



UNDER SECRETARY OF DEFENSE  
4000 DEFENSE PENTAGON  
WASHINGTON, D.C. 20301-4000  
MAR 30 2006



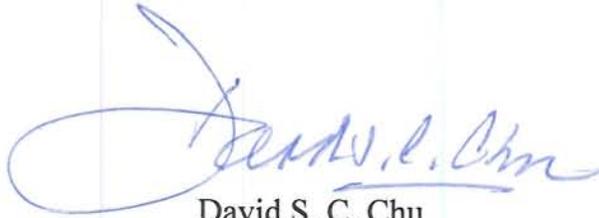
PERSONNEL AND  
READINESS

MEMORANDUM FOR SECRETARIES OF THE MILITARY DEPARTMENTS  
COMMANDER, ARMY AND AIR FORCE EXCHANGE  
SERVICE

SUBJECT: Re-delegation of Authority to Approve Compensatory Time Off for Certain  
Nonappropriated Fund (NAF) Employees

The National Defense Authorization Act of Fiscal Year 2006 amended title 5, United States Code (U.S.C.), authorizing the Secretary of Defense to grant certain Department of Defense (DoD) NAF employees compensatory time-off from duty in lieu of overtime pay for overtime work (Attachment 1). The DoD Directive Number 5124.02 dated February 11, 2006, (Attachment 2), delegates authority to this office to exercise the authorities of the Secretary of Defense relating to civilian personnel matters, whether established by law, regulation, or other action.

The Secretaries of the Military Departments and the Commander, Army and Air Force Exchange Service, are hereby delegated the authority for section 5543(d) of title 5, U.S.C. You may grant compensatory time-off from duty to NAF employees, at their request, in lieu of overtime pay for overtime work. You may further re-delegate this authority in writing.



David S. C. Chu

Attachments:  
As stated



National Defense Authorization Act - FY 2006  
Public Law 109-163  
Signed, January 6, 2006

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normal cost contributions under the program and the Government's payments to amortize unfunded liability under the program.

**Subtitle E—Commissary and Non-appropriated Fund Instrumentality Benefits**

**SEC. 671. INCREASE IN AUTHORIZED LEVEL OF SUPPLIES AND SERVICES PROCUREMENT FROM OVERSEAS EXCHANGE STORES.**

Section 2424(b) of title 10, United States Code, is amended by striking "\$50,000" and inserting "\$100,000".

**SEC. 672. REQUIREMENTS FOR PRIVATE OPERATION OF COMMISSARY STORE FUNCTIONS.**

Section 2485(a)(2) of title 10, United States Code, is amended by adding at the end the following new sentence: "Until December 31, 2008, the Defense Commissary Agency is not required to conduct any cost-comparison study under the policies and procedures of Office of Management and Budget Circular A-76 relating to the possible contracting out of commissary store functions."

**SEC. 673. PROVISION OF AND PAYMENT FOR OVERSEAS TRANSPORTATION SERVICES FOR COMMISSARY AND EXCHANGE SUPPLIES AND PRODUCTS.**

Section 2643 of title 10, United States Code, is amended—

(1) by inserting "(a) TRANSPORTATION OPTIONS.—" before "The Secretary";

(2) in the first sentence, by striking "by sea without relying on the Military Sealift Command" and inserting "to destinations outside the continental United States without relying on the Air Mobility Command, the Military Sealift Command,";

(3) in the second sentence, by striking "transportation contracts" and inserting "contracts for sea-borne transportation"; and

(4) by adding at the end the following new subsection:  
"(b) PAYMENT OF TRANSPORTATION COSTS.—Section 2483(b)(5) of this title, regarding the use of appropriated funds to cover the expenses of operating commissary stores, shall apply to the transportation of commissary supplies and products. Appropriated funds for the Department of Defense shall also be used to cover the expenses of transporting exchange supplies and products to destinations outside the continental United States."

**SEC. 674. COMPENSATORY TIME OFF FOR CERTAIN NON-APPROPRIATED FUND EMPLOYEES.**

Section 5543 of title 5, United States Code, is amended by adding at the end the following new subsection:

"(d)(1) The appropriate Secretary may, on request of an employee of a nonappropriated fund instrumentality of the Department of Defense or the Coast Guard described in section 2105(c), grant such employee compensatory time off from duty instead of overtime pay for overtime work.

