



*DEPARTMENT OF DEFENSE
CIVILIAN PERSONNEL HANDBOOK*

Human Capital Management Nonappropriated Fund Evaluation Program

April 17, 2024

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SECTION 1: GENERAL HANDBOOK INFORMATION

1.1. INTRODUCTORY MEMORANDUM.



The Nonappropriated Fund (NAF) civilians within the Department of Defense (DoD) play a critical role in supporting the DoD's mission to deter war and protect the security of our nation. Indispensable to achieving all the Department's roles, missions, and objectives, is a well-managed, effective, and efficient civilian workforce.

The NAF program evaluation (PE) system described in this handbook serves as our mechanism to monitor and improve the performance of the PE processes across the NAF enterprises. The process of evaluation also ensures compliance with government-wide rules and regulations, merit system principles, and applicable personnel laws and regulations.

The guidance in this handbook is effective immediately with the expectation the NAF employers will begin establishing the Human Capital Management (HCM) Evaluation Program. To ensure its accuracy and currency the Defense Civilian Personnel Advisory Service (DCPAS) NAF Personnel Policy Office will maintain the DoD Civilian Personnel Handbook, "*Human Capital Management Nonappropriated Fund Evaluation Program.*" In addition, the DCPAS NAF Personnel Policy Office will monitor NAF employer compliance and reporting while ensuring the resolution of compliance issues through information sharing and feedback.

Secretaries of the Military Departments, Directors of Defense Agencies, and the Directors of DoD Field Activities with independent appointing authority may issue supplemental guidance as authorized.

Please address questions regarding this handbook to DCPAS NAF Personnel Policy, at dodhra.mc-alex.dcpas.mbx.naf@mail.mil.

Daniel J. Hester

Daniel J. Hester
Director

1.2. OVERVIEW.

This handbook, prepared as a living document, establishes the requirements, procedures, and methodology for conducting NAF civilian personnel policy and PEs within the DoD. These evaluations will assess the effectiveness and efficiency of HCM to ensure the workforce is in position to meet current and future mission needs. The guidance used government-wide to improve program performance is established in Part 250, Subpart B of Title 5, Code of Federal Regulations. Find additional guidance in DoD Directive 5124.02, “Under Secretary of Defense for Personnel and Readiness (USD(P&R)),” and in the appendices section which contains a variety of optional tools, including a proposed evaluation schedule, and sample compliance checklists.

1.3. APPLICABILITY.

This handbook applies to all NAF civilian programs DoD-wide. A comprehensive independent evaluation program contributes to the Department’s performance by monitoring and evaluating the results of NAF policies, programs, and activities. Evaluation programs also analyze compliance with merit system principles and the Department’s strategic goals, while identifying and monitoring necessary program improvements.

1.4. GENERAL GUIDANCE.

The DoD Component heads of Components with NAF employees will:

- a. Align compliance with this handbook and establish NAF employer policy, as appropriate, to implement its procedures.
- b. Develop and implement an actionable and measurable personnel management evaluation plan, including procedures, activities, and schedules for conducting evaluations.
- c. Conduct comprehensive internal evaluations to assess uniformity and consistency of DoD NAF personnel policy, programs, practices and their application and execution in accordance with this handbook.
- d. Take corrective actions in response to evaluation findings to improve and maximize the effectiveness and efficiency of personnel management services delivery.
- e. Monitor progress of corrective actions and other policy initiatives implemented in response to the evaluation findings.

1.5. STRATEGIC ALIGNMENT.

This handbook aligns with Section 912, National Defense Authorization Act, Fiscal Year 2017, and the DoD Civilian Human Capital Operating Plan, 2024-2025.

1.6. REPORTING REQUIREMENTS.

a. Each NAF employer (e.g., Army Air Force Exchange Service, US Army, US Air Force, Commander, Navy Installations Command, US Marine Corps, and Navy Exchange Service Command) will conduct a minimum of two PEs each year. Installations will undergo an evaluation at least every 5 years (Appendix 2A).

b. The lead evaluator and program area leads will compile the results of the PE in a report that summarizes the findings and recommended actions to improve. DCPAS NAF Policy will receive the evaluation report within 60 calendar days after the completion of a partial PE and no later than 120 calendar days after a full PE.

1.7. OUTCOME AND METRICS.

PEs, whether full or partial, will:

a. Build and promote a culture of evidence-based NAF personnel policies, strategies, and initiatives; and

b. Leverage human resources (HR) analytics to gain insights, improve operational efficiency, and implement strategic initiatives.

