

DoD Senior Executive Service Pay-for-Performance Appraisals 2005-2008



***Prepared by
The Office of the Deputy Under Secretary of Defense
Civilian Personnel Policy
February 19, 2009***

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Summary of Key Points for FY08

□ New guidance for FY08 Performance

- New Tier Policy Guidance was used as a means of ensuring comparability in executive compensation and position management across the Department

- Common Pay Pool Funding Factor determined to be up to 13% varied by tier level
 - *Tier 1 – 11%*
 - *Tier 2 – 13%*
 - *Tier 3 – 17%*

- Individual basic pay increase will not exceed 8% of basic pay; exceptions may be approved by Authorizing Officials

- Benchmark definitions for each performance rating level to help guide and inform rating decisions were developed (optional)



Summary of Key Points (continued)

❑ Making meaningful distinctions in Performance:

- Slight increase in level 3 ratings FY08 – 15% vs FY07 – 13%
- Slight decrease in level 5 ratings FY08 - 28% vs FY07 - 33%
- **Tier 1 = 19.9% - level 3; 64.9% - level 4; and 14.9% – level 5**
- **Tier 2 = 11.5% - level 3; 59.2% - level 4; and 29.3% - level 5**
- **Tier 3 = 6.6% = level 3; 31.5% - level 4; and 61.9 % level 5**
- Tier 1s received the lowest % of level 5 ratings
- Tier 3s received the highest % of level 5 ratings
- Navy had the highest % of level 5 ratings and Army had the lowest %
- 4th Estate had the highest % of level 3 ratings for the past three years
- Army has made significant improvement in making meaningful distinctions in FY08 with 4.8% level 3 ratings to 17.8% level 3 ratings; and 17.1% level 5 ratings to 14% level 5 ratings
- OSD and the 4th Estate also made improvement in making meaningful distinctions in FY08 with 17% level 3 ratings to 19%; and 41.6% level 5 ratings to 30.5%

DoD has a continuous challenge to drive culture shift in making meaningful distinctions in Performance.



Summary of Key Points (continued)

- ❑ Distribution of SES Pay Adjustments and Bonuses for FY08
 - Career executives received bonuses and pay adjustments; 88% received bonuses for FY08 and FY07, versus 91% for FY06
 - Average bonus payments
 - *Average bonus for FY07 \$13,939 vs FY08 13,882*
 - *Tier 1 = 7.6%; Tier 2 = 9.2%; Tier 3 = 12.3% for FY08 (average 8.1%)*
 - *In FY07 – the average bonus was 8%; FY06 was 5.5%; and FY05 was 9.6%*
 - Average pay adjustment
 - *Average percentage pay adjustment for FY07 – 3.4% vs FY08 – 3.8%*
 - *Average pay adjustment for FY07 is \$5,185 vs FY08 5,888*
 - *Tier 1 = 3.6% increase; Tier 2 = 3.8% increase; and Tier 3 = 4.0% increase*
 - In FY08 41% (507) of executives were paid <Level II \$177,000 and >Level III \$162,900 vs 36% (442) in FY07



