



**DEPARTMENT OF THE ARMY**

DEPUTY CHIEF OF STAFF, G-2  
1000 ARMY PENTAGON  
WASHINGTON, DC 20310-1000

DAMI-CP (690)

19 DEC 2024

MEMORANDUM FOR SEE DISTRIBUTION

SUBJECT: Transition of the Defense Civilian Intelligence Personnel System Performance Management System to an Integrated Performance Development System and Implementation Schedule

1. References:

- a. Under Secretary of Defense for Intelligence and Security memorandum (Defense Intelligence Civilian Personnel System Performance Management Transformation for Graded and Banded Workforce), 2 Mar 23 (enclosure 1)
- b. Under Secretary of Defense for Intelligence and Security memorandum (Defense Intelligence Civilian Personnel System Performance Management System Transition to an Integrated Performance Development System for Graded and Banded Workforces), 6 Dec 24 (enclosure 2)
- c. Under Secretary of Defense for Personnel and Readiness memorandum (Request for Certain Exceptions to the Defense Civilian Intelligence Personnel System Regulations to Pilot Elements of the New Integrated Performance Development System), 13 Nov 24 (enclosure 3)
- d. Department of Defense Instruction 1400.25, Volume 2011 (Defense Civilian Intelligence Personnel System (DCIPS) Performance Management)
- e. Department of Defense Instruction 1400.25, Volume 2012 (DCIPS Performance-Based Compensation)
- f. Department of Defense Instruction 1400.25, Volume 2008 (DCIPS Awards and Recognition)
- g. Department of the Army (DA) Policy Volume 2011 (DCIPS Performance Management)
- h. DA Policy Volume 2012 (DCIPS Performance-Based Compensation)
- i. DA Policy Volume 2008 (DCIPS Awards and Recognition)

2. Reference 1.a. directed that all components with DCIPS employees transition to a new performance management system beginning in 2025. Reference 1.b. provides further guidance



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that the new system will be called the DCIPS integrated Performance Development System (iPDS) and will implement and expand on the success of the National Security Agency pilot of a binary performance management system designed to reduce administrative burden, increase transparency, and strengthen culture of performance and inclusion. The DCIPS iPDS will also increase focus on employee growth and development.

3. Consistent with references 1a through 1c, Army will transition all DCIPS employees into the iPDS through phased implementation no later than 1 January 2026. A fundamental change of DCIPS iPDS is the performance evaluation period; it is aligned to the calendar year (CY) and not the fiscal year (FY) like our current evaluation period.

a. Phase 1: Phase 1 will serve as a pilot within Army which includes both Headquarters, U.S. Army Intelligence and Security Command and the National Ground Intelligence Center. Phase 1 iPDS performance evaluation period will run from 1 October 2024 through 31 December 2025. The first year will be a transition year and will encompass a 15-month performance evaluation period to align to the new iPDS performance evaluation period. The 3 additional months (October through December) will be added to the current performance evaluation period to ensure that no Army DCIPS employee transitioning to iPDS during phase 1 pilot has any unrated period of performance. Once the transition year is completed, phase 1 employees will revert to a regular iPDS 12-month CY performance evaluation period starting 1 January 2026 and ending 31 December 2026.

b. Phase 2: Phase 2 will include all remaining Army DCIPS employees not covered under Phase 1 implementation pilot. Phase 2 will run from 1 January 2026 through 31 December 2026 and will align and be consistent with the Phase 1 employees. To ensure no unrated period of performance during the transition of phase 2 employees, three additional months (1 October 2025 through 31 December 2025) will be added to the current FY25 performance period.

