



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

DAMI-CP

31 AUG 2015

MEMORANDUM FOR SEE DISTRIBUTION

SUBJECT: Issuance of the Department of the Army Policy, Volume 2012, Defense Civilian Intelligence Personnel System Performance-Based Compensation

1. References:

- a. Secretary of the Army Memorandum, 30 May 14, subject: Delegation of Authority – Army Defense Civilian Intelligence Personnel System (DCIPS) Implementation.
- b. Assistant Secretary of the Army (Manpower and Reserve Affairs) Memorandum, 2 Jun 14, subject: Delegation of Civilian Human Resources Authorities, Version 04-2014, effective May 30, 2014: Revision to Delegation of Civilian Human Resources Authorities Matrix and Execution, Publication and Transmission of Delegations #15 through #25, and Extension of Delegations #26 through #33.
- c. Department of Defense (DoD) Instruction 1400.25-V2012, DoD Civilian Personnel Management System, Defense Civilian Intelligence Personnel System (DCIPS) Performance-Based Compensation, 28 Apr 12.
- d. Department of the Army DCIPS Policy, Volume 2012, Defense Civilian Intelligence Personnel System Performance-Based Compensation (Enclosed).

2. In accordance with Reference 1b above, the Assistant Secretary of the Army (Manpower and Reserve Affairs) delegated to the Army G-2 the authority to issue Army supplemental DCIPS guidance. Pursuant to Reference 1b, the Army G-2 approves the release of Army DCIPS Performance-Based Compensation at Reference 1d.

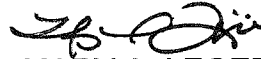
3. The Army G-2 further authorizes the supplementation of this policy where necessary, consistent with Reference 1d. Organizations must forward copies of any supplements to Headquarters, Department of the Army, Deputy Chief of Staff, G-2, ATTN: DAMI-CP, 1000 Army Pentagon, Washington, DC 20310-1000.

DAMI-CP

SUBJECT: Issuance of the Department of the Army Policy, Volume 2012, Defense Civilian Intelligence Personnel System Performance-Based Compensation

4. The Office of the Deputy Chief of Staff, G-2 point of contact is Mr. Richard Leviner, Human Resources Specialist, (703) 695-1046; e-mail: richard.j.leviner.civ@mail.mil.

Encl



MARY A. LEGERE  
Lieutenant General, GS  
Deputy Chief of Staff, G-2

DISTRIBUTION:

ADMINISTRATIVE ASSISTANT TO THE SECRETARY OF THE ARMY  
COMMANDER

U.S. ARMY FORCES COMMAND

U.S. ARMY TRAINING AND DOCTRINE COMMAND

U.S. ARMY MATERIEL COMMAND

U.S. ARMY PACIFIC

U.S. ARMY EUROPE

U.S. ARMY CENTRAL

U.S. ARMY NORTH

U.S. ARMY SOUTH

U.S. ARMY AFRICA/SOUTHERN EUROPEAN TASK FORCE

U.S. ARMY SPECIAL OPERATIONS COMMAND

MILITARY SURFACE DEPLOYMENT AND DISTRIBUTION COMMAND

U.S. ARMY SPACE AND MISSILE DEFENSE COMMAND/ARMY STRATEGIC  
COMMAND

U.S. ARMY CYBER COMMAND

U.S. ARMY MEDICAL COMMAND

U.S. ARMY INTELLIGENCE AND SECURITY COMMAND

U.S. ARMY CORPS OF ENGINEERS

U.S. ARMY MILITARY DISTRICT OF WASHINGTON

U.S. ARMY TEST AND EVALUATION COMMAND

U.S. ARMY RESERVE COMMAND

U.S. ARMY INSTALLATION MANAGEMENT COMMAND

SUPERINTENDENT, UNITED STATES MILITARY ACADEMY

DIRECTOR, U.S. ARMY ACQUISITION SUPPORT CENTER

COMMANDANT, U.S. ARMY WAR COLLEGE

CF:

ASSISTANT SECRETARY OF THE ARMY (MANPOWER AND RESERVE AFFAIRS)

GENERAL COUNSEL

DEPUTY CHIEF OF STAFF, G-1

DIRECTOR, CIVILIAN HUMAN RESOURCES AGENCY



**Department of the Army  
Volume 2012**

**Defense Civilian Intelligence Personnel  
System Performance-Based Compensation**

**August 31, 2015**

Enclosure

## Department of Army DCIPS Policy

### VOLUME 2012 – Defense Civilian Intelligence Personnel System Performance-Based Compensation

#### 1. Purpose

a. Overall Policy. Refer to Department of the Army (DA) Policy-Volume 2001 (AP-V 2001), Defense Civilian Intelligence Personnel System (DCIPS) Introduction (Reference (a)).

b. This Volume. In accordance with references listed in Enclosure 1, this Volume establishes Army policies, responsibilities, and procedures for DCIPS performance-based compensation (convening of pay pools within Army for the purpose of determining performance-based bonuses and base-pay increase monetary awards) for positions covered by DCIPS. Issuance of this Volume hereby cancels AP-V 2012-I “Interim Defense Civilian Intelligence Personnel System Performance-Based Bonus Program,” August 13, 2010.

#### 2. References

See Enclosure 1.

#### 3. Applicability

This policy applies to Army civilian positions, employees or organizations as described in Reference (a) engaged in or in support of an intelligence or intelligence-related mission. It does NOT apply to employees covered by the Federal Wage System or equivalent, non-appropriate fund employees, or foreign national employees. Does not apply to members of the Defense Intelligence Senior Executive Service (DISES) or the Defense Intelligence Senior Level (DISL) or other experts (e.g., highly qualified experts who work at the DISES or DISL equivalent-level), unless specifically addressed in Reference (b) or (c).

#### 4. Definitions

See glossary.

#### 5. Policy

a. It is Army policy that DCIPS policies and procedures will be followed when making DCIPS performance-based compensation decisions during the pay pool process to include decisions involving all performance-based bonuses and base-pay increase monetary awards. Convening a DCIPS pay pool(s) annually within Commands with DCIPS employees is mandated by this policy and is **not** discretionary. This policy

must be used in concert with Reference (d) and other USD(I) and Army supplemental pay pool policy guidance. Additional supplementation is not authorized except where permitted.

## **6. Responsibilities**

See Reference (a) and Enclosure 2.

## **7. Procedures**

See Enclosure 3.

## **8. Releasability.**

Unlimited. This policy is approved for public release.

## **9. Effective date**

This policy is effective immediately.

## **Enclosures**

1. References, page 4

2. Responsibilities, page 5

3. Procedures, page 9

**A.** Core Army Performance-Based Compensation Pay Pool Business Rules, page 20

**B.** Specially Situated Employees, page 23

**C.** Joint Duty Assignments (JDAs), page 26

**D.** Employees who Arrive/Depart Army DCIPS Organizations, page 27

**E.** Sample Pay Pool Manager Memo, page 29

**F.** Sample Pay Pool Panel Member Memo, page 30

**G.** Sample Format for Appointing DCIPS Pay Pool Data Administrators, page 31

**H.** Sample Non-Disclosure Form, page 32

**I.** Sample DCIPS Employee Notice, page 33

## **Glossary**

## ENCLOSURE 1

### REFERENCES

- (a) AP-V, Volume 2001, "Defense Civilian Intelligence Personnel System (DCIPS) Introduction," March 25, 2012
- (b) Under Secretary of Defense (Personnel and Readiness) Memorandum; subject: "Interim Policy Directive for Intelligence Components to Operate Under Certain Defense Civilian Intelligence Personnel System (DCIPS) Subchapters," May 25, 2005 [Authorizes use of Interim Subchapter 1002, "Defense Intelligence Senior Executive Services (DISES)," which will be rescinded upon publication of Volume 2002]
- (c) Under Secretary of Defense (Personnel and Readiness) Memorandum; subject: "Interim Policy Directive for Intelligence Components to Operate Under Certain Defense Civilian Intelligence Personnel System (DCIPS) Subchapters," May 25, 2005 [Authorizes use of Interim Subchapter 1003, "Defense Intelligence Senior Level (DISL) Program," which will be rescinded upon publication of Volume 2003]
- (d) DoD Instruction 1400.25, V2012, "DoD Civilian Personnel Management System: DCIPS Performance-Based Compensation," April 28, 2012
- (e) AP-V, Volume 2011, "Defense Civilian Intelligence Personnel System (DCIPS) Performance Management," June 29, 2011 (Incorporating Change 1, June 27, 2014)
- (f) DoD Instruction 1400.36, "DoD Implementation of the Joint Intelligence Community Duty Assignment (JDA) Program," June 2, 2008
- (g) Implementing Guidance, "Army DCIPS Development Program," May 15, 2012
- (h) Part 1607 of title 29, Code of Federal Regulations
- (i) AP-V, Volume 2014, "Defense Civilian Intelligence Personnel System (DCIPS) Employee Grievance Procedures," March 25, 2012 (Incorporating Change 1, March 22, 2013)
- (j) DoD Instruction 1400.25, V2008, "DoD Civilian Personnel Management System: DCIPS Awards and Recognition," September 12, 2012

## ENCLOSURE 2

### RESPONSIBILITIES

Responsibilities in this enclosure supplement and must be conducted in concert with those listed in Reference (a).