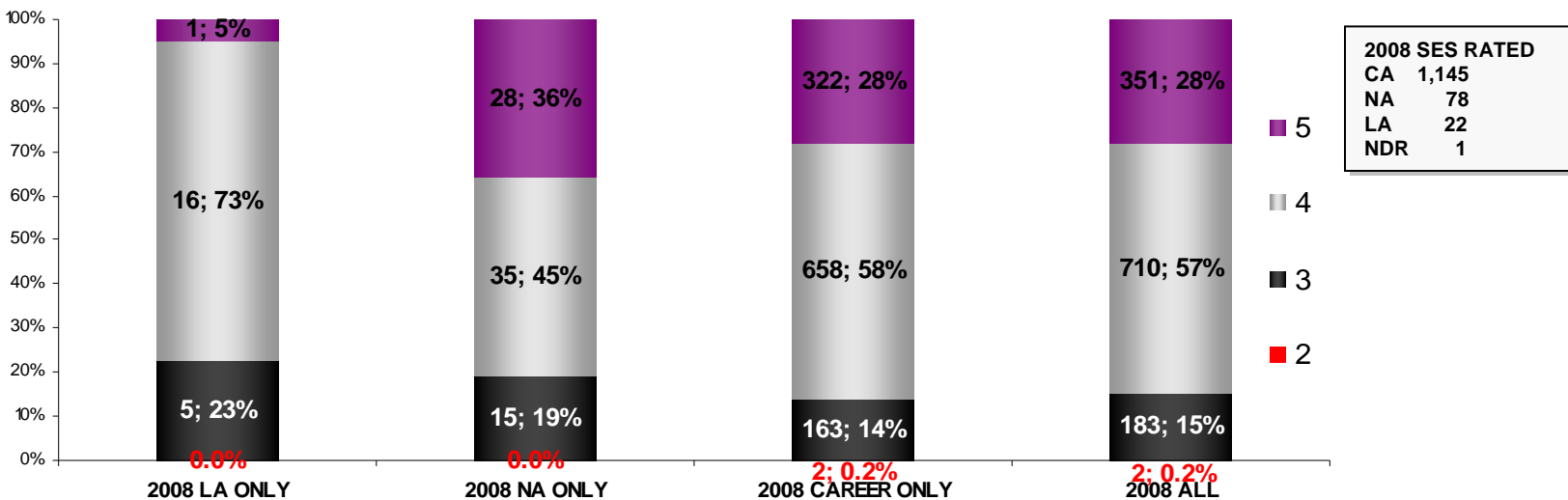
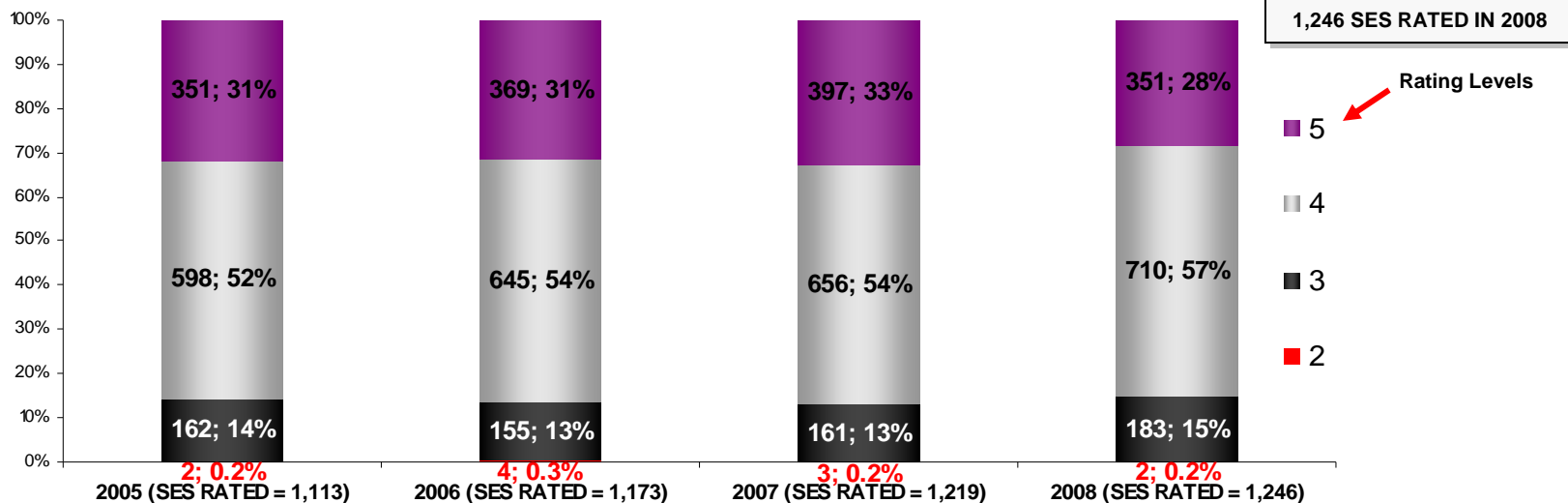
SES Performance Payout Results (2005-2008)

DoD-Wide

Results at a Glance (For Rated SES, unless otherwise noted):	2005	2006	2007	2008
Total Number (#) of SES/DISES Leaders	1,144	1,192	1274	1303
Total # Rated SES/DISES (career, non-career and limited term)				1246
Number of Executives Rated/Not Rated	1,113/31	1,173/19	1,219/55	1246/57
Performance Rating Levels	Level 2 (.2%) Level 3 (14%) Level 4 (52%) Level 5 (31%)	Level 2 (.3%) Level 3 (13%) Level 4 (54%) Level 5 (31%)	Level 2 (.2%) Level 3 (13%) Level 4 (54%) Level 5 (33%)	Level 2 (.2%) Level 3 (15%) Level 4 (57%) Level 5 (28%)
Total Salaries ALL SES	\$164,645,422	\$176,384,924	\$192,431,501	\$203,453,602
Pay Pool Funding Factor (Pay Progression + PAEP + Performance Budget)	~14%	10%	12%	Tier 1 - 11% Tier 2 - 13% Tier 3 - 17% DISES - 13%
Pay Pool Value (Pay Pool Funding Factor X Total Salaries of all covered executives)	\$23,050,359	\$17,638,492	\$23,091,780	\$26,448,964
Unspent Pay Pool	\$4,963,601	\$1,223,894	\$2,374,978	\$2,102,310
Unspent Pay Pool (as % of Total Salaries)	3.01%	0.694%	1.23%	1.03%
Total Performance (Basic) Pay Increase Payouts	\$4,289,948	\$4,786,514	\$6,596,230	\$7,336,412
Avg. Performance (Basic) Pay Increase	\$3,854	\$4,029	\$5,185	\$5,888
Average Salary (after Performance Adjustments) ("New Basic Pay")	\$147,492	\$151,989	\$156,666	\$162,144
Number of Executives Paid Above Executive Level III	N/A	348 (29.19%)	442 (36%)	508 (41%)
Total Performance Pay Increase Payouts (as % of Total Salaries)	2.61%	2.7%	3.4%	3.8%
Total Performance Bonus Payouts	\$13,796,810	\$11,628,084	\$14,120,572	\$15,931,042
Avg. Bonus - \$	\$14,788	\$11,988	\$13,939	\$13,882
Total Performance Bonus (as % of Total Salaries)	9.6%	5.5%	8.0%	8.8%
Percent of Rated SES Members Receiving a Bonus	85.3%	91.0%	88.4%	88%

