

**U.S. DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY**

Action Date: September 30, 2002

For Information Only:

DEPARTMENTAL PERSONNEL MANUAL

DPM BULLETIN NO. 530-101

DATE: July 12, 2002

SUBJECT: 2002 Annual Review of Special Salary Rates

The Office of Personnel Management (OPM) has announced its annual review of special salary rates. As part of this review, all of the special salary rate authorizations used by the Department will be surveyed.

In conducting your reviews, you must consider the following factors (consistent with OPM's regulations at 5 CFR 530.304):

- The applicable staffing and labor market factors (to determine whether adjustments in special rate pay schedules are warranted);
- The former non-special pay rates of the special rate employees (to ensure that any adjustment in the special rates of pay would not cause those rates to fall below the non-special rates of pay to which the special rate employees would otherwise have been entitled);
- The likelihood that the factors leading to a statutory adjustment in pay will affect special rate employees as well; and
- Other special rate adjustments that occurred prior to the date of the anticipated statutory pay adjustment.

You must also determine whether to recommend a percentage adjustment equal to the across-the-board adjustment that will be applied to the General Schedule in January 2003. You may recommend a different adjustment if, based on your review, you determine that conditions have changed to the extent that a particular special rate table warrants an adjustment that is less than or greater than the anticipated General Schedule adjustment. However, in such cases, you must submit certain

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OPI: OST/M-13/DeShawn Shepard/202-366-8085

supporting data, consistent with OPM regulations and the instructions on the long OPM Form 1397 (copy attached).

You may use OPM Form 1397, Worksheet for Special Salary Rate Requests, for multiple purposes--e.g., to submit new requests for special rates, to request termination of a special rate schedule, and to document the annual review of existing special rates. For the purpose of the annual review, you may use either the long form or short form version of OPM Form 1397, depending on the type of adjustment being recommended.

If you are requesting special rate increases **equal** to the across-the-board 2003 General Schedule (GS) adjustment, you should use the **short form version** of OPM Form 1397. The short form requires only that you identify the special rate tables for which you are requesting an increase equal to the GS adjustment and provide the required written certification. A single short form may be used to document the certification for all special rate tables for which you are requesting an increase equal to the GS adjustment.

If you are requesting adjustments **greater** than the across-the-board 2003 General Schedule adjustment, you must submit additional data on the long OPM Form 1397. Staffing data should cover the period from June 4, 2001 through June 2, 2002. In certain circumstances, OPM may ask us to submit salary survey data.

If you are requesting adjustments that are **less than** the across-the-board 2003 General Schedule adjustment (including a zero adjustment), you must submit a written justification and any applicable supporting data, on the long OPM Form 1397. Such a request may be appropriate if you have determined that special rates are no longer necessary to prevent a serious staffing problem and you wish to phase out special rates by granting zero adjustments. (See 5 CFR 530.304-305.) Also, if special rates have been surpassed by locality rates, you may wish to take this fact into account in considering the need for adjustments in those special rates.

Adjustments in special rates resulting from this year's annual review will take effect on the same date as the across-the-board General Schedule pay adjustment--i.e., the first day of the first applicable pay period beginning on or after January 1, 2003. If there is no across-the-board General Schedule adjustment in 2003, the amount of the special rate adjustment will be zero, unless an increase greater than the General Schedule increase is requested and approved. Any such increase will take effect on the first day of the first applicable pay period beginning on or after January 1, 2003. However, OPM may authorize new authorizations and changes in existing special rates at any time during the year if all the normal criteria for establishing or adjusting special rates are met.

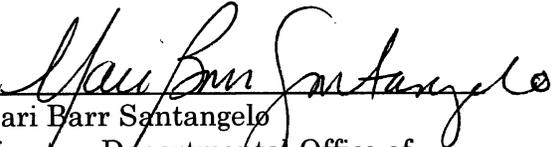
You may request a reduction or termination of special rates as part of the annual review process. However, under current law, the reduction or termination of a special rate may result in an increase in an employee's total pay. This is because the reduction or termination of special rates triggers the pay retention provisions of 5 U.S.C. 5363 and may result in locality pay being paid on top of employees' current pay (if converted to a General Schedule rate or a retained rate). Therefore, OPM advises agencies to consider phasing out special rates that are no longer necessary by providing for annual adjustments that are less than the across-the-board General Schedule pay increase.