#### **1. Secretary of the Army**

The Secretary of the Army will:

a. Implement the DoD Instruction 1400.25-Volume 2012 (Reference (d)) within the DA; issue supplemental guidance as appropriate, monitor DA Programs for compliance with the provisions of this policy, and respond to reporting requirements established by the USD(I).

b. Delegate the authority, as appropriate, to implement this policy within Army.

#### **2. The Assistant Secretary of the Army for Manpower and Reserve Affairs (ASA (M&RA))**

See Reference (a) for roles and responsibilities of the ASA M&RA.

#### **3. The HQDA, DCS, G-1, Assistant G-1 (Civilian Personnel) (AG-1 (CP))**

See Reference (a) for roles and responsibilities of the AG-1 (CP)

#### **4. The Headquarters Department of the Army, Deputy Chief of Staff, G-2, (HQDA, DCS, G-2)**

The HQDA DCS, G-2 will establish the Army DCIPS performance-based compensation programs' strategic direction, provide the overall policy framework, and approve policy guidance for administration of DCIPS performance-based compensation.

#### **5. The Headquarters Department of the Army, Assistant Deputy Chief of Staff, G-2 (HQDA, ADCS, G-2)**

The HQDA, ADCS, G-2 will:

a. Provide executive advice and consultation to the HQDA DCS, G-2 and direct the full spectrum of Army DCIPS Performance-Based Compensation programs, policies and systems through supervision of Headquarters Department of the Army, Office of the Deputy Chief of Staff, G-2, Director, Intelligence Personnel Management Office.

b. Ensure the implementation of DCIPS performance-based compensation programs and compliance with policy guidance.

c. Serve as the Army Pay Pool Performance Review Authority (Army PP PRA) and provide oversight of the pay pool processes, conduct a formal analysis of the decision process, and develops an action plan for the next performance year based on the result of that analysis.

d. Establish the Pay Pool Performance Review Authority (PP PRA) for the HQDA ODCS, G-2 as provided for in paragraph 7.

**6. The Headquarters Department of the Army, Office of the Deputy Chief of Staff, G-2, Director, Intelligence Personnel Management Office (HQDA DCS, G-2, IPMO)**

See Reference (a) for roles and responsibilities of HQDA, ODCS, G-2, Director, IPMO.

**7. Commanders of the Army Commands (ACOMs), Direct Report Units (DRUs), Army Service Component Commands (ASCCs), the Administrative Assistant to the Secretary of the Army (AASA) and the Headquarters Department of the Army, Assistant Deputy Chief of Staff, G-2 (HQDA ADCS, G-2) shall:**

a. Serve as the Command Pay Pool Performance Review Authority (PP PRA), manage the Performance-Based Compensation program (pay pool process to determine performance-based bonuses and base-pay increase monetary awards), and establish supplemental guidance where permitted. [In addition to the responsibilities in paragraph 9 if not further delegated as provided in paragraph 7.g.]

b. Establish their respective Pay Pool Performance Review Authority (PP PRA) structure through the written appointment of Organizational PP PRA(s) at the beginning of the performance evaluation period as applicable, but not later than 90 days prior to the end of the evaluation period. Organizational PP PRAs may be specific individuals or Pay Pool Panel (headed by a chairperson) that report back to and provide recommendations to the Command PP PRA.

(i) If Pay Pool Panels are utilized, the members serving on a panel should be employees of Army Intelligence organizations, and/or supervisors/managers of Army intelligence employees.

(ii) Appointments as Organizational PP PRA(s) must be in writing, no lower than to Commanders (e.g. Commanders of Major Subordinate Commands) at a level of Colonel – 06 and above or civilian equivalent). A copy of the appointment must be maintained where the authority is held and provide a copy to HQDA, ODCS, G-2 Director, IPMO.



c. Designate Pay Pool Manager(s) and/or Pay Pool Panel Members in writing at the beginning of the performance evaluation period as applicable, but not later than 90 days prior to the end of the evaluation period.

d. Approve performance-based bonuses and base-pay increase monetary awards for employees nominated by the Pay Pool Manager(s) assigned to respective organizations.

e. Consolidate and conduct a review of the results of all organizational pay pool decisions to assess conformance to policy guidance, equity, and potential adverse impact. Commanders of the ACOMs, DRUs, ASCCs, the AASA and HQDA ADCS, G-2 shall report and certify in writing the results of pay pool decisions to the HQDA DCS G-2 prior to official payout.

f. Approve pay pool decisions for employees nominated by Pay Pool Manager(s) assigned to respective organizations. Pay pools are required to convene within Commands to determine performance-based bonuses and base-pay increase monetary awards for their DCIPS employees based upon their annual DCIPS evaluation of record. **The convening of DCIPS pay pools annually is not discretionary if the Command employs DCIPS employees.**

g. Commanders of ACOMs, DRUs, and ASCCs may further delegate the authority to serve as the Command PP PRA to their Deputy Commander or Command Chief of Staff. For Headquarters, Department of the Army, the AASA may further delegate the authority to the Deputy Administrative Assistant to the Secretary of the Army or to the Principal Officials. Delegations must be in writing with the official designated by organizational title. A copy of the delegation must be maintained in the office where the authority is held and provided to the HQDA, ODCS, G-2 Director, IPMO no later than 30 June of each year. Commanders are to remain cognizant of and accountable for all actions taken pursuant to the delegated authorities.

## **8. Civilian Human Resources Directors of the ACOMs, DRUs, ASCCs, and the AASA**

See Reference (a) for roles and responsibilities of the Civilian Human Resources Directors.

## **9. Pay Pool Performance Review Authority (PP PRA)**

a. Provides oversight of the pay pool processes and provides final approval for pay pool recommendations.

b. Perform a summary review prior to effecting results of all performance-based bonus and base-pay increase monetary award decisions for pay pools for which the PP

PRA is responsible to assess conformance to policy guidance and equity across pay pools.

c. May return a pay pool's pay out decision results to the Pay Pool Manager for remediation if pay pool recommendations are not in accordance with policy and guidance.

#### **10. Assistant Deputy Chief of Staff, G-1, Civilian Human Resources Agency (CHRA), Civilian Personnel Advisory Centers (CPACs)**

See Reference (a) for roles and responsibilities of the Assistant Deputy Chief of Staff, G-1, CHRA, CPACs.

#### **11. Rating and Reviewing Officials**

Rating and Reviewing Officials shall ensure that evaluations of record are available for each employee eligible for consideration, as established in Reference (e), during the annual pay pool process.

#### **12. Pay Pool Manager(s)** (See glossary definition for additional information)

a. Receive training and certification as a requirement of being designated as a Pay Pool Manager(s).

b. Conduct the decision-making process using the Compensation Work Bench (CWB) for annual pay pool decisions for employees assigned to their pay pool.

#### **13. Approving Officials**

The Approving Officials shall have the authority to obligate and expend funds of the organization. Refer to glossary definition for additional information.

#### **14. Pay Pool Data Administrators**

The Pay Pool Data Administrators will provide technical support to the Pay Pool Manager(s) and/or Pay Pool Panel decision-making process including the administration of the Compensation Work Bench (CWB) and optional DCIPS Payout Analysis Tool (DPAT).