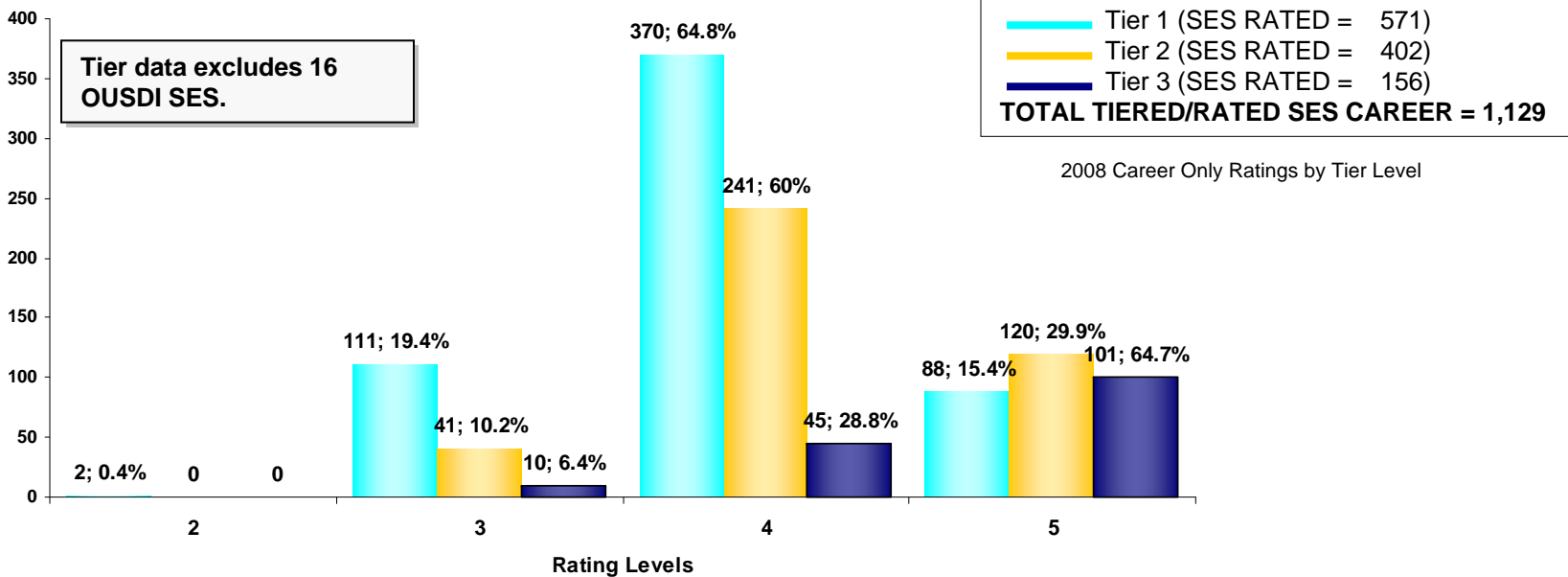
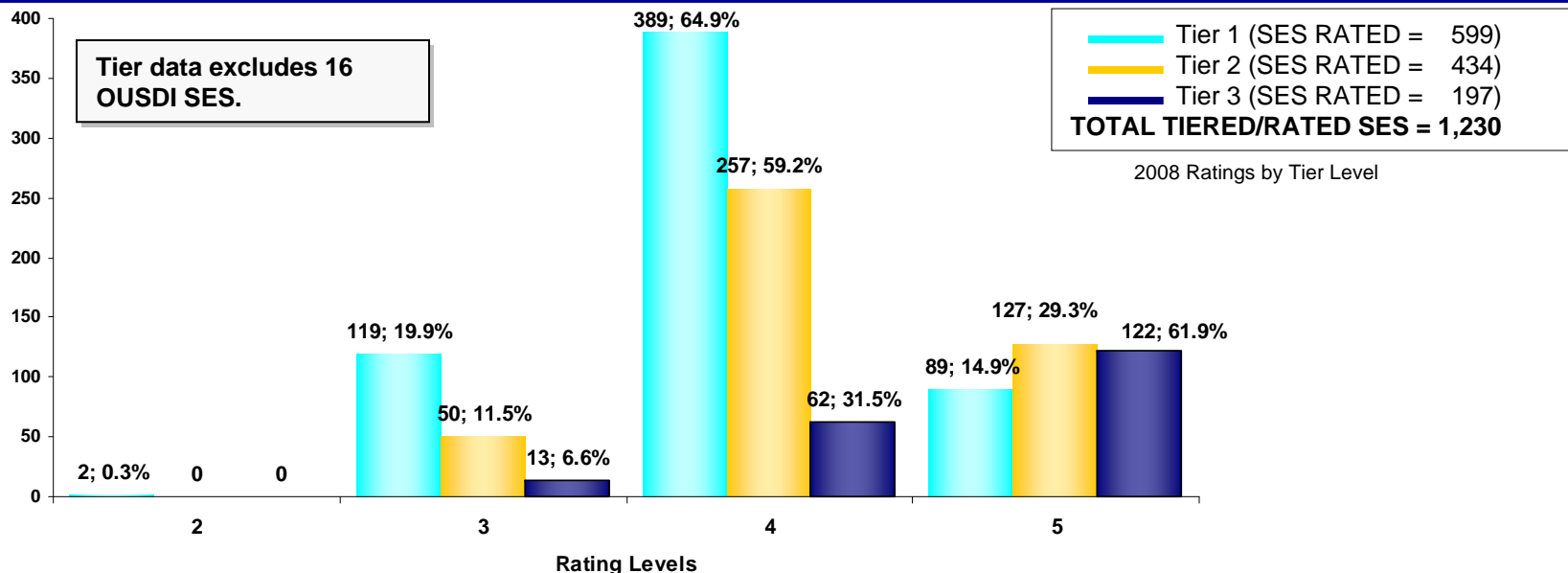