**Therefore, the current FY25 performance period under the legacy performance management system will encompass a 15-month evaluation.** For those employees already placed on a FY25 performance plan, the adjustment to the performance plan end date from 30 September 2025 to 31 December 2025 may be made at any time within the Performance Appraisal Application, ideally during the mandatory midpoint counseling, **but no later than 1 July 2025.**

4. Within the first quarter of calendar year 2025, we will initiate communications with the Commands and its DCIPS employees and their supervisors regarding the anticipated phased implementation of iPDS. The following core tenets will be incorporated to ensure enterprise consistency and interoperability while enabling Army to meet the needs of our workforce and organizational culture: Integrate talent management process that recognizes the inherent correlation between development, recognition, and evaluation; Strengthen performance culture across every component and the enterprise; Empower employees to take a more active role in their careers; Enhance equity and transparency; and Reduce administrative burden. Additional



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information concerning the differences between the legacy DCIPS performance management system and the new iPDS authorized by reference 1a through 1c is provided at enclosure 4.

5. Finally, the Office of the Under Secretary of Defense for Personnel and Readiness (USD(P&R)) approved exceptions to existing DCIPS policies (reference 1c) to enable the implementation of the DCPS iPDS. USD(P&R) waived certain provisions of references 1d through 1f to allow Components with DCIPS employee's greater flexibilities. Therefore, I waive the provisions contained within Army DCIPS policies (references 1g through 1i) to mirror exceptions granted in reference 1c.

6. My point of contact for this memorandum is Mr. Richard Leviner, DAMI-CP, available at (703) 695-1046 or richard.j.leviner.civ@army.mil.

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ANTHONY R. HALE  
Lieutenant General, GS  
Deputy Chief of Staff, G-2

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SUBJECT: Transition of the Defense Civilian Intelligence Personnel System Performance Management System to an Integrated Performance Development System and Implementation Schedule

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INTELLIGENCE  
AND SECURITY

UNDER SECRETARY OF DEFENSE

5000 DEFENSE PENTAGON  
WASHINGTON, DC 20301-5000

MAR 02 2023

MEMORANDUM FOR SECRETARIES OF THE MILITARY DEPARTMENTS  
GENERAL COUNSEL OF THE DEPARTMENT OF DEFENSE  
DIRECTOR, DEFENSE INTELLIGENCE AGENCY  
DIRECTOR, DEFENSE COUNTERINTELLIGENCE AND  
SECURITY AGENCY  
DIRECTOR, NATIONAL GEOSPATIAL-INTELLIGENCE AGENCY  
DIRECTOR, NATIONAL RECONNAISSANCE OFFICE  
DIRECTOR, NATIONAL SECURITY AGENCY/CENTRAL  
SECURITY SERVICE

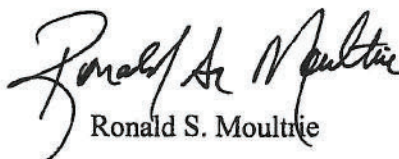
SUBJECT: Defense Intelligence Civilian Personnel System Performance Management  
Transformation for Graded and Banded Workforces

Beginning in Fiscal Year (FY) 2023, all defense intelligence and security components covered by the Defense Civilian Intelligence Personnel System (DCIPS), under Title 10, United States Code, will begin a performance management system transformation. Our goal is to implement a DCIPS enterprise-wide approach to enable the alignment of component-level processes with the current and future needs of the enterprise.

All components will transition to the new Integrated DCIPS Performance Management System (PMS) by FY 2025. All components will incorporate the following core tenets into their performance management systems to ensure enterprise consistency and interoperability while enabling each component to meet the needs of its workforce and organizational culture. These core tenets are:

- Integrate talent management processes that recognize the inherent correlation between development, recognition, and evaluation;
- Strengthen performance culture across every component and the enterprise;
- Enhance equity and transparency;
- Empower employees to take a more active role in their careers; and,
- Reduce administrative burden.

The new DCIPS PMS is aligned with enterprise priorities and specifically supports the Secretary's top priorities. Our Human Capital Management Office will lead a DCIPS PMS Working Group to facilitate the transition to the new DCIPS PMS. The working group members will be comprised of human resource representatives from each component in the enterprise. For questions regarding this regarding the new DCIPS PMS please contact Mr. James Seacord. He can be reached at James.M.Seacord.civ@mail.mil or at 703-692-3696.

