



DEPARTMENT OF DEFENSE  
CIVILIAN PERSONNEL MANAGEMENT SERVICE  
1400 KEY BOULEVARD  
ARLINGTON, VA 22209-5144

**JUN 20 2005**

MEMORANDUM FOR: SEE DISTRIBUTION

SUBJECT: Category Rating and Selection Procedures

The purpose of this memorandum is to remind you that category rating is available for immediate use as an alternative method to traditional rating, ranking, and selection procedures. A Deputy Under Secretary of Defense (Civilian Personnel Policy) (DUSD(CPP)) memorandum of July 19, 2004, (attached) outlines Department of Defense (DoD) policy and procedures for the use of category rating. The policy does not affect authorities previously granted in demonstration projects or alternative personnel systems.

Current regulations on category rating implement provisions of the Homeland Security Act of 2002. Under category rating, candidates are assigned to quality categories, such as "*best qualified*," or "*highly qualified*," following an assessment of their skills against job-related criteria. Category rating is a flexible hiring system that: (1) allows a quick infusion to the existing workforce; (2) assists hiring managers in extending job offers to the most qualified candidates; and (3) benefits Components that are facing major staffing shortages in critical occupations, such as Engineers, Police Officers, scientists, or Information Technology Specialists. Veterans' preference applies under category rating, as veterans are placed at the top of their appropriate category.

The Merit Systems Protection Board (MSPB) has long viewed the numeric rating process, also known as the "rule of three," as inconsistent with the public's interest in a merit-based civil service and welcomed the advent of category rating according to an article entitled, "The Challenge of Category Rating," published in *Issues of Merit* (an MSPB newsletter), January 2005.

DoD Civilian Personnel Management Service oversees the use of category rating. Congress and the Office of Personnel Management are concurrently monitoring the use of category rating for the next three years.

We strongly encourage the use of category rating. If you have any questions on category rating, or other hiring flexibilities, please feel free to contact Ms. Janet Grubbs. She can be reached at (703) 696-1622, or by email at [Janet.Grubbs@cpms.osd.mil](mailto:Janet.Grubbs@cpms.osd.mil).



Marilee Fitzgerald  
Acting Director

Attachment:  
As stated

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