



UNITED STATES OFFICE OF PERSONNEL MANAGEMENT
Washington, DC 20415

The Director

Wednesday, November 14, 2018

MEMORANDUM FOR: HEADS OF EXECUTIVE DEPARTMENTS AND AGENCIES

FROM: MARGARET M. WEICHERT, ACTING DIRECTOR

Subject: Senior Executive Service (SES) and Senior-Level (SL) and Scientific and Professional (ST) Performance Appraisal System Certification Changes

I am pleased to announce changes to the manner in which the U.S. Office of Personnel Management (OPM) approaches the Senior Executive Service (SES) and Senior-Level (SL) and Scientific and Professional (ST) performance appraisal system certification process. We believe this new approach will better support agencies in meeting their mission, enhance service and stewardship, and prepare for the Workforce of the 21st Century in support of the President's Management Agenda (PMA). We believe these improvements will reduce agency burden by removing procedural hurdles, and will better position OPM as a strategic advisor to agencies on improving employee performance management. The majority of agencies now have extensive experience with SES and SL/ST certification and have well-established policies and procedures that operationalize the certification criteria. Therefore, the changed process focuses less on verifying operational compliance and more on the results of agencies' appraisal systems, thereby saving time and resources.

This change draws from agency feedback and the vision for effective government set forth in the PMA. Some of the key administrative improvements, as detailed in the attachment to this memorandum, include:

- Automatic renewal of fully certified appraisal systems based on OPM/Office of Management and Budget (OMB) review of annual data submission to determine ratings, pay, and awards decisions comply with statute and regulation;
- Agencies are no longer required to submit performance plans with certification requests; and
- Agencies will have greater flexibility to demonstrate pay differentiation using the combination of performance-based pay adjustments and performance awards, which will be referred to as "annual performance-based compensation"

A certified system provides agencies with access to a higher range of pay if it has demonstrated meaningful distinctions based on relative performance. Implementation will begin on Monday, January 7, 2019, after which agencies on the SES or SL/ST basic performance appraisal systems may submit certification requests under the new process, in accordance with instructions provided by OPM. Agencies with an OPM-approved SES or SL/ST basic system will be able to use these changes effective with their FY 2018 performance cycle adjustments and awards.

OPM will also extend agency appraisal system certifications scheduled to expire between the date of this memorandum and January 7, 2019, to transition to this new process.

I look forward to implementing this new direction, and expect it will ease agency burdens while supporting an effective certification process. If you have questions regarding the new process, please contact Laura Lynch, Deputy Associate Director, Senior Executive Services and Performance Management, at (202) 606-8046 or at Laura.Lynch@opm.gov, or Danielle Opalka, Manager, Executive Resources and Performance Management, at (202) 606-2076 or at Danielle.Opalka@opm.gov.

Attachment: Overview of Changes to SES and SL/ST Performance Appraisal System Certification Process (see 508-conformant PDF below)

cc: President's Management Council Subcommittee to Strengthen the Senior Executive Service, Chief Human Capital Officers (CHCOs), Deputy CHCOs, Human Resources Directors, and the Council of the Inspectors General on Integrity and Efficiency