"(2) For purposes of this subsection, the term 'appropriate Secretary' means—

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“(A) with respect to an employee of a nonappropriated fund instrumentality of the Department of Defense, the Secretary of Defense; and

“(B) with respect to an employee of a nonappropriated fund instrumentality of the Coast Guard, the Secretary of the Executive department in which it is operating.”.

**SEC. 875. REST AND RECUPERATION LEAVE PROGRAMS.**

(a) **AVAILABILITY OF FUNDS FOR REIMBURSEMENT OF EXPENSES.**—Of the amount authorized to be appropriated by section 301(5) for operation and maintenance for Defense-wide activities, \$7,000,000 may be available for the reimbursement of expenses of the Armed Forces Recreation Centers related to the utilization of the facilities of the Armed Forces Recreation Centers under official Rest and Recuperation Leave Programs authorized by the military departments or combatant commanders.

(b) **UTILIZATION OF REIMBURSEMENTS.**—Amounts received by the Armed Forces Recreation Centers under subsection (a) as reimbursement for expenses may be utilized by such Centers for facility maintenance and repair, utility expenses, correction of health and safety deficiencies, and routine ground maintenance.

(c) **REGULATIONS.**—The utilization of facilities of the Armed Forces Recreation Centers under Rest and Recuperation Leave Programs, and reimbursement for expenses related to such utilization of such facilities, shall be subject to regulations prescribed by the Secretary of Defense.

## Subtitle F—Other Matters

**SEC. 681. TEMPORARY ARMY AUTHORITY TO PROVIDE ADDITIONAL RECRUITMENT INCENTIVES.**

(a) **AUTHORITY TO DEVELOP AND PROVIDE RECRUITMENT INCENTIVES.**—The Secretary of the Army may develop and provide incentives not otherwise authorized by law to encourage individuals to accept commissions as officers or to enlist in the Army.

(b) **RELATION TO OTHER PERSONNEL AUTHORITIES.**—A recruitment incentive developed under subsection (a) may be provided—

(1) without regard to the lack of specific authority for the incentive under title 10 or 37, United States Code; and

(2) notwithstanding any provision of such titles, or any rule or regulation prescribed under such provision, relating to methods of—

(A) determining requirements for, and the compensation of, members of the Army who are assigned duty as military recruiters; or

(B) providing incentives to individuals to accept commissions or enlist in the Army, including the provision of group or individual bonuses, pay, or other incentives.

(c) **WAIVER OF OTHERWISE APPLICABLE LAWS.**—A provision of title 10 or 37, United States Code, may not be waived with respect to, or otherwise determined to be inapplicable to, the provision of a recruitment incentive developed under subsection (a) without the approval of the Secretary of Defense.

(d) **NOTICE AND WAIT REQUIREMENT.**—A recruitment incentive developed under subsection (a) may not be provided to individuals until—



# Department of Defense DIRECTIVE

NUMBER 5124.02  
February 11, 2006

DA&M

SUBJECT: Under Secretary of Defense for Personnel and Readiness (USD(P&R))

- References:
- (a) Title 10, United States Code
  - (b) DoD Directive 5124.2, "Under Secretary of Defense for Personnel and Readiness," October 31, 1994 (hereby canceled)
  - (c) DoD Directive 1322.18, "Military Training," September 3, 2004
  - (d) DoD Directive 3200.15, "Sustainment of Ranges and Operating Areas," January 10, 2003
  - (e) through (m), see enclosure 1

## 1. REISSUANCE AND PURPOSE

Under the authority vested in the Secretary of Defense under Sections 113 and 136 of reference (a), this Directive:

- 1.1. Reissues reference (b) to update the responsibilities, functions, relationships, and authorities of the Under Secretary of Defense for Personnel and Readiness (USD(P&R)).
- 1.2. Authorizes the USD(P&R), as a Principal Staff Assistant reporting directly to the Secretary of Defense, to promulgate DoD policy in DoD Instructions within the authorities and responsibilities assigned herein.