Termination of a special rate schedule may be appropriate if there are no longer any employees covered by that schedule. In this case, the affected Operating Administration (OA) should provide a letter signed by an authorized official that requests the schedule termination and explains that there are no covered employees. (OPM Form 1397 is not required.)

Any OA contemplating a request for reduction or termination of a special rate schedule with covered employees should contact DeShawn Shepard of my staff on (202) 366-8085 for additional information and instructions.

Please be reminded that the former **GS-334 Computer Specialist series** designation will be **deleted** from the **information technology (IT) special rate tables 999A-999F** in January 2003. The IT special rate tables will, however, continue to cover the GS-854 Computer Engineer, GS-550 Computer Scientist and GS-2210 Information Technology Management occupational series. Any OA that has not done so, must complete reclassifying its GS-334 positions before January 2003.

If you have any questions concerning this year's review, please call DeShawn Shepard.


Mari Barr Santangelo
Director, Departmental Office of
Human Resource Management

Attachments

U.S. Office of Personnel Management
Worksheet for Special Salary Rate Requests

Interagency Report Control Number 0080-OPM-AN

Please indicate the type of Special Salary Rate request by checking the appropriate box(es) below:		
<input type="checkbox"/>	Request to be excluded from an initial request or from an existing authorization. <i>Complete items I and VI-B</i>	
<input type="checkbox"/>	Initial request/termination/review other than annual.	
	<input type="checkbox"/>	Initial request for Special Salary Rates. <i>Complete items I through VI-A. Do not do item VII, salary comparisons, unless specifically required by OPM.</i>
	<input type="checkbox"/>	Out-of-cycle review of existing authorization. <i>Follow instructions for initial request.</i>
	<input type="checkbox"/>	Terminate an existing authorization. <i>Complete items I and VI-B.</i>
<input type="checkbox"/>	Annual review of existing authorizations where increase requested is:	
	<input type="checkbox"/>	Equal to the General Schedule increase. <i>Complete items I and VI-A; also fill in Total Positions in item II, Ending Snapshot.</i>
	<input type="checkbox"/>	Less than the General Schedule increase. <i>Complete items I and VI-A; also fill in Total Positions in item II, Ending Snapshot.</i>
	<input type="checkbox"/>	Greater than the General Schedule increase. <i>Follow instructions for initial request.</i>
	<input type="checkbox"/>	No increase, and reduce current schedule. <i>Complete items I and VI-B; also fill in Total Positions in item II, Ending Snapshot.</i>
For existing authorizations, please enter the Special Salary Rate Table Number		
Note: It may be possible to make the pay comparisons for this request using off-the-shelf salary surveys. If so, there will be no requirement to conduct a salary survey as part of this submission. Agencies may save time and effort by contacting OPM on the salary survey matter before a request is formally submitted.		
Name of submitting agency:	Location:	
Name of preparer:	Telephone:	Date prepared:

OPM Form 1397 (Rev. 5/98)

I - COVERAGE. For existing authorizations, if there is no change in coverage, it is not necessary to complete item I. Please be sure that the existing special salary rate table number is entered on the front page of this form.

A. OCCUPATION(S):

Please enter the occupation series code and job title for each occupation to be covered by this request. Attach a separate sheet if more room is required.

Occupation Series Code	Job Title	Occupation Series Code	Job Title

B. AGENCIES/GEOGRAPHIC LOCATIONS:

Please enter the code and name of each agency and subelement having positions to be covered by this request. Specify geographic location codes for all but Nationwide or Worldwide authorizations. If an entire MSA/PMSA is to be covered, give only the 4-digit MSA/PMSA code for each area (see note below.) If an entire CMSA is to be covered, simply give the official CMSA name; no code is required. Attach a separate sheet if more room is required.