Distribution of SES Ratings (2005-2008) DoD-Wide



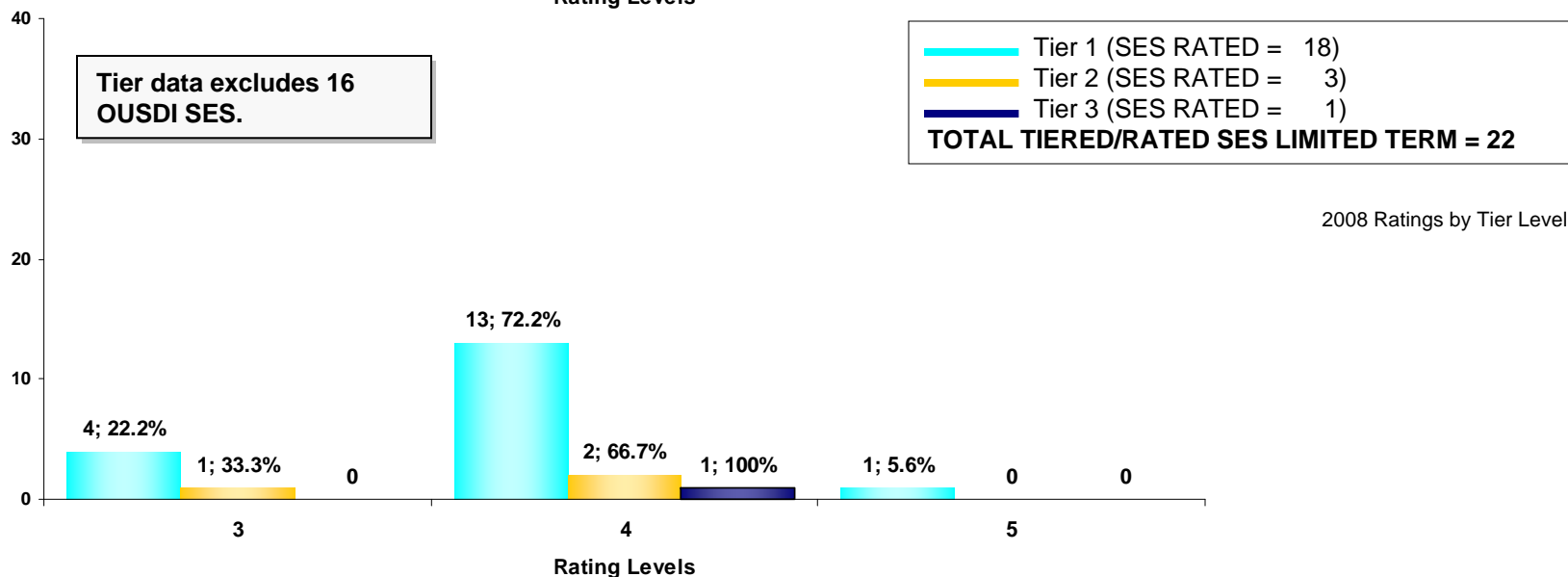
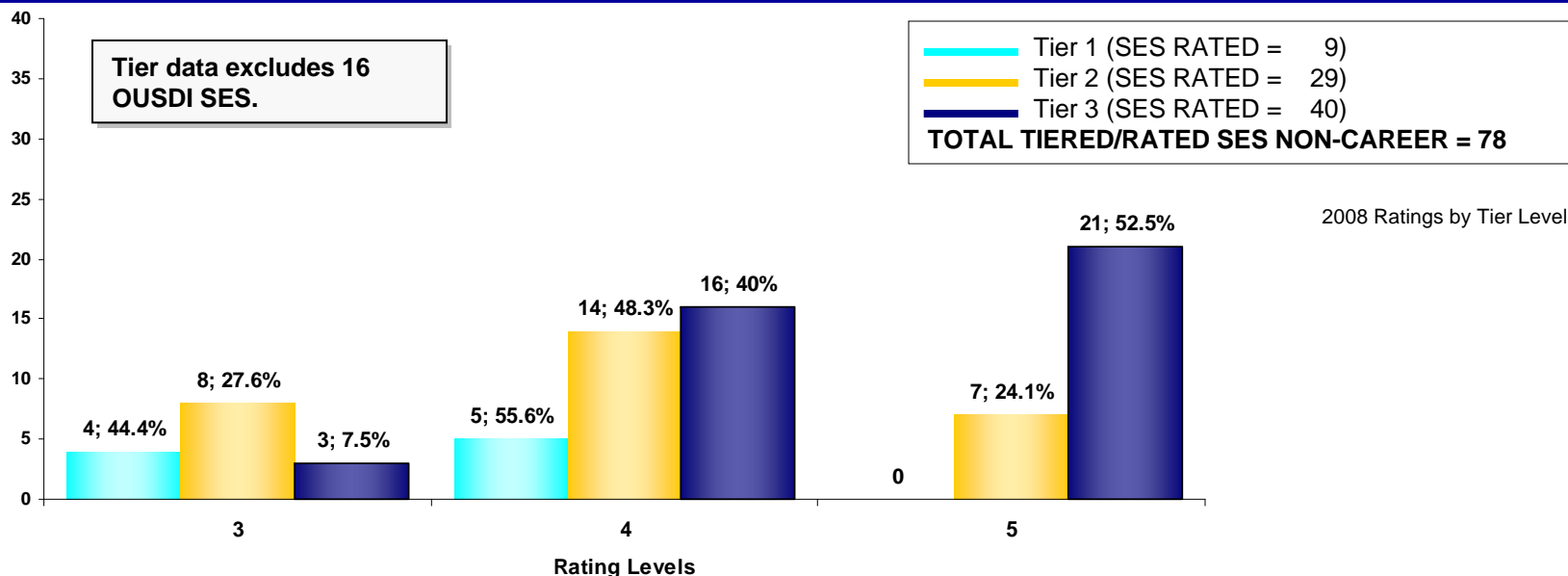