## 2. APPLICABILITY

This Directive applies to the Office of the Secretary of Defense (OSD), the Military Departments, the Chairman of the Joint Chiefs of Staff, the Combatant Commands, the Office of the Inspector General of the Department of Defense, the Defense Agencies, the DoD Field Activities, and all other organizational entities in the Department of Defense (hereafter referred to collectively as the "DoD Components").

## 3. DEFINITIONS

- 3.1. Armed Forces. Refers to the Army, Navy, Air Force, Marine Corps and Coast Guard.

3.2. Reserve Components. Refers collectively to the Army National Guard of the United States, the Army Reserve, the Navy Reserve, the Marine Corps Reserve, the Air National Guard of the United States, the Air Force Reserve, and the Coast Guard Reserve, when the Coast Guard is operating as a Service of the Department of the Navy.

3.3. Total Force. The organizations, units, and individuals that comprise the Department of Defense's resources for implementing the national security strategy. It includes DoD Active and Reserve military personnel, military retired members, DoD civilian personnel (including foreign national direct- and indirect-hire, as well as nonappropriated fund employees), contractor personnel, and host-nation support personnel.

#### 4. RESPONSIBILITIES AND FUNCTIONS

The Under Secretary of Defense for Personnel and Readiness is the principal staff assistant and advisor to the Secretary and Deputy Secretary of Defense for Total Force management; National Guard and Reserve component affairs; health affairs; training; military and civilian personnel requirements; language and management; dependents education; equal opportunity; and, morale, welfare, recreation, and quality-of-life matters. In this capacity, the USD(P&R) shall:

4.1. Develop policies, plans, and programs for:

4.1.1. Total Force personnel and their allocation among the DoD Components and between the Active and Reserve components to ensure efficient and effective support of wartime and peacetime operations, contingency planning, and preparedness.

4.1.1.1. Within the DoD Defense Intelligence and Security Components, the Under Secretary of Defense for Intelligence (USD(I)) exercises overall supervision and policy oversight of human capital and develops policies associated with the Defense Civilian Intelligence Personnel System (DCIPS) in conjunction with the USD(P&R).

4.1.2. Reserve component affairs to promote the effective integration of Reserve component capabilities into a cohesive Total Force.

4.1.3. Health and medical affairs to:

4.1.3.1. Provide and maintain readiness;

4.1.3.2. Provide health services and support to members of the Armed Forces during military operations; and

4.1.3.3. Provide health services and support to members of the Armed Forces, their dependents, and others entitled to DoD medical care.

4.1.4. Recruitment, education, training, equal opportunity, compensation (to include bonuses, special pay and incentives), recognition, discipline, and separation of all DoD personnel, to include both military (Active, Reserve, and retired) and civilian. Consistent with 4.1.1.1. above, USD(I) exercises oversight and policy responsibilities for DoD Defense Intelligence and Security Components.

4.1.4.1. Perform oversight of the Defense Civilian Personnel Data System, to ensure accuracy, completeness, and timeliness of its information and data, its responsiveness as well as its effective and efficient use of modern practices and technologies.

4.1.5. Interagency and intergovernmental activities, special projects, or external requests that create a demand for DoD personnel resources. With respect to such matters affecting personnel in intelligence positions, the USD(P&R) shall coordinate with USD(I).

4.1.6. Readiness to ensure forces can execute the national military strategy; oversight of military training and its enablers in accordance with DoD Directive 1322.18 and DoD Directive 3200.15 (references (c) and (d)); oversight of Total Force personnel and medical readiness; and coordinate with other Principal Staff Assistants and cognizant officers in the Office of the Chairman of the Joint Chiefs of Staff and the Armed Forces on other aspects of readiness.

4.1.6.1. Perform oversight of the Defense Readiness Reporting System (reference (e)), to ensure accuracy, completeness and timeliness of its information and data, its responsiveness as well as its effective and efficient use of modern practices and technologies.

4.1.6.2. Establish safety and accident reduction activities to prevent accidents and injuries to military and civilian personnel as well as to contractors and visitors on our installations and facilities worldwide in accordance with the guidelines of the Defense Safety Oversight Council.

