



UNITED STATES OFFICE OF PERSONNEL MANAGEMENT

Washington, DC 20415

The Director

Thursday, December 19, 2002

CPM 2002-15

MEMORANDUM FOR: Human Resources Directors

FROM: Donald J. Windstead, Acting Director Workforce Compensation and Performance Service

Subject: Executive Order Implementing the January 2003 Pay Adjustments

The Office of Personnel Management (OPM) has completed the 2002 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 2003. Schedule adjustments result in corresponding adjustments in individual employees' special rates, as provided by 5 CFR 530.307.

Effective in January 2003, there will be 394 special rate schedules covering approximately 139,600 employees. This excludes approximately 33,400 law enforcement officers covered by special rate table 491, which is established by law. The draft January 2003 special rate schedules are available on OPM's Web site at opm.gov/oca/payrates/index.asp. Since the schedules generally are based upon the 2003 General Schedule, they are considered to be "draft" until the official 2003 General Schedule is issued by the President in his Executive order on January 2003 pay adjustments.

In conducting the annual review, we rely on the reviews conducted by agencies employing special rate employees. (See CPM 2002-6, June 25, 2002.) Out of a total of 394 special rate schedules covered by the 2002 annual review, 391 schedules will be increased in tandem with the 3.1 percent increase in General Schedule rates. Two special rate schedules will not be increased by 3.1 percent at all grades, and one special rate schedule will not receive any increase.

We are increasing GS-7 special rates on special rate tables 330 and 555 by less than 3.1 percent to better align the GS-7 special rate range with the special rate ranges for surrounding grades and, thus, avoid certain pay administration anomalies that could otherwise occur upon promotion from GS-6 to GS-7. Table 330 covers certain Department of Defense firefighters in Northern New Jersey. Table 555 covers certain Department of Veterans Affairs (VA) firefighters in Lyons, New Jersey. All affected GS-7 employees will receive a pay increase in January 2003, since their locality rates will exceed their corresponding special rates.

In the case of special rate table 544, which authorizes special rates for VA clerical employees at GS-2 through GS-4 in Eastern Massachusetts, VA requested that special rates not be increased. Effective on the first day of the first pay period beginning on or after January 1, 2003, GS-4

special rates in table 544 will be terminated because at every step those special rates are lower than the corresponding GS-4 rates on the 2003 General Schedule. All other affected employees will receive a locality rate that exceeds the corresponding special rate.

We also are retaining coverage of the former GS-334 Computer Specialist occupational series on the information technology (IT) special rate tables 999A-999F. In CPM 2002-6, we informed agencies of our plan to delete the GS-334 series designation from the IT special rate tables. We asked agencies to contact us if they were not able to complete their reclassification actions using the job family position classification standard for administrative work in the Information Technology Group, GS-2200, issued in May 2001. Several agencies reported that they have not completed their reclassification actions and continue to have positions classified in the former GS-334 series. Although we are not deleting the GS-334 series from the IT special rate tables at this time, we urge agencies to complete all GS-334 reclassification actions as soon as possible.

Thank you for your cooperation and assistance in conducting the 2002 annual review of special rates. For further information, please contact OPM's Pay and Leave Administration Division at (202) 606-2858 or by email at payleave@opm.gov.