SECTION 2: PROCEDURES

2.1. HCM PE.

PEs:

- a. Are inclusive and transparent across the DoD, and apply appropriate, thorough evaluation mechanisms.
- b. Measure the level of application and understanding of NAF personnel policies, programs, and practices throughout the DoD.
- c. Demonstrate how NAF personnel policies, applicable personnel laws, and regulations are implemented and executed.
- d. Sustain collaborative efforts to establish and prioritize NAF personnel management objectives and goals and monitor its advancement in achieving DoD and DoD NAF employer mission alignment, strategic objectives goals, and effective personnel management.

2.2. EVALUATION PROCESS.

PEs are:

- a. Broken into two categories: full and partial. A full PE incorporates all program areas. A partial PE incorporates three or less program areas.
- b. Scheduled by the NAF employer. PE schedules may change if there are significant issues reported which require immediate attention as determined by the NAF employer.
- c. Consultative in nature rather than investigative. PEs will help advance an understanding of how to achieve and evaluate accountability for results. The consultative process will:
 - (1) Involve key HR and program area staff.
 - (2) Build on the positives.
 - (3) Highlight linkages to organizational goals and objectives.
 - (4) Use assessment results to drive internal policy development and updates.
 - (5) Encourage information sharing on a continuous basis.
 - (6) Facilitate positive change.

d. Subject to a follow-up review, if needed. Conduct a follow-up review on-site or virtually within 120 calendar days from the date of the final report.

2.3. EVALUATION PHASES.

a. Phase 1: Pre-Evaluation.

(1) Strategic Evaluation Approach.

The pre-evaluation phase is the most important of the three phases. This phase will consume approximately 60 percent of the evaluation time. In this phase:

(a) Develop the strategy – the key to a successful evaluation. The optional use of the Official Personnel File Checklist (Appendix 2B) will assist with organizing the NAF employer’s strategic approach.

(b) Identify the coverage and scope.

(c) Review the evaluation plan, policy measures, and associated activities to determine the direction of the evaluation.

(d) Evaluation review coverage may target one or more business processes, or aspects of a HR program within a process, e.g., training PE.

(e) Determination of the coverage will further dictate the base evaluation time, generally 3 to 5 business days, and the determination of location, on-site, off-site (virtual), or partially on-site. These determinations are key when identifying required resources.

(2) The Evaluation Team.

DoD NAF employer HR personnel or designees comprise the evaluation team with participation from the Installations. The lead evaluator, typically the HR policy manager for the NAF employer, will determine team members. Throughout the evaluation process, the lead evaluator will work with the responsible Installation leads for the program areas, e.g., employee-leadership development, performance management, diversity, or others as determined by the scope or identified for evaluation.

(3) Information Collection.

The lead evaluator will collect as much background data as possible from readily available sources to minimize requests for information.

(a) Background data and research activities may consist of:

1. Reviewing and analyzing the Installation’s prior evaluation report findings, employee survey results, or any other program implementation initiatives.

2. Examining the results of other assessments.

3. Assessing applicable collective bargaining agreements, and data from the NAF employer HR information systems.

(b) In consultation with the program area leads, the lead evaluator will determine the need for additional information from the Installation. Based on the availability of background information and the level of analysis necessary to prepare for the evaluation, the lead evaluator will establish the period of the review and contact the Installation regarding the timeline.

(4) Logistics.

(a) The lead evaluator will:

1. Provide at least 90 calendar day notice of the evaluation to the Installation's responsible management official.

2. Detail the type of evaluation, dates, scope, coverage, and provide the Advanced Information Request.

(b) The Installation will:

1. Conduct a records review that covers a reasonable timeframe of HR activity, typically the last 12 months.

2. Provide information that is not readily available from statistical reports, interviews, or analysis of survey responses.

3. Return the Advance Information Request 60 calendar days prior to the evaluation.

(c) On-site evaluations, whether full or partial, require considerable coordination, expenses for travel, and direct interaction with the Installation's HR staff and evaluation team members.

(d) Virtual evaluations are the least expensive. Encourage the use of technology system platforms and consider participant time zones when coordinating teleconference briefings and interviews.

b. Phase 2: Evaluation.

(1) This phase represents about 20 percent of the total evaluation period, about 5 business days of work. The evaluation process requires collaboration among team evaluators, key participants, management officials, and other participating personnel to:

(a) Conduct individual interviews and focus group sessions to augment the findings derived from employee survey results, data from HR information systems, and information from prior evaluation report findings.

(b) Create agency specific checklists or use the sample checklists at Appendices B and C as guidance when analyzing relevant data from personnel action trends and reviewing previous findings to ascertain the impact of program areas and practices on the NAF population.

(c) Compare the Installation's processes and activities to applicable laws, regulations, policies, and standard operating procedures.

(d) Assess programs and cases.