## ENCLOSURE 3

### DCIPS PERFORMANCE-BASED COMPENSATION PROCEDURES

#### 1. GENERAL.

The Army DCIPS Performance-Based Compensation Program is designed to link performance-based bonuses and base-pay increase monetary awards to individual accomplishments, demonstrated competencies and contributions to organizational results.

#### 2. PAY POOLS.

a. Structure. Pay pool structure is discretionary within Army with DCIPS positions (however, the convening of DCIPS pay pools in accordance with this policy is not) and is based on considerations such as:

(1) Organizational structure (Division, Directorate) and geographic distribution.

(2) Number of employees and their occupational composition, work levels, and work categories.

(3) Size and manageability.

(4) "Line-of-sight" to the work of the Pay Pool Members.

#### b. Pay Pool Management.

(1) Commanders of the ACOMs, DRUs, ASCCs, the AASA and HQDA ADCS, G-2 may administer pay pools in two ways:

(a) The use of a Pay Pool Panel consisting of a group of managers who typically share chain-of-command responsibility for employees assigned to that pay pool under the leadership of a Pay Pool Manager or Senior Intelligence Official to administer the pay pool process and make pay pool recommendations to the approving official, OR

(b) The use of a single Pay Pool Manager who administers the pay pool process and submits pay pool recommendations to the approving official.

(2) The Pay Pool Manager takes responsibility for the decision-making process of annual pay pool decisions for employees assigned to a pay pool.

(3) Pay Pool Managers and Pay Pool Panel Members shall be designated in writing by the Commander (or delegated designee) with DCIPS positions as outlined in paragraph 7.c of Enclosure 2 (See Appendices E and F of Enclosure 3).

(4) Each Pay Pool Panel Member and/or Pay Pool Manager will complete a Nondisclosure Statement (See Appendix H, Enclosure 3) and adhere to supplemental pay pool guidance as established by Army, Commanders of the ACOMs, DRUs, ASCCs, the AASA and HQDA ADCS, G-2 and/or their delegated designee. Supplemental pay pool guidance will be available for all employees and their supervisors and applied consistently across their Command. Supplemental pay pool guidance is permitted within each pay pool; however, supplemental pay pool business rules which are used to override the CWB bonus recommendation derived from the bonus algorithm are not authorized below the ACOM, DRU, ASCC, the AASA, or the HQDA ADCS, G-2 level. Pay Pool Managers and/or Pay Pool Panel Members (and alternates) will be trained annually prior to commencement of the pay pool decision activities in their responsibilities, respective roles and functions, the use of decision support tools, and the responsibilities for equity and diversity.

(5) Pay Pool Data Administrator(s) shall be designated in writing by the Commander (or delegated designee) (See Appendix G, Enclosure 3) and will also complete a Nondisclosure Statement (See Appendix H, Enclosure 3). Pay Pool Data Administrator(s) assigned in organizations with DCIPS employees have the responsibility for oversight and support to the performance management and pay pool processes and shall confirm the status of all performance evaluations.

c. Assignment of Employees to Pay Pools. Employees will be assigned to pay pools as early as practicable during the performance planning process (typically at the beginning of the evaluation period in conjunction with annual performance planning, or on assignment to a new position), but generally no later than 90 days before the end of the evaluation period.

(1) Employees will be notified of their pay pool assignment as early as practicable during the performance planning process, but in advance of commencement of pay pool deliberations. Employees shall also be advised of their pay pool management structure.

(2) DCIPS employees who move (and subsequently change pay pools) within Army or move to another DoD IC component within 90 days of the end of the annual rating period (between 1 July – 30 September) will receive a DCIPS Closeout Early Annual Evaluation that will be considered for performance-based bonus or base-pay increase monetary award within the gaining organization pay pool, in accordance with Reference (d) and (e).

(3) DCIPS employees who move to another Army DCIPS position or move to another DoD IC component within the first 90 days of the beginning of the annual rating

period (1 October – 31 December) shall be considered for performance-based bonuses or base-pay increase monetary awards by the gaining organization using the DCIPS evaluation of record from the previous DCIPS organization.

(4) Employees detailed into or out of Army under an official Joint Duty Assignment (JDA) will be assigned to a pay pool in the gaining organization that will consider them for performance-based bonus or base-pay increase monetary award in accordance with Reference (f) and this policy (See Appendix C, Enclosure 3 of this policy for exceptions to this rule). Employees on JDA assignment must be on an approved performance plan for at least 90 days prior to the end of the rating period in order to be eligible for a rating and/or performance-based bonus or base-pay increase monetary award.

(5) See Appendix D, Enclosure 3 concerning performance-based bonuses and base-pay increase monetary awards eligibility concerning employees who arrive to Army DCIPS Organizations or depart from Army DCIPS Organizations.

(6) Professional work category employees hired into developmental programs (Reference (g)) below the full-performance level for their occupation may be assigned to a pay pool and may be considered for a performance-based bonus or base-pay increase monetary award.

(7) DCIPS employees shall not be assigned to pay pools with non-DCIPS employees (or recommended for a DCIPS performance-based bonus or base-pay increase monetary award outside of the annual DCIPS pay pool process) other than in accordance with Reference (f).

d. Pay Pool Administration.

(1) Each pay pool must have standard operating procedures. Standard operating procedures shall contain, at a minimum, requirements for initial and annual sustainment training for all pay pool managers and panel members, including procedures for conducting mock pay pool exercise as appropriate. Mock pay pools are mandatory in the first year that pay pools will be conducted, and optional in other years.

(2) Pay pools shall begin their annual deliberations as soon as practical following the close of the evaluation period and the finalization of evaluations of record, but in sufficient time to complete pay pool deliberations and payout processing before the effective date of the payouts.

(3) HQDA ODCS, G-2 shall establish a suspense date annually for which pay pool results must be uploaded from the CWB and results certified by the Command PP PRA.

(4) A listing of delinquent performance evaluations by employee, rating official, and reviewing official shall generally be provided by the Pay Pool Data Administrator(s) to the Pay Pool Manager(s) not less than 15 days prior to the beginning of annual pay pool deliberations.

(5) No employee may be considered for a performance-based bonuses or base-pay increase monetary awards without an annual DCIPS evaluation of record except those specially situated employees noted in Appendix B. Enclosure 3.

e. Pay Pool Decision Process.

(1) The use of the approved common tool (e.g. the Compensation Work Bench (CWB)) is mandatory for the administration of all pay pool decisions, and may use the optional DCIPS Payout Analysis Tool (DPAT), for facilitating the DCIPS pay pool decision-making process and capturing performance-based bonuses. No other common tools (e.g. AutoNOA, or manual Requests for Personnel Actions) are authorized for use in the DCIPS pay pool process. The CWB, when finalized by the Civilian Human Resources Agency, will generate the required Notification of Personnel Action which will flow to payroll. Decision support tools (e.g. DCPDS employee reports and DFAS leave reports) may be used in addition to the approved common tools as long as documentation related to the use of the decision support tools is retained in accordance with paragraph 2.e(9) of this Enclosure.

(2) The CWB uses a USD(I) approved formula that automatically reconciles performance ratings, employee salary in relation to the midpoint of the work level, and the budget available that makes a preliminary recommendation for performance-based bonuses for each employee in the pay pool.

(3) Preliminary pay pool recommendations may be adjusted by the Pay Pool Manager based on Army DCIPS Core Business Rules (Appendix A, Enclosure 3) as well as Command-wide Pay Pool PRAs' approved and published supplemental business rules. (Supplementation of business rules below the ACOM, DRU, ASCC, the AASA, or the HQDA ADCS, G-2 level are not authorized.) Command-wide business rules must be reviewed and approved annually by the Command Pay Pool PRA. A copy of each Command's approved business rules for the current pay pool must be provided to the HQDA, ODCS, G-2 Director, IPMO annually prior to their implementation. Considerations for Command-wide business rules may include:

(a) Army ODCS, G-2 guidance on priorities for the performance year.

(b) Comparative evaluation of performance of like-situated employees within a work level and occupation in the pay pool.

(c) Prorating criteria of a performance-based bonus for partial year performance in the pay pool.

(d) Other performance-based considerations (e.g., receipt of monetary award during the same rating period; extraordinary achievement of organizational goals; special duties such as deployments) included and approved by the Command PP PRA in the overall Command business rules.

