

# UNITED STATES OFFICE OF PERSONNEL MANAGEMENT Washington, DC 20415

Thursday, December 27, 2012 CPM 2012-13

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

FROM: John Berry, Director

Subject: Executive Order for 2013 Pay Schedules

**NOTE:** Executive Order <u>13635</u> and this memorandum have been superseded. See CPM 2013-05 Continued Freeze on Pay Adjustments for Federal Civilian Employees, for details.

The President has signed an Executive order containing the 2013 pay schedules for certain Federal civilian employees. (See <u>Attachment</u>.) This memorandum reviews relevant portions of the Executive order and provides general information on the 2013 pay rates. Pursuant to section 114 of the Continuing Appropriations Resolution, 2013 (Public Law 112-175), the Executive order provides that the 2013 pay rates for the civilian employee pay schedules covered by the order will be effective on the first day of the first applicable pay period beginning after March 27, 2013 (April 7, 2013).

## 2013 Salary Tables and Effective Date

We will post pay tables on our Website before the April 7, 2013, effective date of the schedules. Until April 7th, the 2012 salary tables will remain in effect.

# The General Schedule and Other Statutory Pay Systems

The President's Executive order provides an across-the-board increase of 0.5 percent in the rates of basic pay for the statutory pay systems under 5 U.S.C. 5303--the General Schedule (GS), Foreign Service schedule, and certain schedules of the Veterans Health Administration of the Department of Veterans Affairs. Special base rates for law enforcement officers at GS grades 3 through 10 also are increased by 0.5 percent. (These law enforcement officers are assigned the "GL" pay plan code.)

# **Executive Schedule**

Under 5 U.S.C. 5318, the Executive Schedule (EX) rates of pay will be increased by 0.5 percent (rounded to the nearest \$100).

#### Senior Executive Service and Senior Level and Scientific and Professional Positions

The Continuing Appropriations Resolution, 2013, continued the bar on all pay adjustments for Senior Executive Service (SES) members, senior-level (SL) and scientific and professional (ST) employees, or similar employees through March 27, 2013, except for increases based on a change of position involving a substantial increase in responsibility, or a promotion.

Under 5 U.S.C. 5376, the minimum rate of basic pay for SL and ST rate range will be increased by 0.5 percent (\$120,151 on April 7, 2013), which is the amount of the across-the-board GS increase. Under 5 U.S.C. 5382, the minimum rate of basic pay for the SES rate range also will be adjusted to \$120,151 to be consistent with the increase in the minimum rate of basic pay for senior-level positions. The applicable maximum rate of basic pay for the SES and SL/ST rate range will be \$180,600 (EX-II) for employees covered by a certified performance appraisal system and \$166,100 (EX-III) for employees covered by a performance appraisal system that has not been certified. An SES member or SL/ST employee paid at the minimum rate of the rate range must receive a pay increase of 0.5 percent on April 7, 2013, since an SES member or SL/ST employee may not be paid at a rate less than the minimum rate of the rate range.

Under 5 U.S.C. 5376(b)(2), each rate of pay established for SL and ST positions within an agency must be adjusted on April 7, 2013, by such amount as the head of the agency considers appropriate. Agencies will also have discretion to increase the rate of basic pay for an SES member who meets or exceeds his or her performance expectations in accordance with 5 CFR 534.404(b)(3) or (b)(4). If provided under 5 CFR 534.404(b)(4), such an adjustment must be effected on April 7, 2013.

## **Administrative Law Judges**

The Executive order reflects a decision by the President to increase the rates of basic pay for administrative law judges (ALJs) by 0.5 percent, rounded to the nearest \$100. The rate of basic pay for AL-1 will be \$156,300 (equivalent to the rate for EX-IV). The rate of basic pay for AL-2 will be \$152,600. The rates of basic pay for AL-3/A through 3/F will range from \$104,400 to \$144,400.

# **Administrative Appeals Judges**

Under 5 U.S.C. 5372b, the rates of basic pay for administrative appeals judge (AAJ) positions must be set at a rate not less than the minimum rate of basic pay for level AL-3 and not more than the maximum rate of basic pay for level AL-3 of the ALJ pay system established under 5 U.S.C. 5372. At 5 CFR 534.603, OPM's regulations link the structure of the AAJ pay system directly to the structure for level AL-3 of the ALJ pay system. The AAJ pay system includes six rates of basic pay—AA-1, 2, 3, 4, 5, and 6. These rates correspond to the rates of basic pay for AL-3/A, B, C, D, E, and F of the ALJ pay system.

## **Locality Payments**

The 2013 locality pay percentages are the same as the percentages that applied in 2012. (See Schedule 9 of the <u>Attachment</u>.)

On November 30, 2012, the Director of the Office of Personnel Management (OPM) issued a memorandum on behalf of the President's Pay Agent (the Secretary of Labor and the Directors of the Office of Management and Budget (OMB) and OPM) that continues GS locality payments for ALJs and certain other non-GS employee categories in 2013. By law, EX officials, SES members, employees in SL/ST positions, and employees in certain other equivalent pay systems are not authorized to receive locality payments. (Note: An exception applies to certain grandfathered SES, SL, and ST employees stationed in a nonforeign area on January 2, 2010.) The locality pay percentages continued for non-GS employees have not been increased in 2013. The memo is available at <a href="http://www.opm.gov/flsa/oca/12tables/Extend">http://www.opm.gov/flsa/oca/12tables/Extend</a> 2013.pdf.

Locality pay area definitions are posted at <a href="www.opm.gov/oca/12tables/locdef.asp">www.opm.gov/oca/12tables/locdef.asp</a>.

# **Cost-of-Living Allowance Rates for Nonforeign Areas**

The cost-of-living allowances for employees in nonforeign areas remain at 2012 levels. The locality rates and COLA rates for 2012 in each COLA area are provided at opm.gov/oca/comptables/SpecRates2012/COLAandLocChart.asp.

# 2012 Annual Review of Special Rates

We are issuing a separate memorandum announcing the results of the 2012 annual review of special rates, including the 2013 special rate schedule adjustments for employees in nonforeign areas.

#### **Additional Information**

We will provide additional information and guidance on implementing the 2013 pay rates before the April 7, 2013, effective date.

## Questions

Agency headquarters-level human resources offices may contact Pay and Leave at OPM at <u>pay-leave-policy@opm.gov</u>. Employees should contact their agency human resources or payroll office for further information on the 2013 pay schedules and agency field offices should contact their appropriate headquarters-level agency human resources office. Requests from individual employees will be returned or forwarded to the appropriate agency human resources office. For general information on Federal pay, leave, and work scheduling policies, please visit <a href="http://www.opm.gov/oca/index.asp">http://www.opm.gov/oca/index.asp</a>.

## Attachment

cc: Chief Human Capital Officers Human Resources Directors