

UNITED STATES OFFICE OF PERSONNEL MANAGEMENT Washington, DC 20415

Tuesday, January 28, 2014 CPM 2014-03

MEMORANDUM FOR: Heads Of Executive Departments And Agencies

FROM: Katherine Archuleta Director

Subject: 2014 Pay Freeze for Certain Senior Political Officials

The Consolidated Appropriations Act, 2014, which was enacted on January 17, 2014, contains a provision prospectively freezing pay rates for the Vice President and certain senior political appointees at 2013 levels during calendar year 2014. (See section 741 of title VII of division E of the Act.) This memorandum provides guidance on implementing this pay freeze. Additional detailed guidance is provided in the attachment to this memorandum.

If affected officials had a pay increase take effect in 2014 prior to the enactment of section 741, they will be entitled to the increased rate of pay only through the end of the pay period during which the Consolidated Appropriations Act, 2014, was enacted (through January 25, 2014, for employees on the standard biweekly pay period cycle). At the beginning of the next pay period (January 26, 2014, for those on the standard biweekly pay period cycle), the pay rate generally will be reduced to 2013 levels. The pay freeze under section 741 expires at the end of the last applicable pay period that begins in 2014 (for employees on the standard biweekly pay period cycle, that last pay period begins on December 28, 2014, and ends on January 10, 2015).

The section 741 pay freeze does not affect the 2014 officially established rates (or ranges) of pay for positions held by covered individuals. Rather, it temporarily bars covered officials from receiving pay increases based on the 2014 increases in those officially established rates (or ranges). For example, the officially established rates for the Vice President and the Executive Schedule—as adjusted in January 2014 by operation of law and as documented in Executive Order 13655—are considered to be in effect, except in determining the currently payable rates of pay for officials covered by the pay freeze. After the pay freeze expires, the Vice President and Executive Schedule officials will be entitled to the officially established rates for their positions, which rates will reflect both the January 2014 increase and any January 2015 increase.

Since the 2014 officially established rates (or ranges) of pay for the Vice President, the Executive Schedule, and other senior political appointee positions are generally considered to be in effect, those officially established rates (or ranges) will be used in determining pay for other employees. For example, the officially established rates for the Vice President and the Executive Schedule will be used in determining the 2014 pay limitations for other pay systems, such as the General Schedule and the Senior Executive Service. Section 741 permits career employees (and other employees not covered by the pay freeze) to receive pay increases as otherwise provided

by applicable law and such employees are not adversely affected by the pay freeze on senior political officials.

Additional Information

Agency headquarters-level human resources offices may contact OPM at <u>pay-leave-policy@opm.gov</u>. Employees should contact their agency human resources office for further information on this memo.

cc: Chief Human Capital Officers Human Resources Directors