



UNITED STATES OFFICE OF PERSONNEL MANAGEMENT
Washington, DC 20415

The Director

Tuesday, April 26, 2011

MEMORANDUM FOR: Other Stakeholders

FROM: John Berry, Director

Subject: Fiscal Year 2011 Presidential Rank Awards Program

It is my pleasure to announce the call for nominations for the FY 2011 Presidential Rank Awards (PRA) program.

This is the most prestigious award in the Federal career civil service and, as such, I am asking you to nominate your most exceptional career executives and senior professionals – those who have made extraordinary and lasting contributions to your agency’s effectiveness, including those who have applied innovative and cost-saving approaches, and are willing to serve as mentors to the next generation of leaders. We seek the best nominees from all segments of your executive workforce – individuals who can lead us to deliver 21st century government with new skills, technologies, and ideas.

These are exceptionally challenging fiscal times that have necessitated belt-tightening across the Federal government. We have asked Federal employees to share in the sacrifice. Even operating within tightly constrained budgets, we are committed to continuing to recognize and celebrate excellence and leadership among Federal senior executives.

Agencies should submit the names of only those who have achieved truly exceptional results that have Agencywide or Governmentwide significance. Nominations this year are due May 23, 2011. Inspectors General should nominate executives separately from the parent agency through the Council of the Inspectors General on Integrity and Efficiency (CIGIE), as provided by Section 14 of the Inspector General Reform Act of 2008.

By regulation, all agencies, as well as CIGIE, may nominate up to nine percent of their career SES and SL/ST populations, respectively. However, agencies should consider the current austere fiscal climate, and adjust the number of nominations with the expectation that the total number of Presidential Rank Award winners will be significantly reduced this year.

The President will make the final decision approving award recipients after a rigorous review by panels of private citizens, led by the Office of Personnel Management (OPM). Citizen panels evaluate all agency nominations to look for executives and senior professionals who achieve extraordinary results that honor the public trust and strengthen our democracy working in collaborative, transparent, and participatory ways.

Attached is detailed guidance for preparing and submitting nominations. If you or your staff have any questions or need additional information about the program, please contact Stephen T.

Shih, Deputy Associate Director, Executive Resources and Employee Development, by telephone at 202-606-8046.

I look forward to this year's program and encourage you to nominate your agency's finest executives and senior professionals for this important honor.

Attachments

1. Guidance follows this memorandum
2. Templates for SES and Senior Career Nominees are included in the attached Zip file

cc: Chief Human Capital Officers
Human Resources Directors

Attachment

Guidance for the Fiscal Year 2011 Presidential Rank Awards Program

WHAT ARE PRESIDENTIAL RANK AWARDS?

Each year, since the establishment of the Senior Executive Service (SES), the President has conferred the ranks of Distinguished Executive and Meritorious Executive on a select group of career members of the SES who have provided exceptional service to the American people over an extended period of time. These senior executives are outstanding leaders who consistently demonstrate strength, integrity, industry, and a relentless commitment to public service. Through their personal conduct and results-oriented leadership, they have earned and kept a high degree of public confidence and trust. They have demonstrated their success in balancing the needs and perspectives of customers, stakeholders, and employees with organizational results. Executives from across Government are nominated by their agency heads, evaluated by citizen panels, and designated by the President. The awards are prestigious and unique.

There are two categories of rank awards for the SES. The Distinguished Executive rank is awarded to leaders who achieve extraordinary results. Only one percent of the career SES may earn this award. Distinguished Executives receive a lump-sum payment of 35 percent of their rate of annual basic pay, a gold pin, and a framed certificate signed by the President. The Meritorious Executive rank is awarded to leaders for sustained accomplishments. Only five percent of SES career members may receive this award, which includes a lump-sum payment of 20 percent of the executive's rate of annual basic pay, a silver pin, and a framed certificate signed by the President. The percentage of career SES members who may receive each award is based on the Governmentwide career SES population as of September 30th of the previous fiscal year.

