



SECRETARY OF THE ARMY
WASHINGTON

02 FEB 2007

MEMORANDUM FOR SEE DISTRIBUTION

SUBJECT: Lifting of Civilian Hiring Restrictions and Civilian Execution Plans

1. Reference, Memorandum, Secretary of the Army, 23 February 2006, subject: Army Policy for Civilian Hiring and Initiation/Continuation of Contracts for Service Personnel.

2. Effective immediately, I am lifting the requirement for obtaining Departmental level approval for hiring civilian employees outside the current permanent Army civilian employee workforce. Because of the demands created by the Global War on terror and the tight fiscal environment, Army leaders require maximum flexibility to use the full business transformation tool kit to right size the workforce and to adjust the workforce mix among contractors, military and civilians, career, terms and temporaries. Senior Commanders need the flexibility to hire from external sources to avoid shrinking the talent pool and to encourage college graduates and retired military, among others, to become part of the Army civilian employee workforce. Senior commanders also require the flexibility to in-source contracts where it makes economic sense or where it is necessary to maintain proper command and control of Army core competencies, using the authority granted by Congress in Section 343 of the National Defense Authorization Act for FY06. I expect Senior Commanders and HQDA Principals to continue to be responsible for the approval of all civilian hiring actions in accordance with the policy I put in place on 23 February 2006.

3. Analysis of current command on board strength levels reveals that some commands are executing above and others below their authorized levels. All Commands are required to provide a plan to the Department addressing how their civilian strength levels will meet the FY07 and FY08 authorizations. Commands that are currently executing below authorized levels are encouraged to continue to do so. You should not feel compelled to meet the authorized level since the ability to operate at a strength level below authorization may be a direct result of exceeding the objectives of your Business Transformation initiatives. The plan must be provided to the G-1 and the Assistant Secretary of the Army, Financial Management and Comptroller. Specific guidance with respect to this new requirement, including the schedule for submission, will be forthcoming. Commands must also provide adjustments, where appropriate, in the FY09-13 Program Budget Review (PBR) to properly align authorizations to expected execution and ensure that funding is aligned with civilian authorizations.

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4. Commands may obtain increases to civilian authorizations by in-sourcing and use the savings generated to fund other Departmental priorities (including military-civilian conversions). The G-3/5/7 concept plan process will be used to validate the requirements and savings from in-sourcing that are the basis for this increase in authorizations.

5. As part of our effort to reshape the workforce, I encourage Senior Commanders and HQDA Principals as they develop their manpower and personnel plan to use an appropriate mix of career, term and temporary employees. Dr. John Anderson, 703-692-1924, John.Anderson@hqda.army.mil is my point of contact for this action.



Francis J. Harvey

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