Distribution of SES Ratings (2008) DoD-Wide by Tier



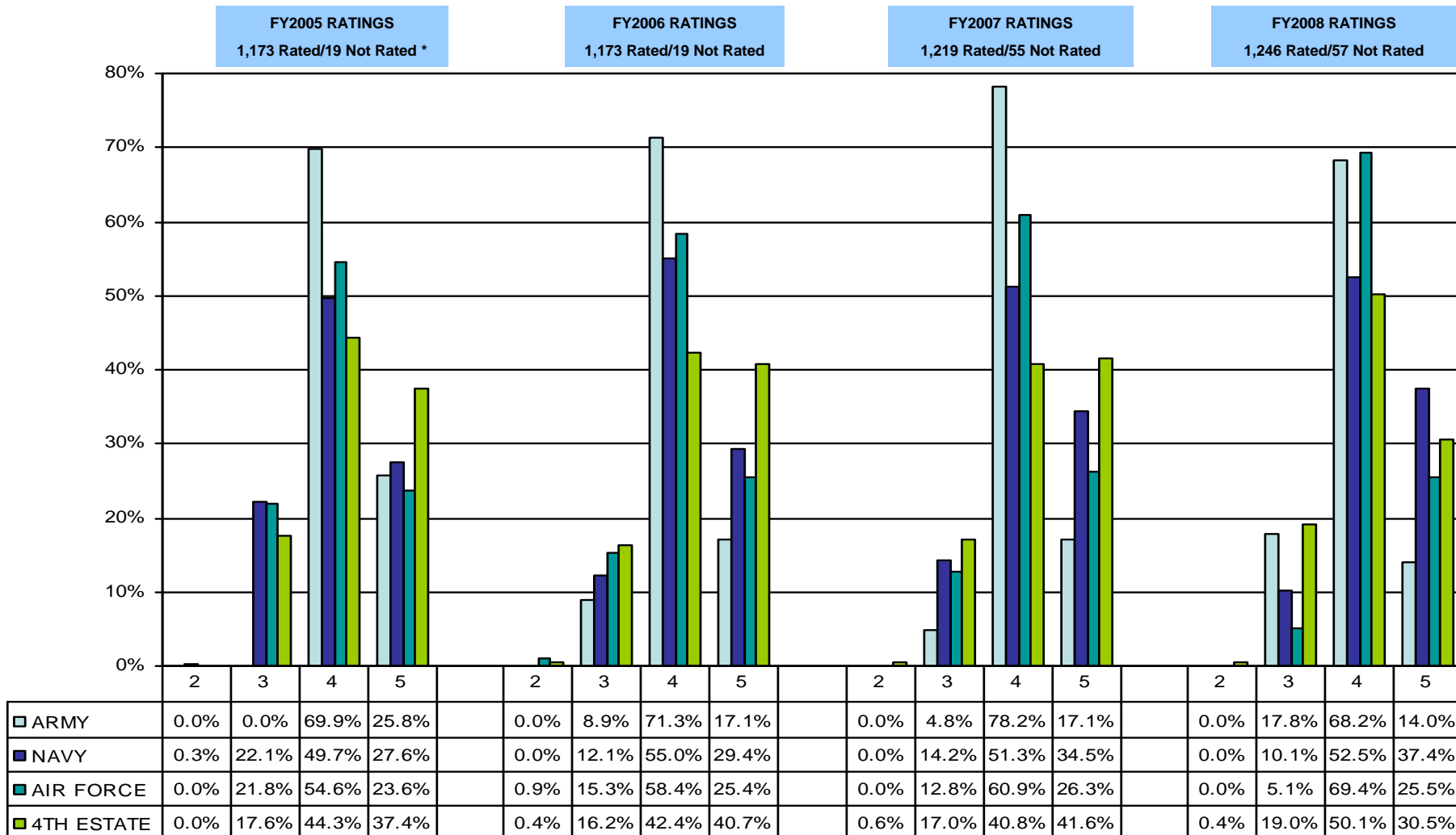


Distribution of SES Ratings (2008) DoD-Wide by Tier





SES Performance Ratings(2005-2008) By Component