Agency/ Subelement Code	Agency/Subelement Name	Duty Station Code(s) St., City, Cnty.	Duty Station Name(s)	Contact' s Name & Phone

Note: As a guide for specifying the exact locations to be covered by the proposed special salary rate authorization, use the duty station code and its narrative description contained in items 38 and 39 on the SF-50 of the employees for whom special salary rates are being requested. The duty station codes for all locations to be covered must be given, except as stated above for MSA or CMSA coverage. Refer to NTIS publication PB90-214420 for metropolitan area names and their geographic coverage. For agency/subelements use the four-digit agency code found in item 47 on the SF-50.

IV - AGENCY RECOMMENDATION AND ESTIMATION OF ADDED COSTS	
Recommended Salary	is the agency's requested new special salary rate for the first step of each grade covered. <i>The recommended salaries do not have to correspond to current General Schedule steps.</i>
Current Salary	should be the first step of the current General Schedule or the first step of the current Special Salary Rate Schedule for each grade covered by this request.
Added Salary	is the difference between the recommended salary and the current salary.
Total Positions	are the Total Positions from the Ending Snapshot, Item II, page 3 of this form.
Added Costs	are Added Salary multiplied by Total Positions.
Total Added \$	is the sum of the Added Costs column.

Formula: [recommended salary] - [current salary] = [added salary] **H** [total positions] = [added costs]

GS Grade	Recommended Salary	Current Salary	Added Salary	Total Positions	Added Costs
Total Added \$					

V - ADDITIONAL INFORMATION	
<p>A. Why are special salary rates needed? Please check at least one reason and as may others that apply to this specific situation.</p> <p>Private Sector Pay Other Federal Gov't Pay Local Gov't Pay Undesirable Working Conditions Nature of Work Other Reasons (please explain)</p>	<p>B. Please estimate costs attributable to the staffing situation which would be offset if this special salary rate request is approved.</p> <p>Overtime Contracting Training Other (please explain)</p>

NOTE: A narrative description of any special circumstance that should be considered by OPM in the analysis of this request may be attached at the discretion of the submitting agency. In the absence of narrative information, the request will be decided on the strength of the staffing data and pay comparisons.

VI-A CERTIFICATION FOR INCREASE

Please use this certification for all requests that involve the initial granting of special salary rates or an increase to an existing authorization. The OPM-designated lead agency should collect and attach certifications for each agency involved in this request. Type the name of the certifying official in the blank space provided in the text of the certification.

I, _____, certify that the special rates requested are necessary to ensure staffing adequate to accomplish the agency's mission. This agency has made all possible efforts to overcome the staffing problems in other ways, including use of some or all of the recommended techniques such as job redesign, improvement of working conditions, skills improvement, direct hire authority, OPM delegation of examining authority, above-minimum entry rates, recruitment bonuses and retention allowances.

Position of certifying official _____ Agency Name

Signature of certifying official

Date ____/____/____

VI-B REQUEST FOR TERMINATION/REDUCTION/EXCLUSION

Please use the appropriate certification to request termination or reduction of an existing special salary rate authorization or to be excluded from either a new request or an existing authorization. If termination or reduction is requested and more than one agency is covered by this authorization, all must agree to its termination or reduction, and so certify.

I, _____, certify that the special salary rate authorization specified in Special Salary Rate Table Number _____ is no longer required by this agency to alleviate a staffing problem. Termination of the authorization is hereby requested.

I, _____, certify that a special salary rate authorization specified in Special Salary Rate Table Number _____ is no longer required at the same level. Reduction of the rates is hereby requested.

I, _____, certify that this agency wishes to be excluded from:

- this request for special salary rates, or
- the existing special salary rate authorization specified in Special Salary Rate Table Number _____

Position of certifying official _____ Agency Name

Signature of certifying official

Date ____/____/____

**U.S. OFFICE OF PERSONNEL MANAGEMENT
WORKSHEET FOR SPECIAL SALARY RATE REQUESTS
SHORT FORM FOR 2002 ANNUAL REVIEW**

ATTENTION: This short form version of OPM Form 1397 is to be used only when the agency is requesting an increase EQUAL to the across-the-board January 2003 General Schedule (GS) increase and is not requesting any type of change in table coverage.