(e) Collect survey data using the sampling method to infer data based on a voluntary response sample. Sample populations will target a margin of error of plus/minus 10 with a 90 percent confidence coefficient. Successful surveys usually offer 95 percent confidence with results, not obstructed by error, within plus/minus 5 percent.

(2) Interviews and focus group sessions will obtain the perceptions and opinions of employees, supervisors, and managers about the NAF employer's HCM practices. All information discussed is confidential and participants will not share information from discussions, or the interview questions and responses. If applicable, evaluators should coordinate with the appropriate Labor Relations Office to ensure compliance with statutory requirements and applicable Collective Bargaining Agreements.

(a) Focus groups, depending on the size of the organization, are comprised of:

1. One or two groups of 5–8 non-supervisory employees.

2. One group of 5–8 first level supervisors and one group of 4–6 managers and executive management officials.

3. One group of HR specialists, assistants, technicians, and program managers for the functional area under evaluation.

(b) When personnel are in different geographic locations or outside of the United States, use technology platforms to conduct virtual surveys or focus groups. Just as with on-site interviews, emphasize gathering feedback on the impact of programs and practices on the serviced population.

(3) Communication through meetings and team discussions is professional but informal in nature. Team meetings will allow participants to share notes and discuss the progress of the evaluation, common findings, or concerns.

(4) The evaluation lead will:

(a) Conduct daily meetings with the Installation's representative to discuss findings, status of outstanding written inquiries, and any major concerns that arise during the day's review of activities.

(b) Conduct a technical finding briefing with the NAF employer's HR management to provide specific case information, e.g., announcement numbers, applicant names on the tentative findings prior to the exit brief.

(c) Conduct the exit brief to provide a preview of tentative findings and potential corrective actions that may be required.

c. Phase 3: Post Evaluation.

(1) Post evaluation activities include research, reporting, and follow-up with the Installation to close out the evaluation. These activities represent about 20 percent of the evaluation period.

(2) At the close of an evaluation the lead evaluator and program area leads will:

(a) Review, assess, compile, and consolidate data and information obtained from the observations made by the evaluation team members and through interactions with HR personnel.

(b) Analyze the review of data and information in relation to specific measures and expected outcomes.

(3) The post evaluation process further identifies and establishes the findings and solutions that may improve the Installation's way forward. It also is an opportunity to identify, collect, and document best practices that will improve HR management.

2.4. EVALUATION REPORT.

The lead evaluator and program area leads will compile a report of the PE summarizing the findings and recommended actions to improve. The DCPAS NAF Policy Office will receive the evaluation report within 60 calendar days upon partial PE completion and no later than 120 calendar days after a full PE. The report will include:

- a. An outline of steps planned to address the findings.
- b. Supporting documentation, timelines, and the responsible officials.

2.5. FINAL STEPS IN THE EVALUATION PROCESS.

a. Upon receipt of the evaluation report, the DCPAS NAF Policy Office will:

- (1) Assess the report for accuracy.
- (2) Document and track identified actions and corrective measures.
- (3) Evaluate time expectations for policy revisions and variation requests, on a case-by-case basis.

(4) Ensure completion of corrective actions through follow-up.

b. The DoD NAF employer will:

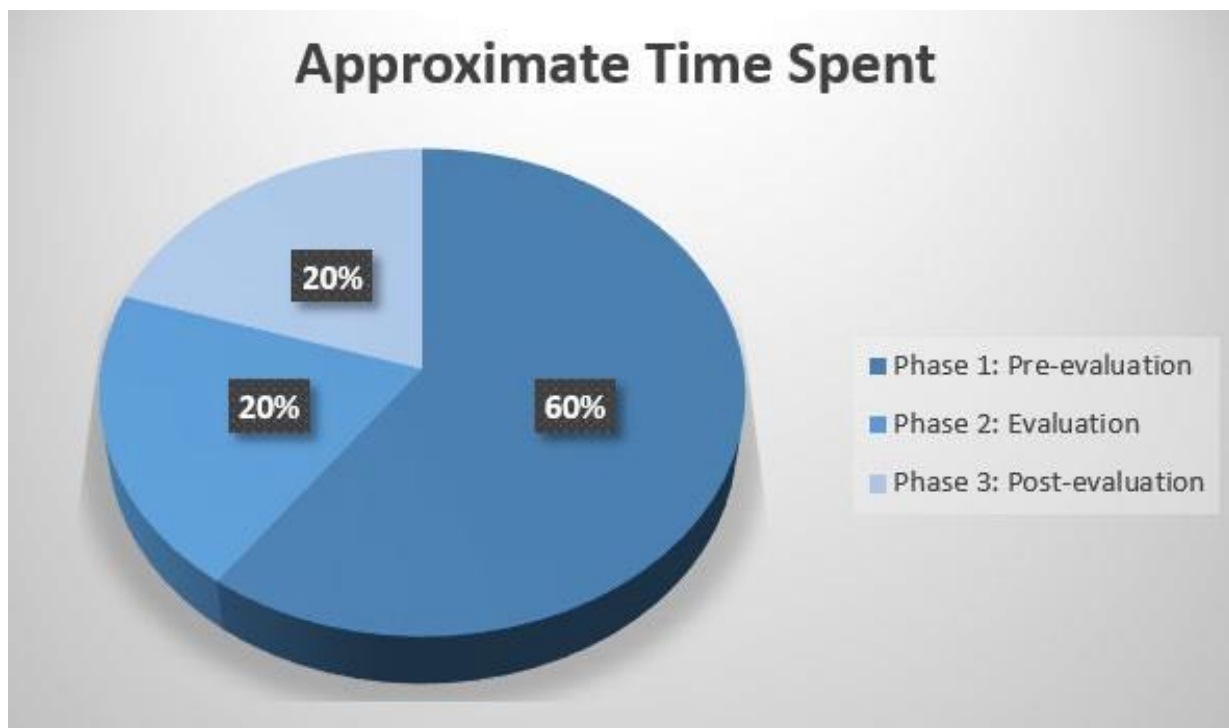
(1) Resolve all issues resulting from the evaluation within 90 calendar days from the issuance of the report.