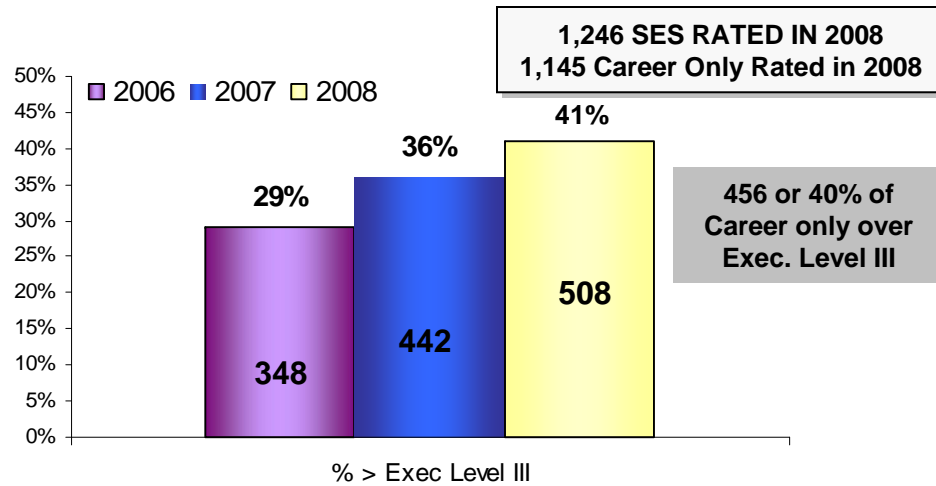
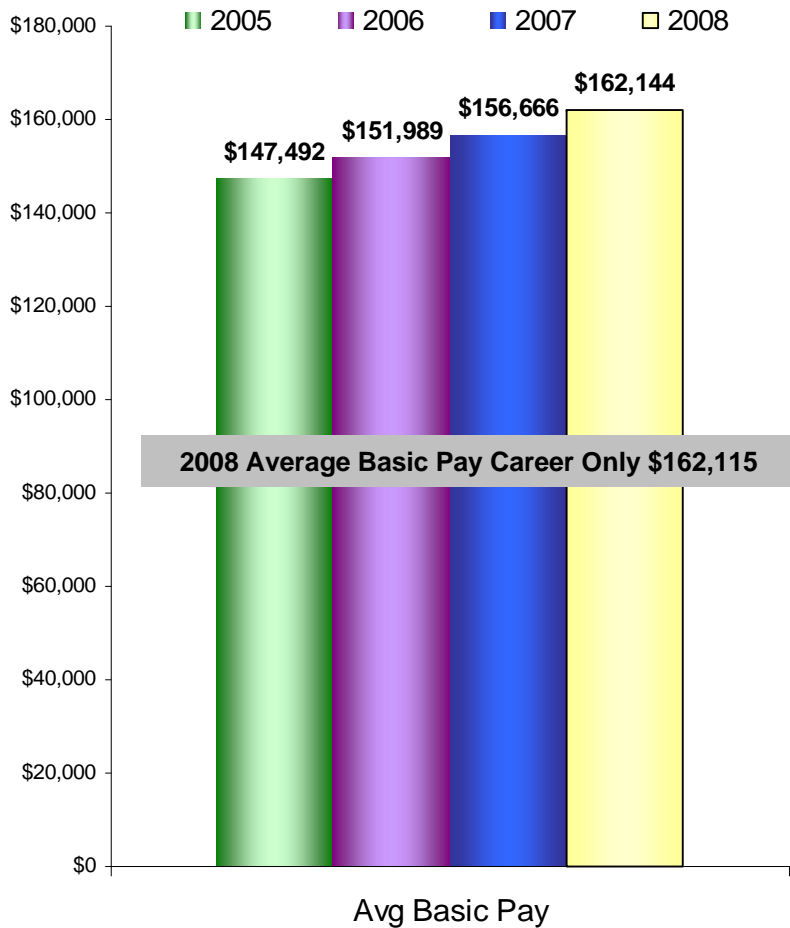


This analysis includes career, non-career and limited appointment SES leaders.