In 2001, the rank award statute was amended to extend eligibility for these prestigious Presidential awards to certain senior career employees who have a sustained record of exceptional professional, technical, and/or scientific achievement recognized on a national or international level. Beginning with awards granted in 2003, the President may confer the ranks of Distinguished Senior Professional and Meritorious Senior Professional on a select group of senior career employees in a manner similar to that for career members of the SES.

As with the SES, this Distinguished Senior Professional rank is awarded for sustained extraordinary accomplishment. Only one percent of senior career employees may earn this award, which includes a lump-sum payment of 35 percent of their rate of annual basic pay, a gold pin, and a framed certificate signed by the President. The Meritorious Senior Professional rank is awarded for sustained accomplishment. Only five percent of senior career employees may receive this award, which includes a lump-sum payment of 20 percent of their rate of annual basic pay, a silver pin, and a framed certificate signed by the President. The percentage of senior career employees who may receive each award is based on the Governmentwide number of career appointees in OPM-allocated Senior-Level (SL) and Scientific-Professional (ST) positions as of September 30th of the previous fiscal year.

Inspectors General should nominate executives separately from the parent agency through the Council of the Inspectors General on Integrity and Efficiency (CIGIE), as provided by section 14 of the Inspector General Reform Act of 2008. All agencies, including CIGIE, may nominate up to nine percent of their career SES and SL/ST populations respectively.

NOMINATING SENIOR EXECUTIVES FOR A PRESIDENTIAL RANK AWARD

Senior Executive Service (SES) - Eligibility Requirements and Nomination Criteria

Nominees must meet the following eligibility criteria by the nomination deadline (May 23, 2011):

- Hold a career appointment in the SES;
- Be an employee of the nominating agency on the nomination deadline; and
- Have at least three years of career or career-type Federal civilian service at the SES level. Service does not have to be continuous. Qualifying service may include appointments in the SES, Senior Foreign Service, FBI/DEA SES, Defense Intelligence SES, and other SES- equivalent systems. Service under other than career-type appointments (e.g., noncareer, limited, indefinite) or in Senior- Level or Scientific-Professional or equivalent positions is not qualifying.

Presidential Rank Awards recognize extraordinary long term achievements. One strong performance rating may justify a performance bonus but not a Presidential Rank Award. However, three such performance ratings demonstrating consistently high performance may indicate an executive is deserving of nomination for a rank award.

An agency may nominate a reemployed annuitant who meets all eligibility requirements. Also, an Executive Schedule employee who was appointed by the President with Senate Confirmation (PAS) without a break in service from a career SES appointment and chose to remain eligible for rank awards under 5 U.S.C. 3392(c) may be nominated, although 5 U.S.C. 4509 otherwise precludes a PAS Executive Schedule employee from receiving the award. A part-time or intermittent executive may be nominated but the agency must be prepared to pay the full award. It should not be prorated.

You may consider a broad range of factors in exercising discretion to nominate executives for this award, including budgetary limits, Administration policy, Congressional concerns and any public affairs implications. You will need to decide whether an award to any proposed nominee would be in the best interests of the agency and the Government.

A nominee who meets the eligibility requirements but leaves the SES before being selected as a recipient may still receive the honor and the award amount must be based on the last rate of basic pay received as a career member of the SES. The same applies to a nominee who dies after OPM has received the nomination.

An individual who has received either rank award (i.e., Distinguished or Meritorious) may be nominated for the other; however, a senior executive may not receive the same rank award more than once in any five-year period.

YEAR AWARD RECEIVED	YEAR ELIGIBLE TO RECEIVE THE SAME AWARD
2006	2011
2007	2012
2008	2013

SES Nomination Criteria

The law provides the rank of Distinguished Executive is awarded for “sustained extraordinary accomplishment,” and the rank of Meritorious Executive for “sustained accomplishment.” Presidential Rank Awards are reserved for career senior executives who have a record of achievement that is recognized throughout the agency and/or is acknowledged on a national or international level. In reaching the pinnacle of achievement, rank award recipients will also have demonstrated strong leadership abilities inspired their employees and earned the respect of those they serve. Nomination criteria should focus more clearly on achievement of results, and the effectiveness of the means by which those results are achieved. The nomination criteria are—