(2) Retain all records associated with the evaluation in accordance with established record retention schedules.

c. The DCPAS Director, or designee, will work with the NAF employer-level official, as appropriate, should an issue of compliance arise.

d. The DCPAS NAF Policy Office will provide notification of evaluation close out upon validation and verification that adequate corrective or improvement actions have occurred.

Figure 1. Conducting the Evaluation in Phases – Optional



APPENDIX 2A: PE SCHEDULE

Figure 2. DoD HCM PE Schedule (Optional)

NAF Employer	FY2025				FY2026				FY2027				FY2028			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
AAFES	PE		PE		PE		PE			PE		PE		PE		PE
Air Force		PE		PE		PE		PE		PE		PE		PE		PE
CNIC		PE		PE		PE		PE		PE		PE		PE		PE
Army	PE		PE		PE		PE		PE		PE			PE		PE
NEXCOM		PE		PE		PE		PE		PE		PE		PE		PE
Marine Corps	PE		PE		PE		PE		PE		PE			PE		PE

Recommend each NAF employer conduct a minimum of two PEs each year with a PE at least every 5 years for each Installation. This schedule is subject to change if there are significant issues that require immediate attention reported by DoD, a NAF employer, or DCPAS.

Base the methodology for selecting the activity for evaluation on one or a combination of the following factors:

- a. At the DoD NAF employer's request.
- b. Known or suspected issues requiring follow-up.
- c. A NAF employer that has not been reviewed in 2 or more years.
- d. At the request of DoD leadership, e.g., the Under Secretary of Defense for Personnel and Readiness; the Deputy Assistant Secretary of Defense for Civilian Personnel Policy; or Director, DCPAS.

APPENDIX 2B: OFFICIAL PERSONNEL FILE CHECKLIST

Figure 3. Sample Checklist - Official Personnel File

Employee: _____

Title, Pay Plan/Series/Grade: _____

Organization: _____ **Location:** _____

Reviewer's Name: _____ **Date:** _____

PERMANENT RECORDS:	YES	NO	N/A	Comments
All records in OPF/eOPF filed in chronological order with most recent filed on top.				
Employee's resume and NAF application for employment form enclosed.				
Current position description (PD) enclosed. Position classified in the appropriate pay plan and occupational job series. The PD has the correct grade level and position title.				
Probationary Period met and calculated correctly. Certified employee has met the requirement by supervisor.				
Verification for Spousal Preference (Sponsor's PCS Orders) if applicable to NF-3 or below.				
DD214 (Certificate of Release or Discharge from Active Duty).				
Notification of Personnel Actions tracked accordingly, (e.g., RPA or PAR).				
Certificate of Investigation signed by appropriate adjudicator.				
NAF Supervisor's Orientation Checklist.				
Record of Emergency Data and Designation of Beneficiary.				
Selective Service Registration Form.				
Living Quarters Allowance/ Post Allowance, (OCONUS Only).				
Telework agreement on file, (if applicable).				

