



**Functional Series [400](#)  
Programming Policy**

**INTERIM UPDATE 08-01**

**SUBJECT:** 2008 SES/SFS Pay-for-Performance

**NEW MATERIAL:** This Interim Update announces that the Administrator has approved 2008 pay-for-performance salary adjustments for the Agency's Senior Foreign Service (SFS) and Senior Executive Service (SES) employees, effective January 6, 2008.

**EFFECTIVE DATE:** 02/01/2008

POLICY

USAID/General Notice  
HR/ELR  
02/01/2008

Subject: 2008 SES/SFS Pay-for-Performance

We are pleased to announce that the Administrator has approved 2008 pay-for-performance salary adjustments for the Agency's Senior Foreign Service (SFS) and Senior Executive Service (SES) employees effective January 6, 2008. Pay increases for SES and SFS employees are based on their performance and contributions to the mission of the Agency with distinctions in pay made based on relative performance. Members of the SFS and SES are not eligible to receive automatic annual across-the-board adjustments and do not have a locality pay component as part of their pay. The Administrator determines pay increases for the SFS and SES based on the ratings/rankings of their respective performance boards.

- The Senior Foreign Service -

The SFS pay range increased by 2.5% in 2008 (minimum \$114,468 - maximum \$172,200).

The Administrator has approved the following pay increase structure, based on ratings/rankings by the 2007 SFS Consolidated Performance Board (C/Board). The SFS performance management and pay adjustment cycle has been changed from April

to January beginning in 2008. SFS Officers will receive only one annual pay adjustment, and this increase will incorporate the rate-in-range (amount of increase in the Executive Schedule) adjustment in the SFS pay range.

Career Ministers (CMs) rated "A" and awarded a performance bonus or recommended for a Presidential Service Award by the 2007 C/Board receive a 5.5% pay increase. CMs rated "A" but not awarded a performance bonus or recommended for a Presidential Service Award by the 2007 C/Board receive a 4% pay increase.

Effective January 6, 2008 (the start of the first full pay period following the President's attestation of USAID's SFS promotion list on January 4, 2008), Minister-Counselors promoted to CM receive a pay increase of 5.5%. Those rated "A" but not promoted to CM receive a 4% pay increase. MCs rated "B" receive a 2.5% pay increase.

Counselors (OCs) promoted to MC receive a pay increase of 5.5%. Those rated "A" but not promoted to MC receive a pay increase of 4%. OCs rated "B" receive a pay increase of 2.5%.

These increases will be paid up to, but may not exceed, applicable SFS salary caps established by Presidential Executive Order: For 2008, SFS salary caps are set at \$161,670 for FE-OC; \$169,595 for FE-MC, and \$172,200 for FE-CM.

Promotions into the SFS - Officers promoted into the SFS receive either a 6% increase to their FS-01 pay as of December 31st of the year promotion recommended or a minimum rate of 90% of EX-III (\$142,650), whichever provides the greater benefit. The Washington,

D.C. locality rate is applied for all Officers, regardless of whether they are assigned overseas or in Washington. For this year, the initial SFS pay of any Officer promoted from FS-01, Step 7 or below is set at \$142,650; initial SFS pay for Officers promoted from FS-01, Step 8 is set at \$143,877; initial SFS pay for Officers promoted from FS-01, Step 9 is set at \$148,193; and initial SFS pay for Officers promoted from FS-01, Step 10 or higher is set at \$152,079.

- The Senior Executive Service -

The SES pay range increased by 2.5% in 2008 (minimum \$114,468 - maximum \$172,200).

By statute, the pay of an executive may not exceed EX-III (\$158,500 in 2008) unless he/she received a final summary rating of "Outstanding" and the Agency's SES performance appraisal system is certified by the Office of Personnel Management (OPM). OPM certified USAID's SES appraisal system on August 20, 2007. This certification allows the Agency to increase salaries of the highest performers above EX-III to EX-II (\$172,200 in 2008) in January 2008, based on last year's performance ratings.

For the SES performance cycle which ended on September 30, 2007, those SES members with a final summary rating of "Fully Successful" received a 2.5% increase; those SES members with a final summary rating of "Exceeds Fully Successful" received between 3% and 3.5%; and those SES members with a final summary rating of "Outstanding" received between 4.25% and 6.25%. SES members will also receive only one pay adjustment, and this increase will incorporate the rate-in-range adjustment (amount of Executive Schedule increase) in the SES pay range.

SFS and SES employees are not eligible for these pay increases if they do not have a required performance rating, have been referred for performance review, or remain subject to an ongoing inquiry.

Point of Contact: Any questions concerning this Notice may be directed to:  
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Notice 0202

<b>File Name</b>	<b>Notice Date</b>	<b>Effective Date</b>	<b>Editorial Revision Date</b>	<b>Remarks</b>
IU4_0801_020408	02/01/2008	02/01/2008		This IU will be cancelled once the policy in this IU is incorporated into a Series 400 ADS chapter.

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