CONVERSION AND APPOINTMENT PROCUDURES

Defense Civilian Intelligence Personnel System (DCIPS) STEM/Cyber Targeted Local Market Supplement

(a) **TLMS Rates**. TLMS rates will be reviewed biennially by the Office of the Under Secretary of Defense for Intelligence and Security Human Capital Management Office (HCMO). Rates will be reviewed for alignment to labor market rates, using appropriate commercial compensation surveys as determined by the Director, HCMO, in consultation with other DoD professional compensation staffs and component reports of recruiting and retention experience with regard to covered work roles. Components using the DCIPS STEM/Cyber TLMS rate structure will maintain records and report annually to HCMO detailing 1) offers made, rejected, and accepted under the new rates, by work role; reasons for offer refusals, by work role and offers tendered (including incentives); separations by work role, grade, salary, incentives offered, and reason for separation. Component reports are due to HCMO annually not later than October 31. HCMO will submit coordinated recommendations for adjustment of TLMS rates to the USD(I&S) and USD(P&R) by October 30 of each biennial review year.

(b) **Coverage.** Work roles covered by the DCIPS STEM/Cyber TLMS are included as an attachment to the annual DCIPS STEM/Cyber Pay Plan. Components may request addition of new work roles to the plan by submitting their request and business case to D/HCMO. New work roles will be approved by the USD(I&S) in conjunction with the USD(P&R). Approved work roles will be extended to all components covered by the STEM/Cyber TLMS schedule.

(c) **Conversion onto TLMS Structure.**

    1) New Employees. New employees being hired out of college programs will generally be hired at the range minimum in the appropriate grade based on degree program; i.e., BS, GG-07 Step 1; MS, GG-09 Step 1; PhD, GG-11 Step 1. Approving officials may in unusual circumstances offer advanced steps for high-demand work roles, or exceptional qualifications such as PhD dissertation work directly related to the work role for which the employee is being hired.

    2) New Employees: Student Interns. Students completing intern programs with a Defense Intelligence and Security Enterprise component will be appointed to the appropriate level based on their degree program and qualifications. In no case will an intern be appointed at a level lower than that at which a newly graduated student would be appointed. Student interns may, if appropriate, be granted an advanced step based on relevant work experience as a student.

3) Transfers from Other Agencies or Alternative Pay Systems. Applicants being considered for transfer from another federal agency or department, or the private sector, will be offered a salary based on a whole-person assessment of the quality of work experience in the context of a STEM/Cyber intelligence and security career under the new DCIPS STEM/Cyber TLMS schedule. At the point of offer, the applicant's experience should be reviewed to determine where he/she would have been initially appointed on the DCIPS schedule, and how he/she would have advanced based on work experience within the new DCIPS schedule. Based on that analysis, an appropriate grade/step offer should be proposed. If the applicant's current salary is still higher than that proposed based on the analysis of experience, then an approving official may authorize a salary offer of up to 10% over the initial proposed offer (up to the maximum of the pay schedule), or a recruitment incentive, or both, if the applicant is the most highly qualified available and is critical to mission.

4) Conversion of Current Employees Currently on the NSA Special Rate Structure. Employees currently on the existing NSA special rate structure will be converted to the new STEM/Cyber TLMS at their current grade and step.

5) Conversion of Current Employees Currently on the DCIPS GG Schedule and Hired under Standard GG-Pay Setting Criteria, with Incentives. Those components that have been hiring current applicants under the provisions of paragraph 3(c)(1), above, but using incentives address labor market challenges, may convert employees to the new schedule at their current grade and step. In such cases, the recruitment incentives generally should be terminated at the end of the current service agreement period. Prior to effecting conversion, each employee should be provided a notice of proposed conversion level, and the plan to terminate incentive payments. The employee must sign the letter acknowledging agreement to the conversion.

6) Conversion of Current Employees Hired at Advanced Grades and Steps not Consistent with paragraph 3(c)(1), above. All employees whose initial hiring rates were set at advanced grades and steps based on labor market conditions rather than generally accepted DCIPS qualification standards will be assessed based on individual employee qualifications and career advancement in the context of the new DCIPS STEM/Cyber TLMS schedule career plan. For example, if an employee graduating from college with a BS Engineering degree was hired initially at GG-09 Step 5 ($70,207 for CY 2022), his/her salary under the new schedule would have been GG-07, Step 1 ($73,156 on currently proposed schedule). If the employee has been on board for one year, and not yet promoted, he/she would have received a step on the new schedule, bringing the appropriate salary to $75,593). Thus, the employee would be offered a placement of GG-07, Step 2 on the new DCIPS STEM/Cyber TLMS. Similar analysis will be required for each employee hired, effectively reconstructing the career progression as if

hired under the new TLMS. On completion of the analysis, the component will be required to provide a letter to the employee advising of the proposed placement, and the basis for that placement. The employee will be offered the opportunity to sign the agreement that he/she understands the proposed placement, and what it means to his/her career and salary potential. In no case will an employee be placed at a salary lower than his/her current salary. The starting date for future within-grade salary/step increases will be reset to the date of conversion. If the employee does not agree to be reduced in grade or step, the employee will remain at his/her current schedule, grade and step. The employee electing to remain in his/her current career path will remain on that path until promotion would allow placement on the new TLMS schedule without resort to these procedures.

7) Conversions to the new schedule will be effective at the beginning of the first pay period following approval, or as soon as practicable thereafter. Employees whose rates are reconstructed under paragraphs 3(c)(5) and (6), above, will have their new rate of pay effected at the beginning of the first pay period following acceptance of the conversion offer.

(d) Conversion from TLMS Schedule.

1) Employees who accept positions not covered by this TLMS schedule, but still in a GS or GS-related structure are not entitled to highest-previous-rate determination. Rather, they will be converted to the new Local Market Supplement (Locality Rate), or TLMS, at their current grade and step on the DCIPS STEM/Cyber TLMS.

2) Employees transferring to non-GS or locality-based systems will be placed based on their qualifications applicable to the new pay system based on their GS base rate and any applicable GS locality rate applicable to the locality in which they are being appointed.

(e) Reporting. Components will report to HCMO all employees converted to the new DCIPS/Cyber TLMS by work role, grade, salary, and date of conversion not later than 90 days following the date of approval of the schedule.