4.1.7. Quality of life for our military personnel (active duty and Reserve Components) and their families. Areas of importance are family support, counseling services, financial planning, housing, child care, military spouse employment and career opportunities, dependents education, schools, children's educational transitions, commissary and military exchange systems, support for victims of domestic violence, support during the deployment cycle, recreational opportunities, tuition assistance, and partnerships with states.

4.2. Analyze the Total Force structure as related to quantitative and qualitative military and civilian personnel requirements, utilization, readiness, and support. Administer and implement controls over military and civilian personnel strengths and compositions for all DoD Components. Establish and issue guidance to be used by all DoD Components regarding manpower management, including manpower mix criteria and DoD function codes to determine workforce mix and annual commercial activities inventories.

4.3. Serve as the Department of Defense Chief Human Capital Officer in carrying out responsibilities and functions under Section 1402 of title 5, United States Code (reference (f)).

4.4. Review and evaluate the requirements of the Defense Acquisition Board's major defense acquisition programs and proposed weapons systems for personnel, training, and readiness implications, and the implications of weapons systems maintainability for qualitative and quantitative personnel requirements and for readiness.

4.5. Formulate policy for and ensure coordination of DoD Noncombatant Evacuation Operations.

4.6. Appoint and supervise the DoD Senior Language Authority in support of the foreign language capability; and

4.6.1. Establish and oversee policy regarding the development, maintenance, and utilization of foreign language capabilities;

4.6.2. Monitor trends in the promotion, accession, and retention of individuals with critical foreign language skills; and

4.6.3. Explore innovative concepts to expand foreign language capabilities.

4.7. Develop and provide overall policy guidance for the National Security Education Program and, pursuant to reference (g), perform the duties to execute the Program, including coordination as needed.

4.8. Participate in those planning, programming, and budgeting activities that relate to assigned areas of responsibility.

4.9. Chair the Defense Human Resources Board.

4.10. Serve on boards, committees, and other groups pertaining to assigned functional areas and represent the Secretary of Defense on personnel, readiness, Reserve component, health, compensation, and other matters related to USD(P&R) responsibilities and functions outside of the Department of Defense.

4.11. Review assigned functions and responsibilities periodically to ensure that DoD Executive Agent responsibilities resident under the USD(P&R) or with any of the Directors of Defense Agencies or DoD Field Activities under the authority, direction, and control of the USD(P&R) are in conformance with DoD Directive 5101.1 (reference (h)).

4.12. Ensure policies and programs are designed and managed in ways that improve standards of performance, economy, and efficiency and that all Defense Agencies and DoD Field Activities under the authority, direction, and control of the USD(P&R) are attentive to the requirements of their organizational customers, internal and external to the Department of Defense.

4.13. Ensure information is shared as broadly as possible except where limited by law, policy, or security classification and that data assets produced as a result of the assigned responsibilities are visible, accessible, and understandable to the rest of the Department, as appropriate, and in accordance with DoD Directive 8320.2 (reference (i)).

4.14. Perform such other functions as the Secretary of Defense may prescribe.

## 5. RELATIONSHIPS

In the performance of assigned functions and responsibilities, the USD(P&R) shall serve under the authority, direction, and control of the Secretary of Defense and shall:

5.1. Report directly to the Secretary and the Deputy Secretary of Defense.

5.2. Coordinate and exchange information with other OSD officials, the Heads of the DoD Components, and Federal officials having collateral or related functions.

5.3. Use existing facilities and services of the Department of Defense and other Federal Agencies, whenever practicable, to avoid duplication and to achieve maximum efficiency and economy.

5.4. Coordinate with other OSD officials and the Heads of the DoD Components on all matters related to the responsibilities and functions cited in section 4., above.