  
Ronald S. Moultrie

ENCL 1





UNDER SECRETARY OF DEFENSE  
5000 DEFENSE PENTAGON  
WASHINGTON, DC 20301-5000

DEC 06 2024

MEMORANDUM FOR DIRECTOR, DEFENSE COUNTERINTELLIGENCE AND  
SECURITY AGENCY  
DIRECTOR, DEFENSE INTELLIGENCE AGENCY  
DIRECTOR, NATIONAL GEOSPATIAL-INTELLIGENCE AGENCY  
DIRECTOR, NATIONAL RECONNAISSANCE OFFICE  
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DEPUTY CHIEF OF STAFF FOR INTELLIGENCE,  
SURVEILLANCE, RECONNAISSANCE AND CYBER EFFECTS  
OPERATIONS OF THE UNITED STATES AIR FORCE  
DEPUTY CHIEF OF SPACE OPERATIONS FOR INTELLIGENCE,  
UNITED STATES SPACE FORCE

SUBJECT: Defense Civilian Intelligence Personnel System Performance Management System  
Transition to an Integrated Performance Development System for Graded and  
Banded Workforces

On March 2, 2023, the Under Secretary of Defense for Intelligence and Security directed all DoD components with Defense Civilian Intelligence Personnel System (DCIPS) employees to transition to a new performance management system beginning in 2025 (Tab A). The new performance management system supports the Secretary of Defense's priority of "Taking Care of Our People" by modernizing and integrating DCIPS employee evaluation, recognition, and development to strengthen the overall skills and capabilities of the workforce.

The statutory authorities related to DCIPS, including sections 1601 and 1607 of title 10, United States Code, provide our Defense Intelligence and Security Enterprise (DISE) with the flexibility to design and implement modernized talent management policy and practices to recruit, develop, and retain personnel critical to the security of our Nation. Beginning in 2019, the National Security Agency (NSA) leveraged this flexibility to pilot a binary performance management system designed to reduce administrative burdens, increase the transparency of the performance management system, and strengthen the culture of performance and inclusion. Since then, NSA's climate survey results and feedback from focus groups continue to demonstrate an increase in employee engagement and satisfaction with this performance management system.

ENCL 2

The new DISE performance management system, which will be called the DCIPS Integrated Performance Development System (iPDS), leverages and expands on the core tenets of the NSA pilot with an increased focus on employee growth and development. This enterprise-wide approach to evaluating and improving employee performance will better align DoD component-level processes with the current and future needs of the entire DISE. To that end, my Human Capital Management Office has been partnering with your Human Resource Directors over the past four years to design and plan a phased implementation schedule to assist with preparing and managing workforce expectations.

As of today, all DoD components have phased out end-of-year employee bonuses in lieu of timely recognition throughout the performance cycle. DoD components have also implemented "quarterly check-ins" as part of the second phase of the DCIPS transition to shift the performance culture from assessing past accomplishments to developing talent to meet future mission requirements. My office is now expanding the DCIPS iPDS pilot to transition to the final phase of implementation, which will institute a binary performance evaluation process. This binary evaluation process will relieve all leaders of unnecessary administrative burdens and excessive time demands that can be re-dedicated to developing and recognizing employee accomplishments through a human-centric leadership approach that inspires innovation and inclusion.

Our DCIPS authorities provide the DISE with the necessary flexibility to effectively execute our national security missions. This is a critical requirement because our success depends on the capability, motivation, and resiliency of our workforce. Your leadership, engagement, and support of the new performance development system is instrumental to developing and inspiring a new generation of employees and leaders to ensure the continued security of our Nation.