1. **Program Results:** The executive has an exceptional record of achieving major program goals and exceeding customer expectations by marshaling internal and external resources to attain high-quality outcomes that are technically sound and cost-effective, and yield rewards commensurate with the level of risk.
2. **Executive Leadership:** The executive possesses a sound strategic overview of the public sector environment and has shown creativity, adaptability, and resilience in aligning program efforts with the organization’s vision, mission, and goals, and partnering with stakeholders inside and outside the organization. The executive has also demonstrated the ability to lead people effectively by fostering employee development, cooperation and teamwork, making optimal use of human, financial and information resources.

SES Nomination Limits

Inspectors General should nominate executives separately from the parent agency through the Council of the Inspectors General on Integrity and Efficiency (CIGIE), as provided by section 14 of the Inspector General Reform Act of 2008. All agencies, including CIGIE, may nominate up to nine percent of their career SES populations. There is no prescribed ratio of Distinguished to Meritorious nominations. However, agencies submitting nominees should keep in mind the statute only permits one percent of the career SES population to receive the Distinguished Rank, as compared to five percent for the Meritorious Rank. Agencies not meeting the nine percent limit (those with fewer than 12 SES members) may nominate one executive.

NOMINATING SENIOR CAREER EMPLOYEES FOR A PRESIDENTIAL RANK AWARD

Senior Career Employees (SL/ST) - Eligibility Requirements and Nomination Criteria

Nominees must meet the following eligibility requirements by the nomination deadline (May 23, 2011):

- Hold a career appointment in an OPM-allocated Senior-Level (SL) or Scientific-Professional (ST) position;
- Be an employee of the nominating agency on the nomination deadline; and
- Have at least three years of career or career-type Federal civilian service above GS-15. Service does not have to be continuous. Qualifying service does not include appointments that are time-limited or to positions that are excepted from the competitive service because of their confidential or policy-making character.

Presidential Rank Awards recognize long term achievement. One strong performance rating may justify a performance bonus but not a Presidential Rank Award. However, three such performance ratings demonstrating consistently high performance may indicate an SL or ST employee is deserving of nomination for a rank award.

You may nominate a reemployed annuitant who holds a career appointment to an OPM-allocated SL or ST position and meets all eligibility requirements. You may also nominate a part-time or intermittent employee, but in keeping with the prestige of the award, be prepared to pay the full (not prorated) percentage of the recipient's annual basic salary. In both cases, carefully consider whether the nomination would be in the Government's best interest, since nominations and awards are limited.

A nominee who meets the eligibility requirements, but leaves the SL or ST position before being selected as a recipient, is eligible to receive the award and the award amount must be based on the last rate of basic pay received as a career SL or ST. The same applies to a nominee who is deceased post the agency nomination.

A senior career employee can receive the same award only once in any five year period. Senior career employees are not required to receive a Meritorious award before receiving a Distinguished award.

YEAR AWARD RECEIVED	YEAR ELIGIBLE TO RECEIVE THE SAME AWARD
2006	2011
2007	2012
2008	2013

Senior Career Employee Nomination Criteria

The law provides that the rank of Distinguished Senior Professional is awarded for “sustained extraordinary accomplishment,” and the rank of Meritorious Senior Professional for “sustained accomplishment.” Presidential Rank Awards are reserved for senior career employees who have a sustained record of professional, technical, and/or scientific achievement that is recognized throughout the agency and is acknowledged on a national or international level. In reaching the pinnacle of achievement, rank award recipients will also have inspired their colleagues and earned their stakeholders’ respect. The nomination criteria for Senior Career Employees are—

- **Program Results:** The senior professional has an exceptional record of achieving major program goals and exceeding customer expectations by marshaling internal and external resources as necessary to attain high-quality outcomes that are technically or scientifically sound and cost-effective, and yield rewards commensurate with the level of risk.
- **Stature in Professional Field:** The senior professional is consistently recognized nationally or internationally as a leader or authority in a field or discipline. He or she has influenced others in or beyond the field or discipline; is regularly sought as an advisor and consultant on scientific, technical, or professional programs and problems of fundamental interest and extraordinary difficulty which extend well beyond his or her field or discipline; and has received major honors or awards or published works that have had a major impact in the field or discipline.

