

Friday, December 12, 1997  
CPM 97-14

**MEMORANDUM FOR: Other Stakeholders**

FROM: Donald J. Winstead, Assistant Director for Compensation Policy

Subject: 1997 Annual Review of Special Salary Rates

The Office of Personnel Management has completed the 1997 annual review of existing special salary rates authorized under 5 U.S.C. 5305. This annual review, which is conducted in accordance with 5 CFR 530.304, determines the amounts by which special rate schedules will be adjusted in January 1998. Schedule adjustments result in corresponding adjustments in individual employees' special rates, as provided by 5 CFR 530.307. In conducting the annual review, OPM relies on the reviews conducted by agencies employing special rate employees. ([See SR 97-8](#), July 3, 1997.) This year, OPM is approving special rate schedule adjustments in accordance with agency recommendations.

Out of a total of 453 special rate schedules covered by the 1997 annual review, 432 schedules are being increased in tandem with the 2.3 percent increase in General Schedule rates, resulting in a 2.3 percent special rate increase for all covered employees. A total of 18 special rate schedules will be terminated because there are no longer any covered employees. For two local special rate schedules covering only certain Railroad Retirement Board (RRB) employees, the 2.3 percent increase is being given at some grades while no increase is being given at other grades. In one other case, a local special rate schedule covering only certain Department of Veterans Affairs (VA) employees is being maintained at current levels at all grades. Thus, all special rate employees will receive a 2.3 percent special rate increase except for the specific groups of RRB and VA employees listed below.

**Employees Not Receiving a Special Rate Increase in January 1998**

RRB computer specialists at grade GS-12 covered by special rate table 0052 (Chicago).  
RRB actuaries at grades GS-12 and GS-13 covered by special rate table 0542 (Chicago).  
VA clerical employees at grades GS-2 through GS-8 covered by special rate table 0544 (Boston area).

In the case of RRB employees covered by special rate tables 0052 and 0542 and at the grades at which special rates are being frozen, the 1997 locality rates in the Chicago area already exceed the special rates. Therefore, these employees will receive the same pay increase as other General Schedule employees. The special rates freeze affects only the employee's underlying rate of basic pay (which is used for certain pay administration purposes such as pay retention).

In the case of VA employees covered by special rate table 0544, the impact of freezing the special rate depends on the relationship between special rates and locality rates at the various steps of the affected grades. Some of these employees will receive the same adjustment received by other General Schedule employees. Others will receive no pay increase or a partial adjustment.

Effective in January 1998, there will be 435 special rate schedules covering approximately 143,000 positions (excluding approximately 28,000 law enforcement officers covered under table 0491, the rates of which are statutorily linked to the General Schedule). The 1998 special rate schedules may be found in the Special Rates file area/directory of our electronic bulletin board system, OPM ONLINE, (202) 606-4800, via modem. The schedules show pay rates and coverage criteria (i.e., occupation, organization, and location). Please note that the 1998 special rate schedules will not be official until the President signs the Executive order formally establishing the 1998 General Schedule.

If you are unable to access the bulletin board, computer disks containing the 1998 special salary rates are available for IBM-PC compatible systems. These disks are available by calling Ron Genua of OPM's Pay and Leave Administration Division on (202) 606-2858.

Thank you for your cooperation and assistance in conducting the 1997 annual review of special rates.

Questions about this memorandum may be directed to the Pay and Leave Administration Division on (202) 606-2858; FAX: (202) 606-0824; or email [payleave@opm.gov](mailto:payleave@opm.gov).