(e) Decision by Pay Pool Manager or Pay Pool Panel to award DCIPS Quality Increases (DQIs) or DCIPS Sustained Quality Increases (DCIPS SQIs) based on a set percentage of the top performers as displayed in order by the CWB algorithm. DQIs or DCIPS SQIs may be awarded to employees who are top performers by being in a percentage of top scores within their pay pool, which shall not exceed 10 percent (Commanders of the of the ACOMs, DRUs, ASCCs, the AASA and HQDA ADCS, G-2 shall establish and document within their Command business rules a percentage to be used uniformly throughout their Commands if any, all, or none of these awards will be issued). During the DCIPS pay pool decision process, an employee may be considered for either a performance-based bonus, DQI or DCIPS SQI but is ineligible to receive both a performance-based bonus and a DQI/DCIPS SQI.

1. DQI. Commands may use a DQI to reward employees deemed initially eligible and who have not received a base-pay increase monetary award of any type within the preceding 52 consecutive weeks from the effective date of the award. Command discretion may be used to provide additional criteria for this award. An employee may not receive a DQI if the employee has received an award based in whole or in part on the performance being recommended for recognition. DQIs may only be awarded to employees whose base-pay is at least one full step below the maximum of the pay grade. The maximum of the pay grade includes the extended pay range and is equivalent to the virtual step 12 rate of the grade. No partial DCIPS DQIs may be granted. Refer to glossary definition for additional information.

2. DCIPS SQI. DCIPS evaluations of records must identify them as a top performer by being in a percentage of top scores for the Command as displayed in order by the CWB algorithm not to exceed 10% as determined by the Command and reported to HQDA ODCS, G-2. DCIPS SQIs may only be awarded to employees whose base-pay is at least two full steps below the maximum of the pay grade. The maximum of the pay grade includes the extended pay range and is equivalent of the virtual step 12 rate of the grade. No partial DCIPS SQIs may be granted. Refer to glossary definition for additional information.

(4) Under no circumstances may an employee's basic pay (base-pay plus Local Market Supplement, locality pay, Target Local Market Supplement, or special salary rate supplement) be increased above the rate of pay equal to Level IV of the Executive Schedule.

(5) Use of time-off awards in lieu of or as a supplement to a performance-based bonus or a base-pay increase monetary award is **prohibited**.

(6) Activities will report the number of DQIs/DCIPS SQIs awarded as a result of the pay pool process by organization, occupational series, work category, work level and grade.

(7) The Pay Pool Manager(s) will submit the performance-based bonus and base-pay increase monetary award results captured by the CWB to the PP PRA (Approving Official) for approval for the pay pool(s) for which responsible.

(8) After approval, the Pay Pool Manager certifies the results in the CWB for the pay pool(s) for which responsible and submits to the Pay Pool Data Administrator for upload/processing and payouts.

(9) Documentation in support of the pay pool decision process should be retained in accordance with the Army Records Information Management System (ARIMS) and include:

(a) Army DCIPS Core Business Rules and Command-wide business rules.

(b) Performance evaluation information used for each employee.

(c) Consolidated worksheets for all employees in the pay pool, including decision justification for payouts that are outside the recommended range established within Army DCIPS.

(d) Documentation of Pay Pool Manager decisions including justification for base-pay increase monetary awards and performance-based bonuses that deviate from the Army funding level established in the annual performance-based budget guidance. This justification will appear on the employee Feedback Sheet.

(e) Actual recommended performance-based bonuses and base-pay increase monetary awards for each employee.

(f) Certification of the performance-based bonuses and base-pay increase monetary awards by the approving official (paragraph 6.c).

(g) Command-wide pay pool supplemental guidance regarding the range of managerial discretion that may be exercised in the decision processes.

(h) Guidance for considering employees absent to perform uniformed military service, or on Workers' Compensation, Leave Without Pay, long-term training, or other special situations, consistent with guidance contained in Appendix B, Enclosure 3 of this issuance.

(i) Budget available to the pay pool, and associated guidance.



(j) Schedules and deadlines.

(k) Review and approval procedures for pay pool results to include

- i. Summary review by the PP PRA of all performance-based bonus and base-pay increase monetary award decisions for the purpose of identifying any potential issues with regard to merit and consistency.
- ii. Approval of decision by the PP PRA
- iii. Retention schedules for all pay pool documentation

(10) Pay pool results shall be available and approved such that payments may be made to employees to coincide with the annual Federal General Schedule (GS) pay increase, normally effective on the first day of the first pay period following January 1 of the new calendar year.

(11) Analyses of performance evaluations of record or pay pool results by demographic characteristics that identify protected classes of individuals are prohibited prior to conclusion of the pay pool process. Analyses by organizational and position-related characteristics are permitted.

### 3. AGGREGATE PAY POOL BUDGETS.

a. The Defense Intelligence budget guidance for pay pools will be established annually, generally by 30 September of the performance year. The annual pay pool guidance will be developed and approved by HQDA ODCS, G-2 in accordance with the USD(I) established guidance.

b. Commands with DCIPS positions will fund performance-based bonuses at the same level as the aggregate funding level set by Army G-2.

c. The annual pay pool budget may allow for the separate budgeting of DQIs/DCIPS SQIs to be given during the DCIPS pay pool process to reward eligible DCIPS employees with the highest levels of performance. The use of DQIs/DCIPS SQIs will align with previous DQI/DCIPS SQI trends and funding limitations if not established separately by USD(I) and HQDA ODCS, G-2 within annual supplemental guidance.

d. The Army may not exceed the USD(I) established guidance for the pay pool budget except on approval of the USD(I) based on a specific business case.

e. The funding for Command pay pool budgets for performance-based bonuses will be established by summing the total aggregate salaries (including base pay plus

Local Market Supplements and Targeted Local Market Supplement) of all eligible employees in the pay pool and multiplying by the performance bonus funding level.

f. The HQDA ADCS, G-2:

(1) May allocate the Army pay pool percentage in the manner that best supports the Army Intelligence mission.

(2) Will report, as required, to the USD(I) on the conduct of Army-wide pay pool activities and any use of their authority to allocate funds to pay pools on other than a pro-rata proportional or fair-share basis.

#### 4. INDIVIDUAL PAY POOL BUDGETS.

a. The sum of individual pay pool budgets may not exceed the aggregate pay pool budget established annually for Army DCIPS positions.

b. The sum of individual pay pool expenditures in Commands with DCIPS positions may not exceed the aggregate amount budgeted at the Department of the Army level for DCIPS bonuses.

c. The budget for performance-based bonuses for each pay pool will be set 45 days following the end of the performance evaluation period. To the maximum extent practicable, membership should not change following the establishment of the pay pool budget.

d. If an employee is added to or removed from the pay pool, prior to 30 September, the bonus budget will be adjusted accordingly.

(1) The preliminary budget for the pay pool will be established according to a method determined by the USD(I) in consultation with DoD Components. The USD(I) and HQDA, ODCS, G-2 shall issue supplemental pay pool guidance with the agreed-upon method that identifies it as the sole method for determining the DQI/DCIPS SQI increase budget, permanent salary increase floor budget and bonus budget for the pay pool and for adjusting the pay pool budget when employees are added to or removed from the pool.

(2) If an employee is added to or removed from the pay pool prior to 30 September, the pay pool budget will be adjusted accordingly.

(3) The preliminary budget for bonuses for the pay pool will be established by multiplying the approved percentage times the total aggregate salaries (including base pay plus Local Market Supplements and Targeted Local Market Supplement) of the eligible employees assigned to the pay pool.

(4) If, at the time decisions are made for the pay pool, an employee is added to or removed from the pay pool, the pay pool budget for bonuses will be adjusted by the salary of the employee, times the bonus percentage allocated for Army, as communicated in the annual Army DCIPS supplemental pay pool guidance. This amount will be summed for all employees added to or removed from the pool.

d. The DQI and DCIPS SQI budget during this period will align with previous DQI and DCIPS SQI trends and funding limitations which is determined and established annually by USD(I) and relayed to Commands through HQDA, ODCS, G-2 supplemental pay pool guidance.

