

CHAPTER 6

PAY ADMINISTRATION

INTRODUCTION 6.0	<p>There are six pay levels for SES, levels 1 through 6.</p> <p>SES pay levels at time of appointment are determined by an individual's qualifications and the level of responsibility of the position. Subsequent adjustments in pay levels are based on performance and/or level of responsibility of the position.</p> <p>The Secretary approves all SES pay determinations and adjustments, with the exception of SES employees in the Office of Inspector General (OIG). Pay determinations and adjustments for OIG executives are approved by the Inspector General.</p>
Pay Levels 6.1	<p>In Appendix B, SES positions with similar scopes of responsibility are grouped into pay ranges. This guide is used to set pay for initial appointments and pay level changes.</p>
Pay for Initial Appointment 6.2	<p>New appointees in the SES are normally compensated at levels 1 or 2, depending upon the qualifications of the individual and the responsibilities of the position to which he/she will be appointed.</p> <p>Generally, it is recommended that the initial pay rate for an SES appointee represent a 3-6 percent increase above his/her current salary. Usually, an employee entering SES will not be required to accept a pay level lower than his/her current salary.</p>

Pay Level Changes 6.3	<p>An Assistant Secretary may recommend a pay level change for his/her SES employee based on the employee's performance or a change to higher-level duties. Recommendations for changes in pay levels are usually made at the time of the annual performance review. However, at the discretion of the Assistant Secretary, a recommendation may be made when the employee completes a year of service at his/her current pay level. In addition, a pay adjustment may be recommended based on increased responsibilities, and/or size of staff to be supervised. The PRB reviews all recommendations for SES pay changes (except recommendations for SES employees in OIG) and makes recommendations to the Secretary.</p> <p>The pay levels for SES employees can be increased or reduced only once during a 12-month period. (An</p>
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initial appointment to the SES is considered a pay adjustment)).

Pay levels may be raised or lowered one level per year, but may not be lowered below the first SES pay level. (Unacceptable performance may result in a reduction of pay level.) The increase in payable rates for members of the SES, which is signed into law by the President, is not considered a pay adjustment.

Total Pay in
a Fiscal Year
6.4

The total amount paid to a senior executive during any fiscal year (including basic pay, performance award, and Presidential Rank Award) may not exceed the annual rate payable for positions at Level I of the Executive Schedule for Presidential appointees.

If the total amount of pay exceeds Level I, the amount of the award will be adjusted. The amount that cannot be paid in one fiscal year shall be paid as a lump-sum at the beginning of the next fiscal year.

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The lump-sum payment will be taken into account when applying the Executive Level I ceiling during the next fiscal year.

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