Senior Career Employees Nomination Limits

Inspectors General should nominate senior employees separately from the parent agency through the Council of the Inspectors General on Integrity and Efficiency (CIGIE), as provided by section 14 of the Inspector General Reform Act of 2008. All agencies, including CIGIE, may nominate up to nine percent of their career SL/ST populations. There is no prescribed ratio of Distinguished to Meritorious nominations. However, agencies submitting nominees should keep in mind the statute only permits one percent of the career SL/ST population to receive the Distinguished Rank, as compared to five percent for the Meritorious Rank. Agencies not meeting the nine percent limit (those with fewer than 12 senior career employees) may nominate one senior professional.

ELIGIBILITY REQUIREMENTS AND NOMINATION CRITERIA FOR AGENCIES EXEMPT FROM THE SES

Several agencies have senior career executives who meet the SES definition at 5 U.S.C. 3132(a)(2), but their positions are placed in the Senior-Level (SL) system because the agency is exempt from SES coverage. These agencies receive Senior-Level (SL) space allocations from OPM for these appointees. These agencies include, but are not limited to:

- Export-Import Bank of the United States
- Federal Election Commission
- Federal Financial Institutions Examination Council
- National Security Council
- Pension Benefit Guaranty Corporation

- U.S. Holocaust Memorial Council

These agencies should use the nomination criteria established for members of the Senior Executive Service when nominating their career senior executives for rank awards. Use the nomination template for senior career employees, but indicate on the template you are using the SES nomination criteria for these nominees. However, these agencies should use the nomination criteria established for senior career employees when nominating employees in the Senior-Level system who do not meet the statutory SES definition.

PREPARING NOMINATION PACKAGES

Send OPM a cover letter signed by your agency head and an alphabetical list of nominees for each award category (SES and Senior Career Employee) with the required number of nomination folders, as specified below, for each nominee. Include the last four digits of the Social Security number for each nominee on the alphabetical lists. Include in the cover letter the name, phone number, and email address of your agency's Presidential Rank Awards Program coordinator.

Each nomination folder must include a nomination template. This template includes information about the nominee's current and former SES or SL/ST positions, city and state of residence, previous PRA awards, and the award for which the executive is being nominated. You must check all the boxes that apply to the nominee's current employment status. There is a block that requires the nominee's immediate supervisor's signature. There is also a block for the agency head's signature.

Nomination folders must include a biographical summary that describes the nominee's current position and lists highlights from his/her SES or SL/ST career. This statement will provide review board panel members with the context needed to evaluate the nominee's achievements. The folder must also include a summary of the accomplishments attained by the nominee, which serve as the basis for the nomination and are amplified in the justification statement.

Finally, each nomination folder must include a justification statement that concisely describes the nominee's career achievements related to each of the Presidential Rank Award criteria. We strongly recommend the writer tailor the nomination in a manner understandable to an outside, lay audience. Defining terms and providing other explanatory information can help clarify for the raters the complexities of Government and enable them to fully appreciate the difficulty of barriers surmounted and the true value of the nominee's contributions.

The justification statement may not exceed three (3) pages in length for SES and senior career employees; longer justifications will be returned. Use no smaller than an 11-point type and at least 0.8-inch margins.

Suggestions

Since Review Board members are private citizens, they will not know the intricacies of your nominee's program responsibilities or even the broad context of Federal Government work. Statements must be clear, organized, and well-written to make it easier for your nominee's achievements to receive the consideration they deserve. We have found that it helps if you—

- Are well organized. Organize the justification statements in the same order as the criteria. Number the pages of the justification statement (i.e., 1,2,3);
- Are specific and supported. Provide information on results achieved (e.g., actions taken, impact on stakeholders, staffing levels, budget amounts, cost-savings (specifying the source of such information), organization size, results, etc). Include information about customer and employee feedback, as appropriate; and
- Use commonly understood terms. Avoid acronyms, abbreviations, and jargon-laden terms.