**5. PAY POOL COMPENSATION WORKBENCH (CWB) ALGORITHM AND GUIDANCE.** The USD(I), on the recommendation of the Defense Intelligence Human Resources Board (DIHRB) and USD(P&R), will establish the algorithm within the CWB that will be used to allocate performance-based bonuses each year. The algorithm will also rank employees in order to determine Top percentage ratings within the pay pool who can be considered for DQIs and DCIPS SQIs. The algorithm incorporates the following policy decisions:

a. Employees rated as unacceptable or minimally successful will be ineligible for a performance-based bonus or base-pay increase monetary award. However, their salaries will be included in the computation of pay pool budgets.

b. Employees awarded a DQI or DCIPS SQI will not be eligible for a bonus; however, their salaries will be included in the computation of the pay pool budgets.

c. The purpose of a bonus is to provide meaningful rewards for highest levels of performance. The CWB algorithm shall separately compute initial recommended bonus for an employee based on the employee's performance rating rounded to the nearest tenth of a point. Employee's whose performance meets or exceeds "successful" are eligible for bonus consideration. The CWB algorithm will compute recommended bonus amounts based on the midpoint of the work level for which the employee is assigned. The number of employees who receive bonuses should generally not exceed 50 percent of the eligible population within the pay pool. Commands may determine a lesser percentage is appropriate. Base-pay increase monetary awards (i.e., DQI, DCIPS SQI) do not count against the 50 percent of eligible population within the pay pool nor do they count against pay pool funds. However, Commands will follow annual USD(I) and Army DCIPS guidance on spending for DQIs and DCIPS SQIs.

d. The recommended bonus computed by the CWB algorithm shall serve as the starting point for making pay pool decisions in accordance with Army and Command—wide supplemental pay pool guidance and business rules. No adjustment may be made that result in payouts exceeding the pay pool budget.

**6. OVERSIGHT AND REPORTING OF PAY POOL DECISIONS.**

a. The Pay Pool Data Administrator will consolidate and provide the approved pay pool results to the appropriate Command approving authority or designee for required certification and reporting.

b. The Command approving authority or designee will conduct a summary review of the approved pay pool results of all the pay pools for which responsible to identify potential anomalies, such as lack of meaningful performance bonus differentiation, inconsistencies in application of policy across pay pools, or potential adverse impact.

c. Commanders of the ACOMs, DRUs, ASCCs, the AASA and HQDA ADCS, G-2 or their delegated designee (Encl 2, para 7), will provide a Command-wide certification letter to the HQDA ODCS, G-2 certifying that the pay pool process met policy and procedural requirements and a summary review was conducted. Command consolidated certification must include:

- (1) Confirmation of Compliance with Army DCIPS bonus and awards guidance,
- (2) The date the pay pools commenced,
- (3) The date the pay pool process concluded,
- (4) Number of pay pools, and
- (5) Number of DQIs and DCIPS SQIs awarded.

d. On completion and execution of all pay pool decisions for the performance year, the Army Pay Pool Performance Review Authority will conduct an analysis of the decision process and develop an action plan for the next performance year based on the result of that analysis.

## 7. COMMUNICATING PAY POOL PAYOUT DECISIONS TO THE EMPLOYEE.

a. Rating officials are responsible for communicating pay pool award decisions to their employees, regardless of award receipt or not. The employee payout feedback sheet generated by the CWB will be given to each employee relaying his/her individual payout.

b. A pay pool decision shall **not** be communicated to an employee until the Commander (PP PRA) or their designee (See Enclosure 2, para 7) has approved the payout for the employee's pay pool.

c. Such communication should occur in person prior to the payout effective date unless circumstances preclude it (e.g., geographic separation).

8. EMPLOYEE CHALLENGES TO PAYOUT DECISIONS. Individual performance-based payout decisions may not be challenged; however, employees may use the Employee Grievance Procedures in Reference (i) or other appropriate avenues available to the employee to address specific concerns regarding pay pool processes that may have affected their payout.

## APPENDIX A TO ENCLOSURE 3

### **Core Army Defense Civilian Intelligence Personnel System (DCIPS) Pay Pool Business Rules**

Business rules help guide how the pay pool recommendations are reviewed by the Pay Pool Managers and/or Pay Pool Panel Members. All Commands with Army DCIPS employees will adopt the Core Army business rules as part of their published internal guidance and process. Army-wide business rules may be supplemented by Command-wide specific business rules but may not conflict with the core business rules listed below. [As noted in Encl 3, para 2.d, further supplementation below the Command level is not authorized.]

1. The following is a listing of Army-wide business rules for pay pool deliberations. All members participating in the administration of the pay pool process must read thoroughly, understand, and agree in writing to all the conditions included in the following business rules.
  - a. Pay pool deliberations will be conducted in accordance with Merit System Principles.
  - b. Pay Pool Manager(s) and/or Pay Pool Panel Members) and alternates must comply with all relevant Army DCIPS performance-based compensation, and Army DCIPS pay pool policies, guidance, and procedures.
  - c. The Command aggregate funding level (percentage) for pay pools must be approved in advance and cannot be changed upon commencement of pay pool deliberations.
  - d. Pay pool budgets will not be used to make adjustments to remedy perceived imbalances in salary.
  - e. Generally, no more than 50 percent of eligible DCIPS employees within an individual pay pool will receive performance-based bonuses. Performance-based bonus distribution **will generally not** exceed 50 percent of the employees of **the total eligible Command DCIPS population**. Adjustments must be made to the threshold rating inside the Compensation Workbench (CWB) to accommodate the 50 percent.
  - f. Time-off awards will **not** be used in lieu of or as a supplement to DCIPS performance-based compensation payout.

g. DCIPS Employees detailed under a Joint Duty Assignment (JDA) Memorandum of Understanding (MOU) with less than 90 days remaining in the annual evaluation period will be considered for bonuses by the home organization. Employees detailed under a JDA MOU with at least 90 days remaining in the evaluation period will be assigned to a pay pool in the gaining organization that will consider them for bonuses.

h. DCIPS Quality Increases (DQIs) and DCIPS Sustained Quality Increases (DCIPS SQIs) are only awarded during the Army DCIPS pay pool deliberation process but will not count against the funding or percentage of bonuses awarded; employees who receive a DQI or DCIPS SQI are ineligible to received a bonus.

i. Pay Pool Manager(s) and/or Pay Pool Panel Members and alternates must be appointed in writing, have completed Pay Pool Managers training, and have completed a Non-Disclosure Form. Documentation is to be retained on file as part of the pay pool proceedings in accordance with applicable policy.

j. A Pay Pool Manager and/or individual Pay Pool Panel Members may not be in, or preside over, the same pay pool as any of their family members and/or relatives.

k. Where Pay Pool Panels are used, alternate panel members are to be appointed in writing. Alternates must be selected before commencement of the pay pool deliberations. Alternates must adhere to all requirements of primary panel members.

l. Alternates must attend all meetings and deliberations as a non-voting member until/if called to serve as a primary member.

m. If there is a disagreement between Pay Pool Panel Members, the Pay Pool Managers decision is final.

n. Pay Pool Panels (if applicable) must start and complete with the same members; if there is a change in the membership of the panel it must be documented, and this information must be available to employees included in the particular pay pool.

o. Generally, a Pay Pool Manager, Pay Pool Member, or Pay Pool Data Administrator will not be included in the pay pool they are residing over. However, in situations where this cannot be prevented, such individual's records must be hidden throughout the recommendation process and they must leave the room and excuse themselves from the discussion when their personal record is under consideration.

p. Bonuses generated by the Compensation Workbench (CWB) bonus algorithm will be accepted "as is" unless there is justification to propose an adjustment clearly linked to an approved Core Army DCIPS Business Rule or a Command

(preapproved PP PRA-signed) business rule. All adjustments to the initial bonus recommendations computed by the CWB must be individually justified and documented with an official business rule. The specific business rule used as the basis for the modification MUST be recorded in the CWB adjustment column.

q. Pay Pool Manager and/or Pay Pool Panel members must be diligent in basing decisions on the basis of substantiated or documented evidence for the rating period under consideration.

r. Classified material will NOT be entered into the CWB. If classified material or documentation will be used as the basis for decisions or discussion, the Pay Pool Manager must ensure that all Pay Pool Panel members possess the appropriate clearances and that all associated requirements are met.

s. No pay pool meeting will officially conclude until ALL RECORDS have been considered, the Command PP PRA (or designee if delegated) has approved payout, Command PP PRA certifies in writing to the Army PP PRA, and the file is uploaded to DCPDS by the DCIPS Pay Pool Data Administrator and confirmed by CHRA.

t. All documentation used during the proceedings must be maintained as part of the process/deliberations and will be collected prior to the adjournment of the pay pool.

u. The disposition of the internal records of the pay pool will be handled in accordance with applicable regulations.

v. Employees who are no longer covered by DCIPS at the time of the January payout date are not entitled to a performance-based bonus or base-pay increase monetary award.