Milancy D. Harris  
Acting

Attachments:  
As stated





PERSONNEL AND  
READINESS

OFFICE OF THE UNDER SECRETARY OF DEFENSE  
4000 DEFENSE PENTAGON  
WASHINGTON, D.C. 20301-4000

NOV 13 2024

MEMORANDUM FOR ACTING UNDER SECRETARY OF DEFENSE FOR  
INTELLIGENCE AND SECURITY

SUBJECT: Request for Certain Exceptions to the Defense Civilian Intelligence Personnel  
System Regulations to Pilot Elements of the New Integrated Performance  
Development System

I approve your request for certain exceptions to the specified Defense Civilian Intelligence Personnel System policies as indicated in the attachment, "Exceptions to Specified Defense Intelligence Security Personnel System Policies, for the Talent, Evaluation, and Advancement Pilot." I understand these exceptions are necessary to expand the existing National Security Agency Talent, Evaluation, and Advancement (TEA) pilot approved by the then-Under Secretary of Defense for Personnel and Readiness in 2016 to additional Defense Intelligence and Security Enterprise (DISE) Components specified in the attachment. I understand these exceptions will allow the selected DISE Components to continue to pilot best practices from TEA pending publication of revised regulations during the coming year.

Please provide me with periodic updates on your progress with the implementation of your new performance management and recognition system, including continuing assessments of its effectiveness in improving and recognizing employee performance and development.

Ashish S. Vazirani  
Performing the Duties of the Under Secretary of  
Defense for Personnel and Readiness

Attachment:  
As stated

ENCL 3



**Exceptions to Specified Defense Intelligence Security Personnel System Policies for the Talent, Evaluation, and Advancement Pilot**

1. Provisions of Department of Defense Instruction (DoDI) 1400.25, Volume 2011, "DoD Civilian Personnel Management System: Defense Civilian Intelligence Personnel System (DCIPS) Performance Management," require a numerical evaluation using a five-point rating scale and require narratives addressing each performance objective and element. Instead, the integrated Performance Development System (iPDS) pilot will evaluate employees as "Met" or "Did Not Meet" expectations. This exception will be implemented in Defense Intelligence Agency (DIA), National Reconnaissance Office (NRO), Defense Counterintelligence and Security Agency (DCSA) and the intelligence and counterintelligence elements of the Army, Navy, Air Force, and Marine Corps.
2. Enclosure 7, Paragraph 2.a. of DoDI 1400.25, Volume 2011, requires that employees prepare a self-report of accomplishments as input to their midpoint and annual performance evaluations. This exception will be implemented in DIA, NRO, DCSA, and the intelligence and counterintelligence elements of the Army, Navy, Air Force, and Marine Corps.
3. Provisions of DoDI 1400.25, Volume 2011, address the functions of the Performance Management Performance Review Authority (PM PRA). The PM PRA process was included in the DCIPS performance management process to ensure greater consistency among raters in an organization. The iPDS pilot will not use a PM PRA. Instead, it will rely on transparency throughout the performance management process to provide the oversight that was intended by the PM PRA process. This exception will be implemented in DIA, NRO, DCSA, and the intelligence and counterintelligence elements of the Army, Navy, Air Force, and Marine Corps.
4. Enclosure 10 of DoDI 1400.25, Volume 2011, requires that employees be able to request administrative reconsideration of their performance rating of record. Employees will continue to be able to appeal adverse actions taken as a result of poor performance, or to use the administrative grievance process for any challenges to process. This exception will be piloted in DIA, NRO, DCSA, and the intelligence and counterintelligence elements of the Army, Navy, Air Force, and Marine Corps.
5. Provisions of DoDI 1400.25, Volume 2012, "DoD Civilian Personnel Management System: Defense Civilian Intelligence Personnel System (DCIPS) Performance-Based Compensation," requires the use of pay panels to determine employees eligible for a performance pay increase. Instead, the iPDS pilot will provide flexibility to Components for determining a review process used for recognizing employees who have demonstrated transformative impact via a DCIPS salary increase (one step equivalent increase) or equitable lump sum payment. This exception to policy will be piloted in DIA, NRO, DCSA, and the intelligence and counterintelligence elements of the Army, Navy, Air Force, and Marine Corps.
6. Enclosure 3, Paragraph 4 of DoDI 1400.25, Volume 2008, "Defense Civilian Personnel Management System: Defense Civilian Intelligence Personnel System (DCIPS) Awards and

Recognition," authorizes base-pay monetary awards. This will allow Components to pilot a new process that will authorize base-pay increases for sustained superior performance for up to 10 percent of their employees using new standards for assessing transformative impact that has lasting effects on organizational processes and performance. The transformative impact DCIPS salary increase will result in a one-step increase for the employee that does not affect the employee's last equivalent increase date. Employees will be assessed annually for this recognition using competitive evaluation processes that will be incorporated into a revised DoDI 1400.25, Volume 2012, "Performance-based Compensation." This exception will be implemented in DIA, NRO, DCSA, and the intelligence and counterintelligence elements of the Army, Navy, Air Force, and Marine Corps.