1. List the table numbers for all special rate tables for which you are requesting an increase EQUAL to the January 2003 GS increase:

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2. Complete the following certification:

CERTIFICATION FOR INCREASE EQUAL TO THE ACROSS-THE-BOARD 2003 GENERAL SCHEDULE INCREASE

Print clearly the name of the certifying official in the blank space provided in the text of the certification.

I, _____, certify that the special rates requested are necessary to ensure staffing adequate to accomplish the agency's mission. This agency has made all possible efforts to overcome the staffing problems in other ways, including use of some or all of the recommended techniques such as job redesign, improvement of working conditions, direct hire authority, OPM delegation of examining authority, above-minimum entry rates, recruitment bonuses and retention allowances.

Position of certifying official: _____

Signature of certifying official: _____ Date: ____ / ____ / ____

Name of submitting agency:	Email Address:	
Name of preparer:	Telephone:	Date Sent to OPM:



United States
**Office of
Personnel Management** Washington, DC 20415-0001

June 25, 2002

CPM 2002-6

MEMORANDUM FOR HUMAN RESOURCES DIRECTORS

FROM: DORIS HAUSSER
Acting Associate Director
for Workforce Compensation
and Performance

SUBJECT: 2002 Annual Review of Special Salary Rates

This memorandum announces the 2002 annual review of special salary rates authorized under 5 U.S.C. 5305. Each agency with special rate employees must submit certifications to the Office of Personnel Management (OPM) documenting its recommendations for the adjustment of special rates. We are providing the following materials to assist you:

Attachment 1 - 2002 annual review instructions.

Attachment 2 - Worksheet for Special Salary Rate Requests (OPM Form 1397, long and short form versions).

Attachment 3 - Index of current special rate authorizations by agency.

Attachment 4 - Special rate agency contacts.

Agencies may complete a single short form version of OPM 1397 for all special rate tables for which they are requesting an increase equal to the across-the-board General Schedule increase. You are not required to report the number of filled and vacant positions covered by each special rate table applicable to your agency, since we will use on-board counts derived from the Central Personnel Data File.

You must submit all annual review materials to OPM by **October 15, 2002**. It is important that you submit your certifications on time so we can compile and review the data and obtain a consensus among affected agencies if there are substantial differences in agency requests. You may obtain electronic copies of all the attachments on OPM's Internet website at www.opm.gov/oca/compmemo/index.htm.

IT Special Rates

In January 2003, we plan to amend the information technology (IT) special rate tables 999A-999F to **delete** the former GS-334 Computer Specialist series designation. The IT special rate tables will continue to cover the GS-854 Computer Engineer, GS-550 Computer Scientist, and GS-2210 Information Technology Management occupational series. As you know, the job family position

classification standard for administrative work in the Information Technology Group, GS-2200, issued in May 2001, canceled the GS-334 Computer Specialist Series. In a memorandum to you on June 5, 2001 (CPM 2001-5), we amended the IT special rate tables to include the new Information Technology Management Series, GS-2210, and agreed to retain the GS-334 Computer Specialist series designation temporarily for IT special rate coverage purposes. This allowed employees whose positions were classified in the GS-334 series to continue to receive the applicable IT special rate for their grade and duty station. In January 2002, we retained the GS-334 series designation in the IT special rate tables to give agencies more time to implement the new classification standard. By January 2003, agencies should have completed their reclassification actions and classified affected IT positions to the GS-2210 series. However, if you will be unable to complete reclassifying your GS-334 positions by January 2003, we ask that you let us know by **November 15, 2002**. Please contact us by email at payleave@opm.gov.

We ask agency headquarters to bring any problems encountered in implementing the annual review process to our attention as they arise. You may contact the Pay and Leave Administration Division by telephone at (202) 606-2858, by fax at (202) 606-0824, or by email at payleave@opm.gov.

Attachments