APPENDIX B TO ENCLOSURE 3  
SPECIALLY SITUATED EMPLOYEES

SITUATION	DEFINITION	PAYOUT ELIGIBILITY
Employees Absent to Perform Uniformed Military Service	Employees who are absent from their positions in order to perform uniformed military service shall be entitled to all protections of U.S.C, Title 38, commonly referred to as the Uniformed Services Employment and Reemployment Act of 1994.	Yes
	Employees who leave their positions during an evaluation period to serve a period of active uniformed military service, and who have completed at least 90 days under their performance plan, shall be entitled to a DCIPS close-out performance evaluation.	Yes
	Employees who return to their positions following a period of uniformed military service who do not have the required 90-days of civilian service under any DCIPS performance plan during the current evaluation period by the close of the rating period shall be awarded a presumptive rating of record. The presumptive rating will be their last rating of record prior to departure for uniformed military service, but not less than a rating of “Successful,” for the rating period that has closed. Employees without a prior DCIPS evaluation of record will be assigned the modal rating as determined at the first level of PM PRA review. The modal rating is the most commonly given rating for other employees under the purview of the same PM PRA. In cases where there are more than one modal rating (i.e. nine 3.3s and	Yes

SITUATION	DEFINITION	PAYOUT ELIGIBILITY
	nine 3.4s) the higher rating will be the modal rating.	
Employees Absent on Workers' Compensation	Employees absent from their positions on Workers' Compensation shall be handled in accordance with the procedures for employees absent to perform uniformed military service.	Yes
Employees Absent Due to Other Special Circumstances	<p>Employees who are absent from their permanent position who have completed the minimum period of performance for a rating in their permanent position will participate in the performance evaluation and pay pool process at the end of the performance evaluation cycle. The evaluation of record will be based on the performance and contributions made by the employee while in his or her permanent position performing under an approved performance plan. DCIPS performance management procedures will be observed to the extent practicable.</p> <p>Any other employees who are absent from their permanent position who have NOT completed the minimum period of performance for an evaluation of record (outside of meeting applicable criteria in preceding situations of this appendix).</p>	<p>Yes</p> <p>No</p>
Administrative Error	<p>Employees who would have been eligible for an evaluation of record, but for an administrative error, shall be provided an extension to the evaluation period. The evaluation of record and payout procedures shall be consistent with the requirements of this issuance to the maximum extent feasible.</p> <p>* Such extension may not delay the effective date of the payout for either the individual employee or the pay pool.</p>	Yes *

SITUATION	DEFINITION	PAYOUT ELIGIBILITY
<p>Joint Duty Assignment (JDA)</p>	<p>Employees detailed under a JDA are assigned to a pay pool in accordance with references (d), (f), and Enclosure 3 (paragraph 2c and Appendix C) of this policy.</p> <p>DCIPS employees detailed to another intelligence component under a JDA are also assigned to a pay pool in accordance with references (d), (f), and Enclosure 3 (paragraph 2c and Appendix C) of this policy .</p> <p>Note: When employees compete for a bonus within the gaining organization, the employees will be treated as a full fledged employee of the gaining element and the home element may not change the bonus decisions made by the gaining element.</p>	<p>Yes</p> <p>Yes</p>

APPENDIX C TO ENCLOSURE 3

JOINT DUTY ASSIGNMENTS (JDAs)

<b>Timing in Performance Evaluation Period</b>	<b>Timing in JDA</b>	<b>Pay Pool consideration by</b>	
Less than 90 days from end of rating period	Just beginning a JDA	Home Element	
Less than 90 days from end of rating period	Just ending a JDA		Gaining Element
End of Performance Evaluation Period	Ongoing JDA		Gaining Element
More than 90 days left in the rating period	Just beginning or Ongoing JDA*		Gaining Element
More than 90 days left in the rating period	Returning to home element from JDA**	Home Element	

\*The home element may consider the employee for a non-pay pool award for performance that occurred before the start of the JDA and must also complete a closeout performance evaluation, provided at least 90 days of performance was completed at the home element prior to departure

\*\*The performance evaluation for the period of time in the JDA is used to inform the final evaluation of record at the home element, in accordance with Volume 2011.

APPENDIX D TO ENCLOSURE 3

EMPLOYEES WHO ARRIVE/DEPART ARMY DCIPS ORGANIZATIONS

SITUATION	DEFINITION	PAYOUT ELIGIBILITY
Army DCIPS Employees who depart to Non DCIPS Organizations	Employees who depart Army DCIPS organizations prior to the completion of the pay pool payout forfeit any DCIPS performance based bonus or base-pay increase monetary award	NO
Army DCIPS Employees who depart to Another DCIPS Organization	Employees who depart Army DCIPS organizations to another DCIPS organization are eligible for consideration of a DCIPS performance based bonus or base-pay increase monetary award. If the employee departs between 1 Oct – 31 Dec, the DCIPS employee will be considered in the gaining organization's pay pool	YES
Employees who arrive (EOD) to Army DCIPS Organizations from a Non DCIPS Organization	Employees who join Army DCIPS organizations and have 90 days under any approved DCIPS performance plan prior to the end of the DCIPS performance evaluation period, 30 September.	YES
Employees who arrive (EOD) to Army DCIPS Organizations from Another DCIPS Organization	Employees who join Army DCIPS organizations from another DCIPS organization are eligible for a DCIPS performance based bonus or base-pay increase monetary award provided that they have 90 days under any approved DCIPS performance plan within the evaluation period. If the employee arrives between 1 Oct – 31 Dec, the rating from DCPDS/PAA will be considered in the gaining organization's pay pool	YES

SITUATION	DEFINITION	PAYOUT ELIGIBILITY
Employees on Joint Duty Assignments to Army DCIPS Organizations	Employees detailed under a JDA are assigned to a pay pool in the gaining element that will consider them for DCIPS performance based bonus in accordance with References (d), (f) and Appendix C of Enclosure 3 of this policy.	YES

## APPENDIX E TO ENCLOSURE 3

Office Symbol

### SAMPLE FORMAT FOR APPOINTING PAY POOL MANAGERS

MEMORANDUM FOR [fill in]

SUBJECT: DCIPS Pay Pool Manager – Appointment to Pay Pool – [insert Pay Pool name and ID Number]

1. References:

- a. Army Policy Volume 2012 – Army Defense Civilian Intelligence Personnel System (DCIPS) Performance-Based Compensation Program, [date placeholder]
- b. DoDI 1400.25, Volume 2012, DoD Civilian Personnel Management System: Defense Civilian Intelligence Personnel System (DCIPS) Performance-Based Compensation, April 28, 2012

2. I certify that you meet the qualifications and certification requirements to serve as a Pay Pool Manager. In accordance with the above references, you are appointed as a Pay Pool Manager for the subject pay pool consisting of [describe pay pool membership, e.g., supervisor, nonsupervisory, Engineers, Budget Analysts, or other defining feature] civilians within the [insert organization name and geographic location].

3. As Pay Pool Manager, you are required to abide by the provisions of Army policy/guides, and the Army core and Command-wide business rules. In executing your responsibilities, you are hereby authorized to approve or disapprove the recommendations of the pay pool as necessary to ensure compliance with governing Army DCIPS policies, regulations and rules. In executing your duties as Pay Pool Manager, you may not participate in pay pool or pay pool deliberations that include your rating.

4. This appointment is contingent upon the completion of a Nondisclosure Statement. Once signed, your appointment is effective immediately and will remain in effect for the year of execution or until reassignment from your current position, whichever occurs first.

