

CIVIL SERVICE REFORM ACT OF 1978

CIA'S APPROACH

1. GENERAL

While certain provisions of the Civil Service Reform Act of 1978 are applicable to all Executive Branch agencies, CIA is specifically exempted from most major provisions of the Act.

The basis for CIA's request for these exemptions was based primarily on the protection of intelligence sources and methods rather than objections to the principles and concepts of the provisions of the Act itself.

The Director of Central Intelligence, under authorities contained in the National Security Act of 1947 and the CIA Act of 1949, can elect to adopt elements of the Act for application within CIA.

2. PROVISIONS OF THE ACT AND IMPLICATIONS FOR CIA

A. Title I - Merit System Principles and Prohibited Personnel Practices

° Merit Principles

Provisions of Chapter 23, Title I, state that all agencies (including exempt) should follow the merit principles with the proviso that "no provision of this chapter shall be construed to impair the authorities and responsibilities set forth in Section 102 of the National Security Act of 1947 or the Central Intelligence Agency Act of 1949 . . ."

The CSRA merit principles are similar to current principles contained in present CIA regulations.

- Prohibited Personnel Practices

CIA is specifically exempted from statutory application of the Prohibited Personnel Practices provisions of the Act. The Agency's current internal regulations include essentially the same prohibitions as cited under the Act.

B. Title II - Civil Service Functions
Performance Appraisal System
Adverse Actions

- Civil Service Functions

CIA can be affected under the "Civil Service Functions" section of this title when "whistleblowers" make allegations of wrongdoing to the Special Counsel of the Merit System Protection Board. The law requires that upon receipt of information involving foreign intelligence or counterintelligence the Special Counsel shall transmit such information to the House Permanent Select Committee on Intelligence and the Senate Select Committee on Intelligence. If such allegations involve CIA, it is assumed that the Congressional Intelligence Committees would conduct investigations.

- Performance Appraisal and Adverse Actions

CIA is exempt from the Performance Appraisal and Adverse Actions provisions of the Act.

CIA's current Performance Appraisal System meets the requirements proposed under the Act for the general governmental system.

C. Title III - Staffing

- Dual Pay Limitations for Retired Members of the Uniformed Services

CIA is covered under this provision of the Act and is applying the new rules.

◦ Minority Recruitment Program to Eliminate Underrepresentation of Minorities within Grade Groups or Occupational Services

CIA is exempt under provisions of the Act but will be obligated to comply with the Equal Employment Opportunity Commission's requirements in this regard if they use the EEO Act of 1972 as their statutory authority in CIA's case.

◦ Temporary Employment Limitation

CIA and all other Executive Branch agencies are covered by this provision which limits the numbers of "on board" employees on 30 September 1979, 1980 and 1981 not to exceed the number "on board" as of 30 September 1977.

D. Title IV - Senior Executive Service

CIA is exempt from Title IV but is placing particular emphasis on the study of the Senior Executive Service concept for possible adaptation within CIA under the DCI's current statutory authority.

The CIA Office of Personnel has actively participated in the meetings and workshops held by the Office of Personnel Management (OPM) and has concluded that conceptually the principles and theory of the SES are sound and offer opportunities for improving the effectiveness of CIA's Executive Management System.

As a consequence of these studies the Agency has established a "task group" composed of Office of Personnel representatives and line component managers to undertake indepth study of all facets of the SES approach and the development of a program structure for DCI consideration.

Among the approaches under consideration is the possible adoption of a basic program for senior managers and a parallel program

for non-managerial senior analysts and operations officers.

The task group will also address the Agency's personnel appraisal system to determine modifications that may be necessary to establish a special performance appraisal system for SES participants.

E. Title V - Merit Pay for GS 13-15 Supervisors and Managers

CIA is exempt from Title V but has been studying the Merit Pay concept and the possible advantages and disadvantages of adoption of such an approach within CIA.

F. Title VI - Research, Demonstration and Other Projects

All Executive Branch agencies are free to voluntarily participate in OPM projects under this Title.

G. Title VII - Labor-Management Relations

CIA is exempt from Title VII.

H. Title VIII - Grade and Pay Retention

CIA is exempt from Title VIII.

I. Title IX - Miscellaneous

No applications to CIA.

Effective 1 October 1979, the CIA established a Senior Intelligence Service. Patterned after the Senior Executive Service established for federal agencies under the Civil Service Reform Act of 1978, the SIS was set up under existing CIA statutory authority. All eligible CIA officers (super-grade, scientific pay scale, and executive pay scale levels 4 and 5) were invited to join. All but one chose to do so. The single dissenting officer cited his previously declared intention to retire in January 1980 as the basis for his decision.

The SIS system is intended to improve the effectiveness of our senior managers by recognizing and rewarding performance with stipends and awards. Other benefits include lifting annual leave accumulation limits (subject to an 80-hour "use or lose" rule), the opportunity for sabbaticals, and participation in senior officer development programs. The key elements of the system are:

- written advance work plans (signed contracts which explicitly define what is expected of each SIS member by his/her supervisor during a performance period);
- formal evaluations of the extent to which agreed-upon work objectives were accomplished during the reporting period, and
- the awarding of cash stipends and awards based upon the performance evaluations. Up to 50 percent of SIS members may receive cash awards ranging from 7 to 20 percent of basic salary. In addition, a handful of more valuable awards are available each year.

Another provision of the Civil Service Reform Act deals with Merit Pay for supervisors in the GS-13 to GS-15 grade range, providing for incentive increases to deserving officers in lieu of yearly pay adjustments and in grade increases based primarily on time in grade. Merit Pay goes into effect not later than 1 October 1981 in federal agencies covered by the Act. CIA is studying the concept and will monitor the experience of some of those agencies which must implement it. Some time in the future we will decide if Merit Pay makes sense for CIA.