



# Fact Sheet: Flexible Hiring Authorities

April 2014

There are several hiring flexibilities available to hiring managers within the Federal Government to quickly hire qualified candidates for critical positions. The following is a review of some of the common flexible hiring authorities available to Federal Agencies and a summary of veterans' preference. For information on how to utilize these authorities, contact your Agency's Human Capital Office or equivalent.

## Summary of Flexible Hiring Authorities

Flexibility	Use Cases	Availability	Length of Employment
<b>Direct Hire</b>	Used when a severe recruiting difficulty or critical hiring need exists according to regulatory criteria established by OPM	Granted by OPM on an Agency specific or government-wide basis	Temporary, Term, permanent basis
<b>Excepted Service</b>	When it is not feasible to use government-wide qualification standards (positions listed under Schedule A), hold a competitive examination (Schedule B), or competitive procedures make it impractical to recruit students and recent graduates (Schedule D)	Government-wide; OPM can grant Agency-specific Schedule A and B authorities if certain criteria are met.	Varies depending on appointment type
<b>Term Appointment</b>	Position within the competitive service for positions lasting between one and four years	Government-wide	One to four years

## Direct Hire Authority

Direct Hire Authority (DHA) is an authority granted to agencies by the Office of Personnel Management (OPM) to hire individuals in an expedited manner.

DHA allows an Agency to:

- Waive the rating and ranking system;
- Suspend veterans' preferences;

Agencies must still post vacancy announcements on USAJOBS and include information about the use of DHA, but when the Agency identifies a qualified candidate, a conditional employment offer can be made on the spot.

### Current Government-wide Direct Hire Authority

OPM granted government-wide DHA in June 2003 for Information Technology Management (Information Security) positions under grade series GS-2210, GS-9 and above. This authority is currently active with no expiration date.

## Obtaining Direct Hire Authority

DHA may be granted either government-wide or to a specific Agency after OPM determines that there is either (1) a critical hiring need or (2) a severe shortage of candidates.

An Agency may request DHA from OPM by presenting OPM with evidence demonstrating a critical hiring need or a severe shortage of candidates. Alternatively, OPM may independently determine that there is a critical hiring need or a severe shortage of candidates.

OPM will typically provide expirations for DHA. Agencies must present additional evidence to OPM to request an extension. If no expiration is provided, OPM will periodically review the DHA.

While DHA shortens the hiring process, not all hiring procedures are affected:

- DHA may be used for temporary or term hiring, as well as with full-time employment;
- Agencies may hire individuals who are currently employed under an excepted service or term appointment to a permanent career position using DHA;
- Agencies must provide public notice when using DHA, follow all applicable laws and regulations, and provide selection priority to applicants with CTAP/ICTAP eligibility;
- DHA does not waive qualification requirements – all candidates selected using DHA must meet the government-wide qualification standard for the position being filled;
- DHA does not waive the one-year probationary period or restrictions on movement in the first three months;
- DHA may still be used after the expiration only if a written employment offer was made to an applicant prior to the expiration date of the DHA.

## Excepted Service

Excepted service positions cover those where competitive examinations are not practicable or are used to recruit students from qualified educational institutions. The Congress, the President, or OPM can except certain positions from the competitive hiring process. This flexibility may be issued government-wide or to a specific Agency. OPM can grant Schedule A or B authority on an Agency-by-Agency basis upon request.

OPM considers the following aspects when reviewing agencies requests for authority:

- The occupation and the duties involved;
- A description of why previous attempts to hold competition did not work;
- Reasons why recruitment and competitive examination are not possible;
- Remedies and alternatives that have been used to resolve recruitment and examination problems; and
- The length of appointments made under the authority.

### Examples of Excepted Service (Schedule A, B, C, and D Appointments)

<b>Schedule A</b>	<ul style="list-style-type: none"><li>• Appointments of 30 days when a critical hiring need exists for a short-term job, or while awaiting a clearance</li><li>• Temporary or part-time jobs in remote locations</li><li>• To hire individuals with disabilities</li></ul>
<b>Schedule B</b>	<ul style="list-style-type: none"><li>• Special Executive Development programs</li></ul>
<b>Schedule C</b>	<ul style="list-style-type: none"><li>• Political appointees</li></ul>
<b>Schedule D</b>	<ul style="list-style-type: none"><li>• Covers Pathways Programs (interns, recent graduates, and Presidential Management Fellows)</li></ul>

## Term Appointments

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Term appointments are appointments to the competitive service for a period between one and four years. Employees who are appointed under term appointments do not earn competitive status. Term positions are those for which an Agency does not anticipate a recurring need for an employee, due to project work or for a position needed in anticipation of a reorganization, contracting out of the function, scheduled abolishment of the position, uncertainty of funding, or other similar situations. Employees appointed under term positions can only be promoted if their vacancy announcement indicated the potential for promotion.