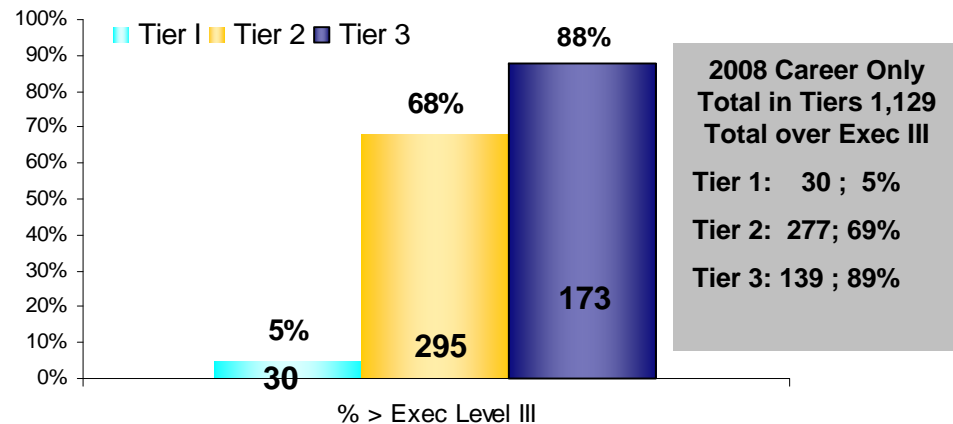
* SES leaders not rated are those who were on board for less than 90 days before the end of the appraisal period.



