

# Senior Executive Service

---

## Features of the Senior Executive Service (SES)

### I. Coverage

- A. Introduction:** The SES is a separate personnel system in the executive branch for about 8,000 career and non-career employees who serve in key positions just below the top Presidential appointees. SES members are the major link between these appointees and the rest of the federal workforce. They operate and oversee nearly every Federal activity – from air traffic safety to social security – in approximately 75 agencies.
- B. Included:** Managerial, supervisory, and policy positions classified above GS-15 of the General Schedule.
- C. Excluded:**
  - 1. Positions requiring appointment by the President with Senate confirmation.
  - 2. Positions in the Foreign Service, Federal Bureau of Investigation, Drug Enforcement Administration, Central Intelligence Agency, Defense Intelligence Agency, and National Security Agency. All of these positions are covered by separate, agency SES-type systems.
  - 3. Administrative law judge and board of contract appeals positions.
  - 4. Positions in government corporations and certain financial regulatory agencies.

### II. Size

- A.** No statutory limitation on number of positions. Law, however, requires biennial allocation of position spaces to agencies by OPM. OPM allocates based on program needs and utilization of spaces by each agency.
- B.** Agencies can establish positions within their allocations without further OPM approval.
- C.** Number of SES positions allocated for FY 2011: 8757
- D.** Number of SES appointees as of October, 2011: 7658

### III. Structure

#### A. Two Types of positions

- 1. Career-reserved (about 50%)
  - a. Defined in law: “to ensure impartiality or public’s confidence of impartiality of government” (e.g., law enforcement).
  - b. May be filled by career appointees only.
  - c. Career reserved floor of 3,571 Government wide. Each agency given quota by OPM.
- 2. General (about 50%) – May be filled by any SES appointee, whether career, non-career, or limited.

## **B. Four types of appointments**

1. Career – Selection by agency merit staffing process and approval of executive qualifications by Qualifications Review Board (QRB) run by OPM. Appointment may be to a career-reserved or general SES position; rights of the individual are the same in either case.
2. Non-career
  - a. Appointment allocations approved on individual case basis by OPM, and OPM recoups allocation when appointee leaves the position.
  - b. Appointments may not exceed 10% of SES position allocation Government wide, and 25% of SES position allocation in any agency, and must be to general SES positions.
3. Limited term – Nonrenewable appointment for up to 3 years to a general SES position which will expire because of the nature of the work (e.g., special project).
4. Limited emergency – Nonrenewable appointment for up to 18 months to a general SES position which must be filled urgently.

Total number of limited appointments may not exceed 5% of SES position allocation Government wide. Individual agencies provided pool equal to 3% of their allocation for making limited appointments of career of career-type employees from outside the SES. OPM must approve use of appointment authority in other cases.

## **IV. Entry**

- A.** Executive Resources Board (ERB) in each agency conducts merit staffing for initial career appointments. At least Government wide competition. OPM announces vacancies daily. No veterans preference.
- B.** Qualifications Review Board (QRB) at OPM reviews and certifies managerial qualifications for initial career appointment. Board must have majority career membership. Approval based on:
  1. Demonstrated executive experience;
  2. Successful participation in an SES candidate development program; or
  3. Special or unique qualities which indicate a likelihood of executive success.
- C.** One-year probation following initial career appointment to SES. Reinstatement rights following probation.
- D.** Non-career and limited appointments made without competition. Agency head approves qualifications.
- E.** At least 70% of SES positions Government wide must be filled by individuals with 5 years or more current, continuous service immediately before initial SES appointment to assure experience and continuity.

## **V. Reassignments and Transfer**

- A.** May be reassigned to any SES position in same agency for which qualified, but career appointee must have 15 days advance written notice (60 days if reassignment between commuting areas).

- B. A career appointee may not be involuntarily reassigned within 120 days after an appointment of an agency head or after the appointment of new non-career supervisor who has authority to make an initial appraisal of the appointee's performance.
- C. May transfer to another agency which agrees to employment, but may not be transferred involuntarily. Career appointees entitled to accompany their positions in a transfer of function between agencies.

## VI. Compensation

### A. Basic Pay

- Minimum rate of basic pay equal to 120% of basic pay rate for GS-15 (
- Maximum rate of basic pay equal to rate for level III of the executive schedule (for agencies *without* OPM certified performance appraisal system - \$165,300)
- Maximum rate of basic pay equal to rate for level II of the executive schedule (for agencies *with* OPM certified performance appraisal system - \$179,700)

In setting pay, an agency may consider such factors as qualifications and performance of the executive, duties and responsibilities of the position, and private sector pay.

### B. Locality Pay

1. SES members in non-foreign (e.g. Alaska, Hawaii, Guam and the Northern Mariana Islands, Puerto Rico and the U.S. Virgin Islands) areas are eligible.
2. SES law enforcement officers are eligible for adjustment of up to 16% of basic pay in selected cities in lieu of locality-based comparability payments if the LEO adjustments are greater.

