



UNITED STATES OFFICE OF PERSONNEL MANAGEMENT
Washington, DC 20415

Employee Services

Tuesday, November 24, 2015

**MEMORANDUM FOR: THE COUNCIL OF THE INSPECTORS GENERAL ON
INTEGRITY AND EFFICIENCY**

FROM: MARK D. REINHOLD
ASSOCIATE DIRECTOR, EMPLOYEE SERVICES AND CHIEF
HUMAN CAPITAL OFFICER

Subject: Exception of Career SES Inspectors General, in Designated Federal
Entities, from Performance Appraisal and Rating-Based Actions for the
2015 Rating Cycle and Thereafter.

This memorandum provides information and guidance on an interpretive change by the U.S. Office of Personnel Management (OPM) regarding the applicability of Senior Executive Service (SES) performance appraisal rules for career SES members serving as the Inspector General (IG) in designated Federal entities (DFE).

While an IG appointed by the President with Senate confirmation in an establishment agency is not rated, OPM's previous policy specified that a career SES member serving as a DFE IG remained subject to annual appraisal by the DFE agency head. OPM is revising this position as described below to except career SES DFE IGs from SES appraisal and rating-based actions. This change establishes consistency for the independence of IGs – whether serving in establishment agencies or designated Federal entities.

It is the determination of OPM that for the purpose of SES performance appraisal, a DFE IG should be considered to occupy a position in the DFE Office of Inspector General (OIG), which under section 5 U.S.C. App. 6(d)(1)(A)(i) "shall be considered to be a separate agency." The result of this determination is that DFE agency heads shall not establish performance requirements for the DFE IG under 5 U.S.C. 4312(b)(1) or appraise the DFE IG's performance for the 2015 rating cycle or thereafter. It follows that a DFE agency head will not be able to adjust SES pay for a DFE IG under SES rules or remove a DFE IG from the SES based upon performance ratings.

This determination was made pursuant to OPM's authority under section 6(d)(1)(B)(iii) of title 5 Appendix to determine how SES provisions apply for purposes of section 6(d). The determination that a DFE IG is the head of a separate agency alleviates an inconsistency that exists otherwise between title 5 SES appraisal rules requiring the systematic appraisal of performance of senior executives (5 U.S.C. 4312) and the intention of the Inspector General

Reform Act of 2008 (Pub. L. 110-409, October 14, 2008) to “amend the Inspector General Act of 1978 to enhance the independence of Inspectors General.”

This memorandum also serves as notice to agencies that they will not suffer any negative consequence with regard to obtaining certification of their performance appraisal system(s) under 5 U.S.C. 5307(d) by excluding DFE IGs from appraisal. When responding to OPM’s annual data call, IG’s may be excluded from the data submission or marked “unrated” with an accompanying explanation that the individual is the IG.

This change in policy will also be reflected in the 2015 draft of the SES Desk Guide that will be released later this year. If you have questions regarding this change in policy, you may contact Stephen T. Shih, Deputy Associate Director, Senior Executive Services and Performance Management, in OPM’s Employee Services, at (202) 606-8046 or sespolicy@opm.gov.

cc: Council of the Inspectors General on Integrity and Efficiency

Hheads of Designated Federal Entities