Figure 3. Sample Checklist - Official Personnel File, Continued

EMPLOYEE BENEFITS AND PORTABILITY:	Yes	No	N/A	Comments
Portability of benefits for employees moving between NAF positions or between NAF and appropriated fund (APF) positions.				
Calculate Benefit Service Date correctly.				
Mandatory Election (retirement only).				
Designated Beneficiaries.				
Dependent Data.				
401K Opt Out Form.				
Eligibility for Portability (RI 38-134) APF to NAF, (RI 38-144) elect to remain NAF (NAF to APF) if applicable.				
DISCIPLINARY ACTIONS: suspension, separations, alternative disciplinary actions:	Yes	No	N/A	Comments
Notice of proposed action, employee response, and supporting documents, decisions, terminations should be removed.				
TEMPORARY RECORDS:	Yes	No	N/A	Comments
Letters of Reprimand (removed after specified period of no more than 2 years).				
Direct deposit authorization.				
Federal/ State Tax Forms.				
I-9: RECORDS	Yes	No	N/A	Comments
USCIS I-9 (Employment Eligibility Verification).				

Additional comments/information/signature:

SECTION 3: ASSESSING KEY FUNCTIONAL AREAS

3.1. FUNCTIONAL PROGRAM AREAS.

In accordance with DoD Instruction (DoDI) 1400.25, Volume 450, “DoD Civilian Personnel Management System: Human Capital Management Evaluation Program,” DoD NAF employer evaluation teams will assess and review key functional program areas to ensure compliance with merit system principles and applicable personnel laws and regulations.

3.2. PERFORMANCE STANDARDS AND METRICS CRITERIA.

DoD NAF employer program evaluators will assess functional areas through the review of performance standards, metrics, and documenting evidence. Table 1 provides specific functional areas and metric criteria to consider. The optional use of the NAF employer’s Guidance Tool (Appendix 3A) will assist with organizing metric criteria.

Table 1. Performance Standards and Metrics Criteria.

Functional Area Performance Standard	Metrics Criteria
<p>Classification Program</p> <p>In accordance with DoDI 1400.25, Volume 1407, “Civilian Personnel Management System: NAF Classification,” NAF employers will apply regulations and classification standards consistently to assign positions their proper occupational category, title, series, and status.</p>	<p>Evaluators will assess case files relative to delegation of classification authorities, position descriptions, position data reports, and classification standards. Management interviews and focus groups will assist in the identification of significant trends or irregularities.</p> <p>a. Classification Authorities. Assess management effectiveness when executing classification responsibilities to ensure compliance with established classification authorities. Evaluators will determine whether supervisors possess the appropriate classification experience and training.</p> <p>b. Position Classification. Verify positions are classified using appropriate standards, the proper pay plan, occupational series, grade level, and position title.</p>

Table 1. Performance Standards and Metrics Criteria, Continued

Functional Area Performance Standard	Metrics Criteria
<p>Pay Administration and Compensation</p> <p>In accordance with DoDI 1400.25, Volume 1405, “DoD Civilian Personnel Management System: NAF Pay, Awards, and Allowances,” NAF employers will administer employee pay and compensation equitably and in compliance with all applicable laws and regulations. In accordance with DoDI 1400.25, Volume 1412, “DoD Civilian Personnel Management System: NAF Overseas Allowances and Differentials, and Employment in Foreign Areas,” NAF employers will administer overseas allowance determinations in compliance with all applicable laws and regulations.</p>	<p>Evaluators will review case files relative to compensation packages. For example: pay, awards, bonuses, promotions, student loan repayments, relocation, retention, recruitment, and other allowances such as overseas entitlements like living quarters allowance and post allowance. Evaluators will use interviews and focus groups to assess organizational strategies, policies, data reports, and surveys.</p> <p>a. Pay Distribution. Evaluators will assess how effectively the compensation system strategies and initiatives contribute to recruitment and retention of a high-quality workforce while ensuring equitable and efficient pay administration and the balancing of fiscal constraints.</p> <p>b. Incentive Awards Distribution. Evaluators will assess the effectiveness of the incentive awards program to ensure a fair and equitable distribution, recognition of achievements at all levels within the resources available and compliance with laws and regulations.</p> <p>c. Overseas Allowances. Evaluators will review and verify eligibility determinations are in accordance with DoD Policy, Department of State Standardized Regulations, as well as NAF employer level guidance.</p>

