

UNITED STATES OFFICE OF PERSONNEL MANAGEMENT Washington, DC 20415

Wednesday, August 5, 2015 CPM 2015-07

MEMORANDUM FOR: Chief Human Capital Officers

FROM: BETH F. COBERT ACTING DIRECTOR

Subject: 2015 Annual Review of Special Rates (Data Call)

This memorandum announces the U.S. Office of Personnel Management's (OPM's) 2015 annual review of existing special rates authorized under 5 U.S.C. 5305 and 5 CFR part 530, subpart C, for certain General Schedule (GS) employees. OPM authorizes higher rates of pay for specific occupations, grades, and locations to alleviate existing or likely significant recruitment or retention difficulties. Under 5 CFR 530.307(a), OPM conducts periodic reviews of existing special rates to see if they should be terminated, reduced, or increased based on recent staffing considerations.

This memorandum provides for a general review of special rates to support possible pay actions to take effect in January 2016. In conducting this review, we rely on agencies to review all special rate tables covering their employees following the attached instructions. You do not need to respond to this data call to request the default January 2016 pay adjustment for special rates, which is equal to the percentage adjustment (if any) in <u>GS base rates</u> in January 2016. However, you must respond to this data call if requesting (1) any January 2016 increase in special rates different from the default adjustment or (2) the reduction or termination of a special rate schedule to take effect in January 2016.

Under 5 U.S.C. 5303(a), the general increase in GS base rates in January 2016 would be 1.8 percent. However, the President is authorized to provide for alternative adjustments in GS base rates under 5 U.S.C. 5303(b). Also, under 5 U.S.C. 5304a, the President may provide for alternative adjustments in locality rates authorized under 5 U.S.C. 5304.

The President's budget for fiscal year 2016 proposes a total pay increase costing 1.3 percent of basic payroll. In other words, any across-the-board general increase in GS base rates combined with any locality pay increases (which could vary by locality pay area) would be limited to a 1.3 percent overall increase in the basic payroll. As of the date of this memorandum, the President has not exercised his alternative adjustment authorities or indicated whether the increase proposed in the budget would be implemented through an across-the-board increase in GS base rates and/or locality pay increases. The President would exercise his alternative plan authority for the GS base rate increase under 5 U.S.C. 5303 by August 31, 2015.

If responding to this data call for either of the two reasons above, please submit all annual review materials requested in the attachment to this memorandum to OPM by Friday, October 16,

2015. When questions or problems arise, agency headquarters staff should contact OPM's Special Rates Team, by telephone at (202) 606-2838 or email at pay-leave-policy@opm.gov.

Attachment

cc: Human Resources Directors