5.5. Exercise authority, direction, and control over:

5.5.1. The Principal Deputy Under Secretary of Defense for Personnel and Readiness (PDUSD(P&R)).

5.5.2. The Assistant Secretary of Defense for Health Affairs (ASD(HA)).

5.5.3. The Assistant Secretary of Defense for Reserve Affairs (ASD(RA)).

5.5.4. The Deputy Under Secretary of Defense for Program Integration (DUSD(PI)).

5.5.5. The Deputy Under Secretary of Defense for Readiness.

5.5.6. The Deputy Under Secretary of Defense for Plans, through the PDUSD(P&R).

5.5.7. The Deputy Under Secretary of Defense (Military Personnel Policy), through the PDUSD(P&R).

5.5.8. The Deputy Under Secretary of Defense (Civilian Personnel Policy), through the PDUSD(P&R).

5.5.9. The Deputy Under Secretary of Defense (Military Community and Family Policy), through the PDUSD(P&R).

5.5.10. The Deputy Under Secretary of Defense (Equal Opportunity), through the PDUSD(P&R).

5.5.11. The Director, Defense Commissary Agency, through the PDUSD(P&R).

5.5.12. The Director, DoD Education Activity, through the PDUSD(P&R).

5.5.13. The Director, Defense Human Resources Activity, through the DUSD(PI).

5.5.14. The Director, TRICARE Management Activity, through the ASD(HA).

5.5.15. The President of the Uniformed Services University of the Health Sciences, through the ASD(HA).

5.5.16. The Reserve Forces Policy Board, through the ASD(RA), on matters other than the content of the Board's advice to the Secretary of Defense.

5.6. The PDUSD(P&R) shall serve as the principal assistant to the USD(P&R) in carrying out the responsibilities, functions, and missions of the USD(P&R) as specified in DoD Directive 5124.8 (reference (j)).

## 6. AUTHORITIES

The USD(P&R) is hereby delegated authority to:

6.1. Establish and allocate civilian personnel authorizations of the DoD Components and review and approve military and civilian personnel authorization changes during program execution.

6.2. Exercise the authorities of the Secretary of Defense, whenever vested, relating to civilian personnel, whether established by law, regulation, or other action.

6.3. Promulgate in DoD Instructions, DoD policy within the authorities and responsibilities assigned herein, including authority to identify collateral responsibilities of OSD officials and the Heads of DoD Components. Such Instructions shall be fully coordinated in accordance with DoD 5025.1-M (reference (k)). Further, in assigned areas of responsibility, has authority to issue other DoD Instructions, DoD Publications, and one-time directive-type memoranda, consistent with reference (k), which implement policy approved by the Secretary of Defense in assigned areas of responsibility. Instructions to the Military Departments shall be issued through the Secretaries of the Military Departments. Instructions to Combatant Commands shall be communicated through the Chairman of the Joint Chiefs of Staff.

6.4. Obtain reports and information consistent with DoD Directive 8910.1 (reference (l)), as necessary, to carry out assigned functions.

6.5. Communicate directly with the Heads of the DoD Components, as necessary to carry out assigned functions, including the transmission of requests for advice and assistance. Communications to the Military Departments shall be transmitted through the Secretaries of the Military Departments, their designees, or as otherwise provided in law or directed by the Secretary of Defense in other DoD issuances. Communications to the Commanders of the Combatant Commands normally shall be transmitted through the Chairman of the Joint Chiefs of Staff.

6.6. Communicate with other Government officials, representatives of the legislative branch, members of the public, and representatives of foreign governments, as appropriate, in carrying out assigned functions.

6.7. Exercise the authorities of the Secretary of Defense to set bonuses and special and incentive pays under references (a) and title 37, United States Code (reference (m)).

7. EFFECTIVE DATE

This Directive is effective immediately.

  
Gordon England 2-11-06

Enclosure - 1

E1. References, continued

E1. ENCLOSURE 1

REFERENCES, continued

- (e) DoD Directive 7730.65, "Department of Defense Readiness Reporting System (DRRS)," June 3, 2002
- (f) Section 1402 of title 5, United States Code
- (g) Sections 1901-1912 of title 50, United States Code
- (h) DoD Directive 5101.1, "DoD Executive Agent," September 3, 2002
- (i) DoD Directive 8320.2, "Data Sharing in a Net-Centric Department of Defense," December 2, 2004
- (j) DoD Directive 5124.8, "Principal Deputy Under Secretary of Defense for Personnel and Readiness (PDUSD(P&R))," July 16, 2003
- (k) DoD 5025.1-M, "DoD Directives System Procedures," March 5, 2003
- (l) DoD Directive 8910.1, "Management and Control of Information Requirements," June 11, 1993
- (m) Title 37, United States Code