Table 1. Performance Standards and Metrics Criteria, Continued

<p>Employee Benefits</p> <p>In accordance with DoDI 1400.25, Volume 1408, “Insurance and Annuities for NAF Employees,” NAF employers will provide eligible employees with a retirement plan, health benefits, life insurance and other group insurance and benefits that meet the requirements of applicable laws, regulations, and DoD policy.</p>	<p>Evaluators will review employee benefits case files, data reports, and other supporting documentation.</p> <p>a. Retirement Benefits. Evaluators will corroborate that employees consistently and appropriately receive NAF defined benefits and defined contribution program offerings. They will also verify the accuracy of calculated retirement benefits, coordinate retirement plan changes with the appropriate retirement office, and evaluate the compliance level of retirement plan administration and management in accordance with official plan documents.</p> <p>b. Portability of Benefits for Employees Moving Between NAF Positions or between NAF and APF positions. DoD NAF employer evaluators will review a sample of employee moves between NAF positions and between NAF and APF positions to determine the accuracy of service credit application and benefits portability determinations.</p> <p>c. Other Employee Benefits. Evaluators will review and confirm the consistent and accurate application of benefits for eligible employees as well as compliance with NAF employer and DoD policy.</p>
<p>HR Development</p> <p>In accordance with DoDI 1400.25, Volume 450, “DoD Civilian Personnel Management System: Human Capital Management Evaluation Program,” NAF employers will facilitate a collaborative learning environment, and implement strategies to build competencies needed for career advancement and mission accomplishment.</p>	<p>Evaluators will review training plans, needs assessments, training records, and will use surveys, interviews, and focus groups to assess the strategies used to establish a collaborative learning environment and build competencies.</p> <p>Evaluators will appraise the effectiveness and efficiency of training plans and strategies, training availability, and professional development opportunities. This will gauge how well the programs strengthen job-related skills, encourage high performance, develop competencies, and improve overall organizational performance.</p>

Table 1. Performance Standards and Metrics Criteria, Continued

<p>Performance Management</p> <p>In accordance with DoDI 1400.25, Volume 1404, “DoD Civilian Personnel Management System: NAF Performance Management Program,” NAF employers will foster a results-oriented work environment, empower, and motivate employees, and contribute to continuous learning, improvement, and mission accomplishment.</p>	<p>Evaluators will review performance plans, case files, data reports, and will use surveys and feedback from employees and managers to assess the work environment.</p> <p>a. Performance Appraisals. Evaluators will assess the level employees and managers understand organizational goals and performance expectations to ensure that performance objectives align with organizational strategies, goals, and objectives.</p> <p>b. Rating Distribution. Evaluators will assess whether the levels of performance ratings are appropriately distributed and linked to mission achievement.</p> <p>c. Performance Accountability. Evaluators will assess the extent to which managers are held accountable in their performance plans for proactively addressing performance and conduct issues with their subordinate employees.</p>
<p>Talent Management and Staffing</p> <p>In accordance with DoDI 1400.25, Volume 450, “DoD Civilian Personnel Management System: Human Capital Management Evaluation Program,” NAF employers will plan for and manage current and future workforce needs; develop and implement strategies designed to attract, hire, develop and retain talent; and work to close knowledge, skill, and competency gaps.</p>	<p>Evaluators will review recruitment and retention case files, data reports, policies, and will use management interviews, surveys, and focus groups to assess talent management and staffing strategies.</p> <p>a. Recruitment. Evaluators will assess the flexibility of recruitment sources and strategies to attract and recruit highly qualified applicants.</p> <p>b. Time-to-Hire. Evaluators may measure the average time taken to fill a NAF position against appropriate public and private sector benchmarks to ensure prompt filling of positions.</p> <p>c. Customer and Advisory Services Satisfaction. Evaluators will measure the satisfaction of new employees and hiring managers, and the quality of HR staff advisory services.</p> <p>d. Retention. Evaluators will assess the flexibility of retention incentives and strategies to retain and maintain a diverse and competent workforce.</p>

Table 1. Performance Standards and Metrics Criteria, Continued

<p>Leadership</p> <p>In accordance with DoDI 1400.25, Volume 450, “DoD Civilian Personnel Management System: Human Capital Management Evaluation Program,” NAF employers will develop continuity in their leadership strategies and establish mechanisms for leadership development and continuous improvement across organizations.</p>	<p>Evaluators will perform a workforce analysis, review policies and communication plans, and use surveys, individual development plans, training records, management interviews, and focus groups to assess the organization’s mechanisms for leadership development and continuity.</p> <p>a. Competency Assessments. Evaluators will measure how effectively senior leaders conduct ongoing workforce analysis to identify management competencies, close gaps, and determine future needs.</p> <p>b. Continuous Development. Evaluators will verify managers have completed the required leadership trainings and possess the basic knowledge to perform their duties.</p> <p>c. Communication. Evaluators will assess the effectiveness of communication strategies that foster an open communication environment.</p> <p>d. Organizational Climate. Evaluators will assess to the extent possible, shared perceptions of the workforce and the attitudes of how employees feel about the organization.</p> <p>e. Whistleblower Protection. Evaluators will assess and validate the NAF employer level criteria developed to promote the protection of whistleblowers.</p>
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Table 1. Performance Standards and Metrics Criteria, Continued