[PRA's Name]  
Performance Review Authority

## APPENDIX F TO ENCLOSURE 3

Office Symbol

### SAMPLE FORMAT FOR APPOINTING PAY POOL PANEL MEMBERS

MEMORANDUM FOR SEE DISTRIBUTION

SUBJECT: DCIPS Pay Pool Panel Member – Appointment to Pay Pool Panel Member – [insert Pay Pool name and ID Number]

1. References:

a. Army Policy Volume 2012 – Army Defense Civilian Intelligence Personnel System (DCIPS) Performance-Based Compensation Program, [date placeholder]

b. DoDI 1400.25, Volume 2012, DoD Civilian Personnel Management System: Defense Civilian Intelligence Personnel System (DCIPS) Performance-Based Compensation, April 28, 2012

2. I certify that you meet the qualifications and certification requirements to serve as a Pay Pool Panel Member. In accordance with the above references, you are appointed as a Pay Pool Panel Member for the subject pay pool consisting of [describe pay pool membership, e.g., supervisor, nonsupervisory, Engineers, Budget Analysts, or other defining feature] civilians within the [state organization and geographic location of pay pool].

3. As a Pay Pool Panel Member, you are required to abide by the provisions listed in Army policy/guides, and the Army core and Command-wide business rules. In executing your responsibilities, you may not participate in pay pool panel deliberations that includes your rating.

4. This appointment is contingent upon the completion of a Nondisclosure Statement. Once signed, your appointment is effective immediately and will remain in effect for the year of execution or until reassignment from your current position, whichever occurs first.

Signature of Pay Pool Manager  
[Name of Pay Pool Manager]



## APPENDIX G TO ENCLOSURE 3

### Office Symbol

#### SAMPLE FORMAT FOR APPOINTING DCIPS PAY POOL DATA ADMINISTRATORS

MEMORANDUM FOR [fill in]

SUBJECT: DCIPS Pay Pool Data Administrator – Appointment to Pay Pool [insert Pay Pool name and ID Number]

1. References:

- a. Army Policy Volume 2012 – Army Defense Civilian Intelligence Personnel System (DCIPS) Performance-Based Compensation Program, [date placeholder]
- b. DoDI 1400.25, Volume 2012, DoD Civilian Personnel Management System: Defense Civilian Intelligence Personnel System (DCIPS) Performance-Based Compensation, April 28, 2012

2. I certify that you meet the qualifications and certification requirements to serve as a DCIPS Pay Pool Data Administrator. In accordance with the above references, you are appointed as a DCIPS Pay Pool Data Administrator for the subject pay pool consisting of [specify type of civilians, e.g., supervisory, nonsupervisory, engineers, budget analysts, scientists or other describing feature] civilians within the [insert organization name and location].

3. As the DCIPS Pay Pool Data Administrator, you are required to abide by the provisions listed in Army policy/guides, and the core Army and Command-wide business rules. In executing your responsibilities, you may not participate or be present in pay pool deliberations that consider your rating.

4. This appointment is contingent upon the completion of a Nondisclosure Statement. Once signed, your appointment is effective immediately and will remain in effect for the year of execution or until reassignment from your current position, whichever occurs first.

[Signature of Commander (or delegated designee)]  
[Name of Commander (or delegated designee)]

## APPENDIX H TO ENCLOSURE 3

### {ORGANIZATION NAME PAY POOL IDENTIFIER} PAY POOL PROCESS PARTICIPANT NONDISCLOSURE AGREEMENT

1. As a pay pool panel member, manager, data administrator, or observer (pay pool participants), I understand that I participate in decisions related to performance-based bonuses and base-pay increase monetary award recommendations made through the pay pool process. I will have access to written information, both hard copy and electronic, and will be privileged to oral information pertaining to employee performance and the pay pool processes. I understand that this information is For Official Use Only (FOUO) and shall not be disclosed to individuals without a legitimate need-to-know.

2. Further, I understand that unauthorized disclosure may result in administrative sanctions up to and including removal from my position and from the Federal service. I also understand that unauthorized disclosure of FOUO information that is protected by the Privacy Act may result in civil and criminal sanctions. I will:

a. Protect the security and confidentiality of personal information contained in a system of records to which I have access or am using incident to the conduct of official business.

b. Not disclose any personal information contained in any system of records, except as authorized by applicable law or regulation.

c. Report any unauthorized disclosures of personal information from a system of records or the maintenance of any system of records that are not authorized to the pay pool manager or performance review authority.

3. I understand that I am not to discuss, forward, or otherwise disseminate any performance rating or payout information (e.g., ratings, performance-based bonus amount, or base-pay increase monetary award) and comments of the pay pool or from the CWB to persons outside the pay pool process except on a need to know basis only.

I understand that I must coordinate with the pay pool's servicing legal office prior to releasing information to any individuals outside the immediate pay pool process for any purpose including official inquiries and investigations.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

## APPENDIX I TO ENCLOSURE 3

### PAY POOL NOTICE TO DCIPS EMPLOYEES

MEMORANDUM FOR (EMPLOYEE NAME)

SUBJECT: General Notice – DCIPS Pay Pool – Rating Period Ending September 30, 20XX.

1. The information in this memo provides the composition of the pay pool group to which you are assigned; the identity of the pay pool panel officials and their roles and responsibilities; and your role and responsibility in the pay pool process. This information is for the rating cycle ending on September 30, 20XX. In this notice we have identified pay pool panel officials (e.g., pay pool manager, pay pool panel members) by (name and by) position. Please direct all inquiries of your pay pool assignment to your supervisor, Pay Pool Data Administrator or other designated POC within your organization.
2. **Pay Pool Name and ID.** You are a member of the (provide clear text name for Pay Pool name). The Pay Pool identification number for this pay pool is (10 character Pay Pool ID, e.g., AR3W6D817A).
3. **Pay Pool Composition.** This pay pool group is comprised of (provide narrative description of pay pool, e.g., all members of the Army G-2. (UIC W#####)).
4. **Pay Pool Officials.** Your pay pool is operated and overseen by an Approving Official, the Pay Pool Manager, and the Pay Pool Panel (if applicable). The officials associated with your pay pool are:
  - a. **Approving Official:** (indicate the title (and name) of the person(s) who will serve as the Approving Official, e.g., the Assistant Deputy Chief of Staff, G-2).
  - b. **Pay Pool Manager:** (provide organizational title (and name), e.g., Deputy Chief of Staff Security).
  - c. **Pay Pool Panel:** (Provide organizational titles (and names), e.g.,
    - Chief Intelligence Operations Division;
    - Director Resources Management Division;
    - Chief Human Resources Division;
    - Deputy Chief Security Division
5. **Roles and Responsibilities of Pay Pool Structure:**
  - a. **Pay Pool Manager Responsibilities:** The Pay Pool Manager will provide oversight of the pay pool panel by ensuring that:

- (i) Supervisors and management officials tasked to participate in the pay pool panel have been adequately trained;
- (ii) Rating officials comply with timely issuance of interim reviews, closeout assessments, early annual recommended ratings, and recommended ratings;
- (iii) Pay pool is convened in a timely manner to meet payout timelines;
- (iv) Procedures and policies are exercised in a consistent manner throughout the pay pool process and comply with merit system principles; and
- (v) Pay pool funds are distributed in compliance with DoD, Army, and Performance Review Authority financial management policies and based on employee performance and contributions.

**b. Pay Pool Data Administrator:**

- (i) Creates the Pay Pool Identifier, maintains pay pool membership, and identifies pay pool officials within the HR system (Defense Civilian Personnel Data System (DCPDS));
- (ii) Prepares for and assists in pay pool panel meetings by updating pay pool recommendations in the Compensation Workbench (CWB) automated tool and providing assessment information from various tools such as the DCIPS Payout Analysis Tool (DPAT) and the Performance Appraisal Application (PAA) for panel and Authorizing Official use; and
- (iii) Distributes payout results via the Employee Feedback Sheets to supervisors NLT (Date).

**c. Authorizing Official:** The Authorizing Official oversees the operation of one or more pay pools ensuring procedural and funding consistency among pay pools under its authority and:

- (i) Provides guidance to pay pool managers;
- (ii) Oversees composition of pay pools;
- (iii) Manages the civilian Performance-Based budget, to include DQIs and DCIPS SQIs;
- (iv) Monitors and adjusts pay pool fund distribution;
- (v) Oversees publication of any notices to employees.