Nomination Folders

Send each nomination in standard letter-size folders, with tabs (second or third cut are preferable). For each Distinguished and Meritorious nominee, provide five (5) folders exactly alike and rubber banded together. Specify whether the nomination is for the SES rank award or the Senior Professional rank award. Each folder must include the following:

- **Label on the Folder Tab**
NAME OF NOMINEE (First, Middle Initial, Last)
AGENCY NAME
DISTINGUISHED SES or SP 2011 - or - MERITORIOUS SES or SP 2011
- **Presidential Rank Awards Program Nomination Template.** Complete the appropriate template for each nominee. You must check all the boxes that apply to the nominee's current employment status. There is a block that requires the nominee's immediate supervisor's signature. There is also a block for the agency head's signature. If the agency head prefers signing only the cover letter, indicate as such, e.g., "/s/ cover ltr."
- **Biographical and Career Summary.** In bullet format, summarize the nominee's accomplishments as an SES member or SL/ST employee, which serve as the basis for nomination for a Rank Award. Also briefly list the nominee's career highlights, and other biographical information, including significant honors, awards, etc. **Use no more than one page of text.**
- **Justification Statement.** Concisely describe the nominee's career achievements for each of the Presidential Rank Award criteria, as described above, in the exact same order as the criteria are listed. **Use no more than three pages of text.**

You should not include SF-50 or equivalent personnel forms in the nominee's folders. Additionally, do not staple or paper clip any of the pages in the folder. **OPM will return folders that do not meet the specified format.**

THE REVIEW PROCESS - EVALUATING AGENCY NOMINATIONS

OPM Review

We verify that each nominee meets the eligibility requirements. We also review each nomination package for completeness using these guides:

- Is there a cover letter, with list of nominees and is it signed by the agency head?
- Is there a one-page Biographical and Career Summary?

- Is the justification statement three pages or less? If it is longer, we will ask you to revise and resubmit it.
- Is there any extraneous material in the folder? If so, please remove it.
- Are there five folders for each Distinguished and Meritorious nomination?

Information contained in the Presidential Rank Awards Nomination Template is entered into the Executive and Schedule C System (ESCS) database. We use the database to verify eligibility and record scores from the Review Board deliberations.

How Review Boards Work

We administer the Presidential Rank Award Review Boards, composed of private citizens. Each Board has three members who individually evaluate and rate the accomplishments described in the justification statement. Each member makes an independent judgment on the cases presented. The nominee's score is the sum of each board member's ratings. There is no appeal of the review board's determinations.

The Review Board for the Distinguished Rank Awards (D Board) meet in Washington, DC, usually in April. We conduct inquiries on all Distinguished and Meritorious nominees the Review Boards recommend as finalists for approval, and agencies bear the costs of these inquiries. Review Boards for Meritorious Rank Awards (M Boards) meet in various locations across the country after the Distinguished Board has met.

On-site Evaluations (Investigation Inquiry Process)

Distinguished and Meritorious finalists the Review Boards recommend for approval are subject to on-site evaluations. On-site evaluations are interviews with persons knowledgeable of the nominee's performance and professional accomplishments. Agency Presidential Rank Awards coordinators will be contacted by OPM's Center for Federal Investigative Services to identify individuals to contact. Finalists will also be subject this year to a criminal records check. Agencies will bear the cost of on-site evaluations and the criminal records check.

The "Eyes Only" Process

After the Review Boards complete their evaluations and we have the results of inquiry reports and criminal records checks, we consolidate the board scores, prepare a ranked list, and establish final cut scores that comply with statutory limitations. The OPM Director sends a letter to the agency heads with a list of the nominees who have successfully completed the selection process and asks agency heads to reconfirm the potential recipients through the "Eyes Only" process.