<p>Labor-Management and Employee Relations</p> <p>In accordance with DoDI 1400.25, Volume 1471, “DoD Civilian Personnel Management System: NAF Labor-Management and Employee Relations,” NAF employers will comply with statutory and regulatory requirements while encouraging collaborative problem-solving approaches and continued communications that inform NAF employees of performance expectations, their employee rights, and avenues of redress.</p>	<p>Evaluators will review grievance and unfair labor practice (ULP) case files, review data reports, and use surveys and interviews with management, union representatives, and other employees to assess labor-management and employee relations.</p> <p>a. Bargaining Agreement Negotiations. Evaluators will examine the recency of established collective bargaining agreements, and their compliance with current laws and Executive Orders. Evaluators will identify bargaining agreement problem areas based on the prevalence of grievances, ULPs, complaints, and other documented feedback.</p> <p>b. Negotiated Agreement Grievances. Evaluators will assess the effectiveness of grievance procedures and strategies, and compliance with established timeframes and applicable procedures, laws, and regulations.</p> <p>c. ULP Complaints. Evaluators will assess the effectiveness of ULP complaint processing and resolution in accordance with established timeframes, applicable procedures, laws, and regulations where applicable.</p> <p>d. Use of Official Time. Evaluators will assess how official time is used and determine if time keeping records are accurate and in compliance with laws and regulations.</p> <p>e. Disciplinary Actions. Evaluators will review disciplinary case files to ensure disciplinary actions are taken in compliance with applicable policies and regulations; case files contain complete information; and actions are taken in a timely manner and are supported by appropriate administrative evidence.</p>
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Table 1. Performance Standards and Metrics Criteria, Continued

<p>Records Management</p> <p>In accordance with DoDI 5015.02, “DoD Records Management Program,” NAF employers will manage, maintain, dispose, and preserve the information and intellectual capital contained in records to document the transaction of business and mission. To categorize records, establish a records schedule in accordance with guidance issued by National Archives and Records Administration and the Office of Management and Budget.</p>	<p>Evaluators will review the organization’s records management program, which includes employee paper and electronic documents and files.</p> <p>a. Recordkeeping. Evaluators will assess how well employee records and files are maintained, protected, merged, transferred, and disposed.</p> <p>b. Compliance. Evaluators will assess the level of compliance with established records management controls and accountability standards.</p>
<p>Telework Management</p> <p>Although a voluntary program, it allows for the continuity of operations in the event of a crisis or emergency and promotes workforce efficiency, maximum mission readiness, and quality of life. NAF employers will establish telework agreements and training requirements in accordance with DoDI 1035.01, “Telework and Remote Work.”</p>	<p>Evaluators will verify job descriptions indicate telework or remote work eligibility and confirm the use of telework agreements and mandated training to ensure compliance with DoD policy, laws, and regulations.</p>

APPENDIX 3A: NAF EMPLOYER LEVEL GUIDANCE TOOL

Figure 4. Guidance Tool

HR DEVELOPMENT: HR development program responsibilities facilitate a collaborative learning environment and implement strategies to build competencies needed for career advancement and mission accomplishment.	Yes	No	N/A	Comments
Individual Development Plans tracked annually.				
Mandatory and voluntary trainings tracked annually.				
Climate surveys conducted and /or employee focus groups facilitated for employee needs assessment.				
LABOR RELATIONS: The Labor Relations program responsibilities establish and maintain an efficient joint process to improve Labor Relations relationships and encourage collaborative problem-solving approaches while complying with statutory and regulatory requirements.	Yes	No	N/A	Comments
Grievances and unfair labor practice (ULP) case files recorded according to policy.				
Recent bargaining agreements comply with current laws and Executive Orders.				
Negotiated grievances timeframes met with correct procedures.				
ULP complaint processing in place.				
The use of official time accurately reflective in time keeping records. Also compliant with applicable laws and regulations.				

Figure 4. Guidance Tool, Continued

LEADERSHIP: Leadership program responsibilities, ensure continuity of leadership strategies, and establish mechanisms for leadership development and continuous improvement across organizations.	Yes	No	N/A	Comments
Updates to local policies as appropriate.				
Communicates clear strategic plan for the organization.				
All management personnel have completed the required leadership trainings.				
Workforce analysis conducted to determine future needs.				
Strategies that foster an open communication environment.				
Periodic climate survey conducted.				
Developed criteria to promote the protection of whistleblowers.				
NF-6 (SES) annual requirements.				
MANAGEMENT EMPLOYEE RELATIONS: The Labor Relations program responsibilities establish and maintain an efficient joint process to improve Labor Relations relationships and encourage collaborative problem-solving approaches while complying with statutory and regulatory requirements.	Yes	No	N/A	Comments
Effective awards program contributing to the organization’s mission and goals.				
Disciplinary/adverse actions are compliant with procedures, applicable laws, and regulations.				
NAF employer has an effective administrative grievance process.				
Business based actions procedures are compliant with procedures, applicable laws, and regulations.				
Employee recognition for employees who contribute to the accomplishment of NAF employer goals.				

