



UNITED STATES OFFICE OF PERSONNEL MANAGEMENT  
Washington, DC 20415

The Director

Thursday, July 3, 2003

**MEMORANDUM FOR: Heads Of Executive Departments And Agencies**

FROM: Kay Coles James, Director

Subject: Dual Compensation Waiver Audit

Immediately after the crisis that occurred on September 11, 2001, I issued a memorandum to agencies listing the hiring flexibilities agencies should consider when responding to emergency situations. One of those flexibilities was reemploying annuitants. The memorandum stated that "Upon request, OPM is prepared to give agency heads authority to waive the dual compensation reduction (salary offset) otherwise required of reemployed Federal civilian annuitants." I also made a commitment to audit the use of the dual compensation waivers after a period of time to determine how the authority has been utilized.

This is to inform you that I have directed OPM's Division for Human Capital Leadership and Merit Systems Accountability and our Division for Strategic Human Resources Policy to collaborate in auditing dual compensation waivers granted under emergency delegations. The purposes of this audit are to determine how the authority was used, to assess the extent to which use of the waiver helped meet the emergency needs of the agency, and to collect information that will inform OPM's policy function on the future use of this authority.

We will be contacting agencies that have used this authority in the near future to collect the information that we need to conduct our audit. If you have any questions about the audit, please contact Mr. Conrad U. Johnson, Acting Deputy Associate Director, Center for Merit System Compliance, at (202) 606-2576.

cc: Chief Human Capital Officers