## Other Appointment Authorities

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Agencies have access to additional hiring flexibilities, including:

- Thirty percent or more disabled veteran appointments;
- Veteran recruitment appointments (VRA);
- Appointments under the Veterans Employment Opportunities Act (VEOA);
- Non-competitive appointing authority for certain Military spouses;
- Schedule A appointing authority for People with Disabilities;
- Intergovernmental Personnel Act appointments; and
- Competitive temporary appointments.

## Veterans' Preference

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Veterans' preference is a Federal hiring law that requires certain veterans to receive special consideration in the hiring process. It applies to nearly all competitive and many excepted service positions and is distinct from the various veterans' appointment authorities described above. Veterans' preference is not a hiring authority; rather it is an entitlement that certain individuals (and relatives of individuals) earn based on their military service.

Based on their eligibility, individuals are categorized as either "5 Point" or "10 Point."

- **10 Point.** This class applies to veterans that have a service-connected disability or who have the Purple Heart Award, and mothers and spouses of deceased or one hundred percent disabled veterans.
- **5 Point.** This class applies to veterans without a service-connected disability who meet other specific criteria. These criteria include the period, whether the veteran received a campaign or expeditionary medal, duration, and character of active duty military service.

### Application of Veterans' Preference

The application of veterans' preference varies depending on whether the position being filled is in the competitive service or the excepted service.

**Competitive Service** In the competitive service, agencies must use the category rating ranking and selection procedure. Under category rating, applicants who meet basic minimum qualification requirements established for the position and whose job-related competencies or knowledge, skills and abilities (KSAs) have been assessed are ranked by being placed in one of two or more predefined quality categories instead of being ranked in numeric score order.

Preference-eligible veterans with a service-connected disability of 10 percent or more are placed in the highest quality category for all positions (except in the case of scientific or professional positions at the GS-9 level or higher). Preference eligibles are listed ahead of non-preference eligibles within each quality category, so veterans' preference is absolute within each quality category. The selecting official must select from among candidates in the highest quality category (without being limited to the top three eligible candidates). The selecting official can select any veteran in the highest quality category but cannot select a non-veteran over a preference-eligible veteran in this category unless the Agency goes through the proper procedures for passing over a preference eligible veteran.

**Excepted Service** In the excepted service, Agencies may use a ranked or numerical list, or they may list applicants based on their veterans' preference designation (i.e., preference categories). The numerical list is the "Rule of 3" methodology.

Preference-eligible veterans who are qualified for a position and have achieved a passing score have 5 or 10 extra points added to their numerical ratings depending on which of the previously described categories of preference they meet. This means the highest possible rating is 110 (a disabled veteran who earns a score of 100 has 10 extra points added). The names of eligible applicants are placed on lists in the order of their ratings. The names of 10-point preference eligibles who have a service-connected disability of 10 percent or more are listed at the top of the list ahead of the names of all other eligibles (except for scientific and professional positions at the GS-9 level or higher). The names of other 10-point preference eligibles, five-point preference eligibles, and other applicants are listed in order of their numerical ratings. Selection must be made from the highest three eligibles on the certificate who are available for the job. However, an Agency may not pass over a preference-eligible veteran to select a lower ranking nonpreference eligible or nonpreference eligible with the same or lower score, unless the Agency goes through the proper procedures for passing over a preference eligible veteran.

When preference categories are used, applicants who are minimally qualified for the position being filled are listed in (descending) order based on their veterans' preference designation; 10-point preference eligibles who have a service-connected disability of 10 percent or more are listed at the top of the list, then all other individuals entitled to 10-point preference, then all veterans entitled to 5-point preference, then all non-veterans. An Agency may not pass over a preference eligible to select a non-preference eligible unless the Agency goes through the proper procedures for passing over a preference eligible veteran.

## Additional Information

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- OPM: [FedsHireVets](http://go.usa.gov/kYZz) (http://go.usa.gov/kYZz)
- OPM: [Overview of Hiring Authorities](http://go.usa.gov/kYBC) (http://go.usa.gov/kYBC)
- OPM: [Flexible Hiring Handbook](http://go.usa.gov/kYBW) (http://go.usa.gov/kYBW)
- OPM: [Direct Hiring FAQ](http://go.usa.gov/kYBF) (http://go.usa.gov/kYBF)
- OPM: [Overview of Special Hiring Authorities for Veterans](http://go.usa.gov/kYK9) (http://go.usa.gov/kYK9)
- OPM: [Appointment of Military Spouses](http://go.usa.gov/kYK3) (http://go.usa.gov/kYK3)
- OPM: [Hiring Authorities: Students & Recent Graduates](http://go.usa.gov/kYkB) (http://go.usa.gov/kYkB)
- OPM: [Hiring Reform/Category Rating](http://go.usa.gov/kYkQ) (http://go.usa.gov/kYkQ)
- Code of Federal Regulations: [5 CFR 213 - Excepted Service](http://go.usa.gov/kY8x) (http://go.usa.gov/kY8x)
- Code of Federal Regulations: [5 CFR 302 – Employment in the Excepted Service](http://go.usa.gov/kY85) (http://go.usa.gov/kY85)