6. **Pay Pool Funding:** Funding levels for the (pay pool name, e.g., DAMI-CP Pay Pool) for the performance cycle ending September 30, 20XX will be determined by a set percentage issued by your organization in accordance with Army guidance. The pay pool budget is based on the Command selected percentage multiplied by the aggregate base salaries of covered employees as calculated on the last day of the rating cycle.

▪ **EXAMPLE:**

- 50 employees salaries in a pay pool (total \$3.5 million)

- Command selected percentage of 1.8

Pay Pool Budget = \$63,000

7. **DCIPS Quality Increases (DQIs) and DCIPS Sustained Quality Increases (DCIPS SQIs)**: Commands, at the discretion of the PP PRA can award DQIs and DCIPS SQIs during the pay pool process. DQIs and DCIPS SQIs may not be awarded outside of the pay pool or be effective any other time of the year (other than the 1<sup>st</sup> day of the 1<sup>st</sup> pay period of the New Year). will be funded for this performance cycle. This amount will be based on the historical award trends, not to exceed what has been historically programmed and awarded.

**DQIs and DCIPS SQIs**: To be eligible, DCIPS evaluation of record must identify them as a top performer by being in a percentage of top ratings for the Command, not to exceed 10% as determined by the Command and reported to HQDA ODCS, G-2) .

8. **Pay Pool Payout**: [Text for this paragraph must be consistent with Command Business Rules]

- a. Any awards received during the rating cycle, may be considered in making performance-based bonus payout allocations from pay pool funds.
- b. Employees who are no longer covered by DCIPS at the time of the January payout date are not entitled to a performance-based bonus or base-pay increase monetary award.
- c. In accordance with Army DCIPS policy the payouts of employees who are absent due to leave without pay (excluding those on leave without pay to perform military service), part time or intermittent employment, and/or entry into an DCIPS position from a non-DCIPS position during the rating cycle may be pro-rated.

9. **Employee Notification of Pay Pool Payout** Employees will **NOT** be notified of their performance-based bonus payout or base-pay increase monetary award distribution until completion of the pay pool panel process. The rating official shall communicate the performance-based bonus payout or base-pay increase monetary award distribution awarded to the employee and such notification will only be after the pay pool plan manager's and approving official's approval prior to the actual effective date. Raters will conduct pay pool payouts conversations with employees during the period (Indicate).

10. **Point of Contact** for this memorandum is (name and contact information). General questions concerning the pay pool process, performance-based bonuses, and base-pay increase monetary awards should be directed to (POC Name and contact information. This POC might be the Pay Pool Data Administrator, DCIPS POC, Other designated individual).

PAY POOL MANAGER OR  
PERFORMANCE REVIEW AUTHORITY  
Signature Block

## GLOSSARY

### DEFINITIONS

**Approving Official.** A management official who has been assigned authority to certify payments resulting from pay pool deliberations. For the purpose of approving the results of the pay decision process, the authorizing official will be the Command Pay Pool Performance Review Authority (PP PRA).

**Army Pay Pool Performance Review Authority (Army PP PRA).** Provides oversight of the pay pool processes, conducts a formal analysis of the decision process, and develops an action plan for the next performance year based on the result of that analysis. For the purpose of this issuance, the Headquarters Department of the Army, Deputy Chief of Staff, G-2 (HQDA ADCS, G-2) is designated as the Army PP PRA. The PP PRA structure consists of an Army PP PRA (the HQDA ADCS, G-2); a Command PP PRA (the Commander of the ACOM, DRU, ASCC, the AASA, and the HQDA ADCS, G-2, or their delegates as authorized in para 7.b, and any subsequent additional lower levels of structure (e.g. Major Subordinate Commands) referred to as “Organizational PP PRAs” (at the level of the Commander (Colonels 06 and above or civilian equivalent)) as provided for under para 7.b(iii), and/or to a Pay Pool Panel who reports back to and provides recommendations to the PP PRA) that are established by the Command PP PRA.

**Base-Pay Increase Monetary Awards.** An award in which the means of recognition is a base salary increase in the equivalent of one or two steps at the employee’s current grade.

**Closeout Early Annual Evaluation.** A term that describes a type of closeout assessment where there is less than 90 days remaining in the annual performance cycle (between the beginning of July and the end of September). Closeout – Early Annual Evaluation rating stands by itself and is considered the final rating of record.

**Compensation Work Bench (CWB).** A tool used by DCIPS organizations to facilitate their pay pool panel meetings. It is a spreadsheet that contains all the functionality needed to conduct an effective pay pool to facilitate the administration of pay pool decisions.

**Command.** For intent and purpose of this policy, a Command refers to the Army Commands (ACOMs), Direct Report Units (DRUs), Army Service Component Commands (ASCCs), the Administrative Assistant to the Secretary of the Army (AASA), and the Headquarters Department of the Army, Assistant Deputy Chief of Staff, G-2 (HQDA ADCS, G-2).

**Commander.** For intent and purpose of this policy, (unless otherwise stated within the policy as a specific example) a Commander refers to the head of an Army Command (ACOM), Direct Report Unit (DRU), Army Service Component Command (ASCC), the Administrative Assistant to the Secretary of the Army (AASA), and the Headquarters Department of the Army, Assistant Deputy Chief of Staff, G-2 (HQDA ADCS, G-2).

**DCIPS Quality Increase (DQI).** Is a base-pay increase monetary award in the form of an increase in an employee's pay from one step of the grade of his or her position to the next higher step of that grade. Commands may use a DQI to reward employees deemed initially eligible IAW Volume 2008 (Reference (j)) and this policy and who have not received a base-pay increase monetary award of any type within the preceding 52 consecutive weeks. Commands may use discretion to provide additional criteria for this award.

**DCIPS Sustained Quality Increase (DCIPS SQI).** Provides the highest base-pay increase monetary award available to DCIPS employees within a Command. The DCIPS SQI is a sustained performance award reserved to recognize truly exemplary sustained performance. The award consists of a base-pay increase monetary award in the form of an increase in an employee's pay of two steps at their current grade. Commands may use the SQI to reward employees who were deemed initially eligible for consideration (under the criteria provided in Volume 2008 (Reference (j)) and this policy for a base-pay increase monetary award for 3 consecutive years, the current and two preceding performance evaluation cycles. Employees need not have received a DQI during the preceding 2 years. Employees to be awarded a DCIPS SQI must have been under the DCIPS Performance Management system and in the same DCIPS grade for the last 3 years. Time spent under DCIPS bands (NGA positions) may be considered if the employee's current grade was encompassed in the prior band in the same work category. An employee may not receive more than one DCIPS SQI during any 3-year period. Commands may use discretion to provide additional criteria for this award.

**Intelligence Community (IC).** A coalition of 17 agencies and organizations within the executive branch that work both independently and collaboratively to gather the intelligence necessary to conduct foreign relations and national security activities.

**Like-situated.** Refers to employees of identical or similar work category, work level, DCIPS grade and occupational category.

**Line-of-sight.** A term used to specify that those in the employee pay decision chain must have insight into the employee's performance and contributions through direct observation of the employee's work.

**Pay Pool.** A aggregation of employees within Army with DCIPS positions for the purpose of making annual performance-based compensation decisions. The organizing construct for a pay pool may include consideration of organization or region of assignment, occupation, or other organizing criterion involving a common mission focus.

**Pay Pool Manager.** An individual typically in the chain of command for employees assigned to a pay pool, responsible for conducting the annual decision-making process for annual performance-based compensation decisions for employees assigned to the pay pool.

**Pay Pool Panel.** A group of managers who typically share chain-of-command responsibility for employees assigned to a pay pool to participate in the annual performance-based compensation decision-making process under the leadership of a pay pool manager for the employees assigned to the pay pool.

**Supplemental Pay Pool Guidance.** Guidance provided to pay pools specifying business rules, standard operating procedures, and other information pertaining to the administration of pay pool deliberations.

**Time-off Award.** An award in which time off from duty is granted without loss of pay or charge to leave and for which the number of hours granted is commensurate with the employee's contribution or accomplishment. Use of a time-off award in lieu of or as a supplement to a performance-based bonus is prohibited.