Agency heads or their designees must certify the final nominees are not involved in any situation which would cause the agency head to withdraw the nomination or would cause embarrassment after the awards are announced. Situations that could cause a withdrawal of the nomination might include being the subject of an investigation, conflict of interest, EEO complaint, or adverse legal action. We also ask agencies to consider the potential reaction of employees, customers, and other stakeholders.

Withdrawing a Nomination

You may withdraw a nomination at any time before the President approves the awards.

- To withdraw a nomination before the agency head’s final certification, send us a letter signed by your agency head or their designee, asking to withdraw the nomination. State the nominee’s name and the award for which he/she was nominated. No reason is required.
- To withdraw a nomination at the time of the agency head’s final certification (i.e., the “Eyes Only” certification), draw a line through the nominee’s name on the list, have the agency head initial the withdrawal and sign the list. Then return it to us, along with a cover letter asking that the nomination be withdrawn.

Withdrawing a nomination after the agency head’s final certification is not expected and should be rare, but may be necessary in extraordinary circumstances. Call the OPM Presidential Rank Award Program Manager at (202) 606-8046, and immediately follow the phone call with a letter signed by the agency head or designee asking that the nomination be withdrawn. State the individual’s name and the award for which recommended.

RECOMMENDATIONS TO THE PRESIDENT

After the “Eyes Only” process is completed, the OPM Director sends the names of the reconfirmed, recommended finalists to the President for approval. The President makes final decisions before the end of September. Nominees cannot be added or removed from the list once the President has approved.

We will notify the agency head as soon as the White House informs us the President has approved the Rank Award winners. At this time, agencies are authorized to distribute rank award checks and hold internal ceremonies. Public announcement of the award winners is reserved for the President, and we will advise you at that time about appropriate publicity.

PROCESSING AND PAYING THE AWARDS

Your agency pays for your executives’ rank awards. You should consider and plan for awards as part of executive compensation each year. The amount of the award should be based on the last rate of basic pay received as a career member of the SES or SL/ST. Your agency should anticipate the need to pay winners and budget accordingly.

By mid-September, we will send you a memorandum on Presidential Rank Awards and Aggregate Compensation in the SES, which provides information about payment of the awards. The memo will advise you to take the precaution of having rank award checks drawn and ready for the SES appointees and senior career employees certified on the “Eyes Only” reconfirmation list. This will allow you to pay awards with current fiscal year funds.

In order to capture award payments accurately, use the appropriate Nature of Action Codes (NOAC) for Rank Awards as described in the Guide to Processing Personnel Actions, which is available online at <http://www.opm.gov/feddata/gppa/Gppa29.pdf>.

Distinguished Rank Award recipients receive 35 percent of their rate of basic pay; Meritorious Rank Award recipients receive 20 percent of their rate of basic pay. The award is paid as a lump-sum payment, and the payment is subject to the applicable annual aggregate limitation on pay under 5 U.S.C. 5307. Section 5307(d) permits agencies with certified performance appraisal systems for members of the Senior Executive Service (SES) and Senior-level (SL) and Scientific-Professional (ST) employees (senior professionals) to apply a higher annual aggregate limitation on pay for those employees. The higher aggregate limitation on pay is equivalent to the total annual compensation payable to the Vice President under 3 U.S.C. 104. Agencies without certified performance appraisal systems for their SES members or senior professionals must apply an annual aggregate limitation on pay equivalent to the rate for level I of the Executive Schedule. Any portion of a rank award that would cause aggregate compensation in a calendar year to exceed the applicable aggregate limitation on pay is rolled over for payment at the beginning of the following calendar year.

The lump-sum award payment that is paid in the following calendar year is in addition to basic pay. The lump-sum payment is not subject to retirement, health benefits, or life insurance deductions. It is not included in the “high three” average pay computation for retirement benefits or in basic pay for thrift savings plan computation. However, the payment is subject to income tax withholding and also FICA tax withholding if the executive is in the Federal Employees Retirement System (FERS) or subject to Civil Service Retirement System (CSRS) Offset.