7. Enclosure 3, Paragraph 2.c. of DoDI 1400.25, Volume 2008, limits cash awards to \$2,000 except with head of Component approval. This exception is necessary for more flexible and timely recognition of high-performing employees, a critical component of the iPDS. All cash awards provided would remain subject to aggregate spending limitations, including those established by the Department or the Under Secretary of Defense for Intelligence and Security. This provision will be piloted in all DISE Components.





# CURRENT VS FUTURE PERFORMANCE MANAGEMENT SYSTEM Fact Sheet



On 02 Mar 2023, former OUSDI&S, Ronald Moultrie, signed the DCIPS Performance Management Transformation for Graded and Banded Workforces Memo directing all DCIPS agencies to transition to the new performance management system beginning in FY25. ODCS, G-2 will release on-going communications to the workforce regarding the Performance Management Modernization efforts for FY25 as more information is released from OUSDI&S.

Over the next several months, on-going communications to the workforce will be released regarding the anticipated phased FY25 Performance Management Modernization efforts. The OUSD I&S memo directing all DCIPS agencies to transition beginning in FY25 is found via Defense Intelligence Civilian Personnel System Performance Management Transformation for Graded and Banded Workforces.

	Current (Legacy)	Future
<b>Plan</b>	<ul style="list-style-type: none"> <li>Detailed SMART Objectives</li> <li>IC Performance Elements</li> <li>Supervisor driven</li> <li>Formal revision process</li> <li>Fiscal year performance cycle</li> </ul>	<ul style="list-style-type: none"> <li>Calendar year vs fiscal year cycle</li> <li>Individual performance goals aligned to organizational goals</li> <li>Employee Inspired/Supervisor Input</li> <li>Revised during quarterly check-ins</li> </ul>
<b>Develop</b>	<ul style="list-style-type: none"> <li>Individual Development Plan (independent from performance discussions)</li> <li>Often optional and employee driven</li> </ul>	<ul style="list-style-type: none"> <li>Link individual development plans to organizational goals</li> <li>Employee development integrated into performance discussions</li> <li>Ongoing employee enrichment opportunities culture</li> <li>Succession planning</li> </ul>
<b>Evaluate</b>	<ul style="list-style-type: none"> <li>Performance assessed formally 2x/year (midpoint, Performance Evaluation of Record)</li> <li>5-point numerical rating scale (1.0 to 5.0)</li> <li>Pay Pools to determine Bonus pool and Performance Pay Eligibility</li> </ul>	<ul style="list-style-type: none"> <li>Performance discussions ongoing with quarterly check-ins and final evaluation of record</li> <li>2-point (binary) performance assessment (Met/Did Not Meet)</li> <li>Eliminated bonuses</li> <li>Enterprise criteria for performance pay eligibility</li> <li>Calendar Year Performance cycle</li> </ul>
<b>Recognize</b>	<ul style="list-style-type: none"> <li>Year-Round Cash Awards (Special Act Awards/OTS)</li> <li>Cash Awards submitted via AutoNOA</li> <li>Honorary Awards</li> <li>Base-pay Increase Monetary Awards (DQI/SQI)</li> </ul>	<ul style="list-style-type: none"> <li>Leverage extended salary range (step 11 &amp; 12) for performance evaluation of "met" (contingent)</li> <li>Eliminate Sustained Quality Increase (SQI) award</li> <li>Establish a DCIPS Salary Increase (DSI) to recognize sustained performance resulting in transformative impact</li> <li>100% awards budget for timely performance awards</li> </ul>