Figure 4. Guidance Tool, Continued

PAY ADMINISTRATION AND COMPENSATION: Execution of pay administration and compensation program responsibilities, and help attract, motivate, retain, and reward employees while in compliance with all applicable laws and regulations.	Yes	No	N/A	Comments
Performance appraisals conducted annually and aligned with organizational strategies, goals, and objectives.				
Performance ratings are appropriately distributed and linked to mission achievement.				
Mid-year performance meetings are conducted as appropriate.				
TALENT MANAGEMENT/STAFFING: Staffing program responsibilities ensure alignment with recruiting and hiring strategies, compliance with established procedures and all applicable suitability requirements, Equal Employment Opportunity, merit system principles, and employment laws and regulations.	Yes	No	N/A	Comments
Strategies are in place to attract and recruit highly qualified applicants.				
Metrics for the average time taken to fill NAF positions.				
Metrics benchmarked against APF or private sector.				
RECORDS MANAGEMENT: Records management program responsibilities and ensure compliance with established procedures, and all applicable laws, regulations, and DoD policy.	Yes	No	N/A	Comments
Employee records and Official Personnel Files are kept, protected, maintained, merged, transferred, and disposed.				

Figure 4. Guidance Tool, Continued

TELEWORK MANAGEMENT: Telework program responsibilities ensure an effective strategy for mission accomplishment, ensuring COOP in a crisis, and recruiting and retaining valued talent.	Yes	No	N/A	Comments
NAF employers track telework agreements and mandated training requirements to ensure compliance with procedures, applicable laws, and regulations.				
OCONUS NAF employer:	Yes	No	N/A	Comments
Living quarters allowance provided in compliance with DoD procedures, applicable laws, and regulations.				
Post Allowance provided in compliance with DoD procedures, applicable laws, and regulations.				
MISC:	Yes	No	N/A	Comments
Workers Compensation Program.				

Additional comments/information/signature:

GLOSSARY

G.1. ACRONYMS.

ACRONYM	MEANING
DCPAS	Defense Civilian Personnel Advisory Service
HCM	human capital management
HR	human resources
NAF	nonappropriated fund
PE	program evaluation
ULP	unfair labor practice

G.2. DEFINITIONS.

These terms and their definitions are for the purpose of this handbook.

TERM	DEFINITION
audit	A process used to determine the accuracy of procedures, such as checking personnel records to verify correctness or reviewing the steps for personnel action processing. Audits deal with facts that are not open to dispute and address process violations through corrective action.
communication	The process for sharing information and ideas about the organization with all employees, which includes eliciting employee feedback and involvement for all employees to play an appropriate role in planning and executing the mission.
compliance	In accordance with laws, rules, regulations, standards, or requirements. For example, in conducting a records review of personnel actions, an evaluator will determine if each action examined conforms to the appropriate requirements. At the program level, compliance addresses agency adherence to merit system principles and required processes.

TERM	DEFINITION
effectiveness	The level of achievement of program goals and the results intended, as defined in strategic plans and in legislation. Examples include the percentage of trainees employed 1 year after completing job training, the rate of compliance in filing tax returns, and the percentage of customers/employees satisfied in relation to relevant indices.
efficiency	The degree to which programs are executed or activities are implemented to achieve results while avoiding wasted resources, effort, time, and money.
evaluation	A process that determines how well something does what it is supposed to do. Oversight and evaluations are assessments of results achieved against a standard. Oversight and evaluations look at both operational effectiveness and compliance in the evaluation of an HR program, and the quality of operations under delegated authority.
evaluation system	An overarching system for evaluating the results of human capital planning and the implementation of human capital strategies to inform the agency's continuous process improvement efforts. This system also ensures compliance with all applicable laws, rules, regulations, and DoD policies.
metrics	Measurements that provide a basis for comparison. Strategic human capital management requires a reliable and valid set of metrics that provides an accurate baseline against which to assess individual agency progress.
program evaluation	The manner and extent to which Federal programs achieve intended objectives. PEs often measure "unintended results" (good or bad) which were not explicitly included in the original statement of objectives or were unforeseen in the implementation design.

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National Defense Authorization Act, Fiscal Year 2017, section 912²

¹ Available online at <https://www.dcpas.osd.mil/sites/default/files/DoD%20HCOP%20%28Final%20%20Nov%29%20%28Final%29%20v2%20-%20508%20%281%29.pdf>

² Available online at <https://www.govinfo.gov/content/pkg/PLAW-114publ328/pdf/PLAW-114publ328.pdf>