RECOGNIZING AWARD RECIPIENTS

Each award recipient receives a framed certificate signed by the President. The Distinguished certificate features a gold emblem; the Meritorious certificate features a silver emblem. Each winner receives a Rank Award pin – gold for the Distinguished winners and silver for the Meritorious winners.

Agencies are free to hold a ceremony honoring award winners; however, there should be no public announcement of the award winners unless notified by OPM. You are authorized to pay expenses connected with the actual presentation of awards under 5 U.S.C. 4503.

When possible, the President or Vice President will hold a recognition ceremony for the Distinguished and Meritorious Executives and Senior Professionals. We will advise you about any recognition ceremony scheduled by the White House.

FY 2011 TIMELINE

MAY 23, 2011	<ul style="list-style-type: none"> Nominations due to OPM.
JUNE	<ul style="list-style-type: none"> Distinguished and Meritorious Executive and Senior Professional Review Boards convene. Background inquiries conducted on Distinguished and Meritorious finalists recommended to receive the rank award.
AUGUST	<ul style="list-style-type: none"> "Eyes Only" certification letters to Agency Heads for review and consent. OPM Director forwards award finalists recommendations to the President.
SEPTEMBER	<ul style="list-style-type: none"> Decision made by the President.
TBD	<ul style="list-style-type: none"> Agencies notified to pick up certificates and lapel pins from OPM.

STATUTORY BASIS FOR PRESIDENTIAL RANK AWARDS PROGRAM

Title 5, Sec. 4507. Awarding of ranks in the Senior Executive Service

- For the purpose of this section, “agency”, “senior executive”, and “career appointee” have the meanings set forth in section 3132(a) of this title.
- Each agency shall submit annually to the Office [of Personnel Management] recommendations of career appointees in the agency to be awarded the rank of Meritorious Executive or Distinguished Executive. The recommendations may take into account the individual’s performance over a period of years. The Office shall review such recommendations and provide to the President recommendations as to which of the agency recommended appointees should receive such rank.
- During any fiscal year, the President may, subject to subsection (d) of this section, award to any career appointee recommended by the Office the rank of —
 - Meritorious Executive, for sustained accomplishment, or
 - Distinguished Executive, for sustained extraordinary accomplishment.
 A career appointee awarded a rank under paragraph (1) or (2) of this subsection shall not be entitled to be awarded that rank during the following 4 fiscal years.
- During any fiscal year —
 - the number of career appointees awarded the rank of Meritorious Executive may not exceed 5 percent of the Senior Executive Service; and

2. the number of career appointees awarded the rank of Distinguished Executive may not exceed 1 percent of the Senior Executive Service.
- 5.
1. Receipt by a career appointee of the rank of Meritorious Executive entitles such individual to a lump-sum payment of an amount equal to 20 percent of annual basic pay, which shall be in addition to the basic pay paid under section 5382 [Establishment and adjustment of rates of pay for the Senior Executive Service] of this title or any award paid under section 5384 [Performance awards in the Senior Executive Service] of this title.
 2. Receipt by a career appointee of the rank of Distinguished Executive entitles the individual to a lump-sum payment of an amount equal to 35 percent of annual basic pay, which shall be in addition to the basic pay paid under section 5382 [Establishment and adjustment of rates of pay for the Senior Executive Service] of this title or any award paid under section 5384 [Performance awards in the Senior Executive Service] of this title.

Title 5, Sec. 4507a. Awarding of ranks to other senior career employees

1. For the purpose of this section, the term "senior career employee" means an individual appointed to a position classified above GS-15 and paid under section 5376 who is not serving--
 1. under a time-limited appointment; or
 2. in a position that is excepted from the competitive service because of its confidential or policy-making character.
2. Each agency employing senior career employees shall submit annually to the Office of Personnel Management recommendations of senior career employees in the agency to be awarded the rank of Meritorious Senior Professional or Distinguished Senior Professional, which may be awarded by the President for sustained accomplishment or sustained extraordinary accomplishment, respectively.
3. The recommendations shall be made, reviewed, and awarded under the same terms and conditions (to the extent determined by the Office of Personnel Management) that apply to rank awards for members of the Senior Executive Service under section 4507.