candidates from the next lower category may be combined with those in the highest category. (See Section 13.)

- b. Qualified candidates are referred in the appropriate quality category according to veterans' preference within each category.
- c. Selections must be made from the highest quality category.
- d. Any veterans' preference eligible in the highest quality category may be selected regardless of the type of preference to which he/she is entitled.
- e. The hiring manager cannot pass over a preference eligible to select a non-preference eligible unless a written objection is submitted to and sustained in accordance with 5 U.S.C. 3318. Objections to preference eligibles shall be processed in accordance with the procedures outlined within Chapter 6 of OPM's Delegated Examining Operations Handbook.

13. MERGING QUALITY CATEGORIES

- a. If there are fewer than three candidates in the highest quality category, the two highest categories **may** be merged into one category. The newly merged category becomes the new highest quality category from which selection can be made. All preference eligibles in the merged category must be placed ahead of non-preference eligibles.
- b. Merging is optional and can only be done when there are fewer than three candidates in the highest quality category. There is no limit to the number of times categories can be merged. The Human Resources Specialist, in conjunction with the hiring official, may decide to merge categories at two places in the hiring process: (1) Before certifying/issuing the Certificate of Eligibles; or (2) Before making a selection.

14. REPORTING REQUIREMENTS

MRP will collect and submit the following information to the Office of Human Resources Management, USDA, on an annual basis for 3 years following the establishment of the MRP category rating policy:

- a. Number of employees hired under category rating;
- b. How the category rating method has impacted the hiring of veterans and minorities, including those who are American Indian or Alaskan Natives, Asian, Black or African American, and native Hawaiian or other Pacific Islanders; and
- c. The way in which managers were trained in the administration of category rating.

15. OPERATING GUIDELINES

Operating guidelines on category rating are contained in the Human Resources Desk Guide (HRDG), Subchapter 4030, Category Rating. This Directive and the HRDG Subchapter are available on the following Web sites:

MRPHRD home page at: www.aphis.usda.gov/mrpbs/hr or
http://www.aphis.usda.gov/mrpbs/publications/hr_policies_procedures.shtml

The APHIS Library at: www.aphis.usda.gov/library

GIPSA home page at: <http://www.aphis.usda.gov/library/gipsa/GIPSA.shtml>

The AMS home page at: <http://www.ams.usda.gov/AMSV1.0/amsissuances>

16. INQUIRIES

General inquiries on procedural matters should be directed to your SPO. Requests for policy interpretations should be directed to the Human Resources Policy Branch.

/s/

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