### C. Performance Awards

1. Awards are for performance during the previous appraisal period.
2. Agency head or designee makes awards following recommendations by the Performance Review Board.
3. Individual may be awarded annually lump-sum payment between 5% and 20% of basic pay.
4. Total awards payments in an agency limited to 3% of aggregate SES career payroll as of the end of the previous fiscal year.

### D. Presidential Rank Awards (Career executives only)

1. Awards are for sustained accomplishment over a period of at least 3 years.
2. Agency nominates, OPM recommends (following panel reviews), President selects.
3. 1% annually may be designated Distinguished Executive: 35% of basic pay
4. 5% annually may be designated Meritorious Executive: 20% of basic pay
5. May receive same rank award only once within a 5 year period.

### E. Other Compensation

1. Recruitment and relocation bonuses up to 25% of basic pay for difficult to fill positions. Service agreement required.
2. Retention allowance of up to 25% of basic pay, if usually high or unique qualifications of individual or a special need of the agency makes it essential to retain the individual, and individual would likely leave the government in the absence of an allowance.

3. Critical pay up to level I of the executive schedule may be authorized only in exceptional cases under 5 U.S.C. 5377. Critical position pay may be granted only for positions that require expertise of an extremely high level and are critical to the agency's accomplishment of the mission.
4. SES members not eligible for premium pay (e.g. overtime pay, Sunday premium pay, holiday premium pay, night pay, standby duty pay, and hazardous duty pay) or compensatory time off.

Compensation Limit – Basic pay and other compensation during a calendar year may not exceed the pay of executive level I. Any excess amount (e.g. due to SES performance awards, Presidential Rank awards, incentive awards or comparability allowances) paid at start of next calendar year.

## **VII. Other Benefits**

- A. Leave – 90 day (720) limit on the amount of annual leave an SES member may carry over from one leave year to the next.
- B. Sabbaticals (career executives only)
  1. Agency head may grant up to 11 months during any 10-year period for study or uncompensated work experience contributing to employee's development and effectiveness. Employee retains salary and benefits, and agency may grant travel and per diem.
  2. To be eligible, must have 7 years of executive service (at least 2 years in the SES), not be eligible for retirement, and agree to remain in government for 2 years after the sabbatical.
- C. Last move home (career executives only – If reassigned or transferred geographically (when eligible for optional or discontinued service retirement or within 5 years of eligibility for optional retirement). Entitled to moving expenses at retirement.
- D. Retention of SES benefits (career executives only) – If appointed to position at executive level V or higher (e.g. Presidential appointment) without a break in service, an executive may elect to retain SES benefits (e.g. pay, leave, performance and rank awards).

## **VIII. Performance Evaluation**

- A. Agencies develop appraisal system subject to OPM regulations and approval. Agency system must include at least four, but not more than five, summary rating levels; outstanding, an optional level between outstanding and fully successful, fully successful, minimally satisfactory, and unsatisfactory levels. Less than fully successful ratings may be basis for removal from the SES.
- B. Supervisor establishes performance elements and standards in consultation with executive, based on both individual and organizational performance.
- C. Supervisor proposes annual rating. No rating, however, within 120 days after beginning of a new Presidential administration. Executive can provide written comments and request higher level review.

- D.** Proposed rating reviewed by agency PRB. For career executives, majority on PRB must be career employees. Final rating by agency head or designee.

## **IX. Removal**

### **A. Career Executives**

1. If removed during probationary period for performance reasons, entitled to placement at GS-15 with saved pay (unless appointed to SES from outside government or from a non-career type appointment).
2. After probationary period, must be placed in another position within the SES or removed from SES for 1 unsatisfactory rating. Must be removed from SES for 2 unsatisfactory ratings in 5 years or for 2 less than fully successfully rating in 3 years. May request informal hearing before Merit Systems Protection Board (MSPB). Entitled to placement at GS-15 with saved pay.
3. No removal for performance reasons during 120 days after appointment of new agency head or new non-career supervisor with removal authority, except where removal is based on unsatisfactory rating given prior to appointment.
4. Reduction-in-force (RIF) procedures based primarily on performance. Agency must place executive who has completed probationary period in any SES vacancy for which qualified. If no vacancy, OPM has 45 days to try to place executive elsewhere in the government. If cannot be placed, SES entitled to placement at GS-15 level with saved pa. Appeal right to MSPB on agency compliance with competitive RIF procedures.
5. In lieu of fallback to GS-15, may elect discontinued service retirement if have 25 years of service, or have 20 years of service at age 50. Financial penalty in annuity based on age.
6. Disciplinary removal procedures and rights similar to those for competitive service employees. Must receive 30 days notice, have right to reply, and may appeal to MSPB. No fallback right to GS-15.

### **B. Non-Career and Limited Executives**

1. Removal at pleasure of agency head.
2. No appeal rights. Some limited executives have fallback rights.