MEMORANDUM FOR: HEADS OF EXECUTIVE DEPARTMENTS AND AGENCIES

FROM: DR. JEFF T.H. PON, DIRECTOR

Subject: Update to Fiscal Year 2018 Prevailing Rate Pay Adjustments

On December 22, 2017, Compensation Policy Memorandum (CPM) 2017-20 notified all agencies that Division E of the Consolidated Appropriations Act, 2017 (the Fiscal Year (FY) 2017 Act), contains two provisions that affect the determination of pay adjustments for certain prevailing rate (wage) employees and that the Further Additional Continuing Appropriations Act, 2018 (the FY 2018 Act), extends into FY 2018 the two provisions of the FY 2017 Act.

This new memorandum is to notify you that Division E of the Consolidated Appropriations Act, 2018 (the new FY 2018 Act) supersedes the previous FY 2018 Act. The new FY 2018 Act continues the pay limitation provisions of section 737(a) and the floor pay adjustments required by section 737(b) with no changes.

New wage schedules will make reference to this new memorandum.

For further information, please contact the Office of Personnel Management’s Pay Systems, Pay and Leave, at (202) 606-2858 or by email at pay-leave-policy@opm.gov.

cc: Chief HUman Capital Officers and Human Resources Directors