SES Average Basic Pay (2005-2008) DoD-Wide

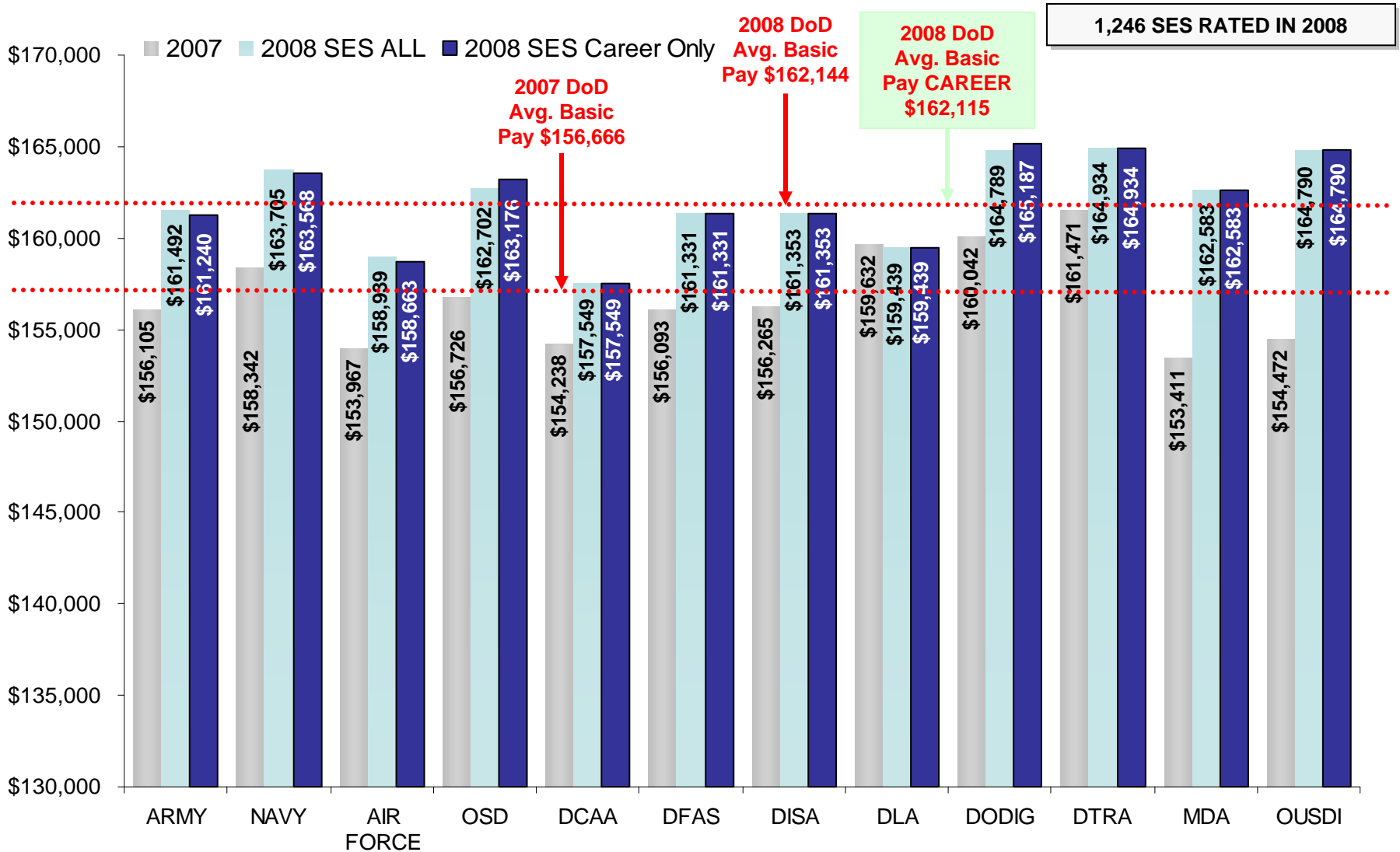


Tier Data below only contains 2008 Data. 1,230 Rated SES were in Tiers in 2008. 498 or 40% were over Exec Level III. Tier data excludes 16 OUSDI SES.



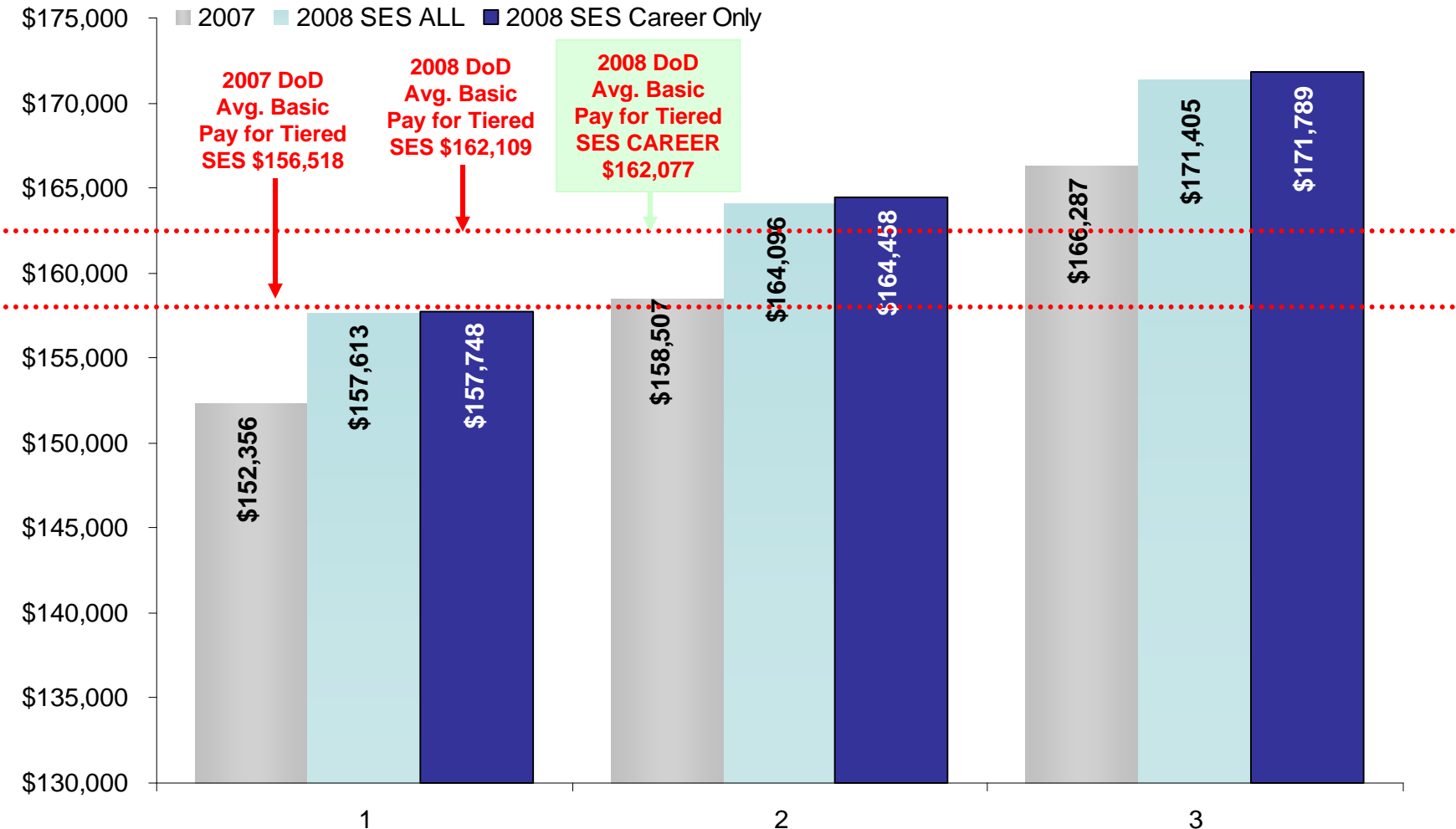


SES Average Basic Pay (2007-2008) DoD-Wide by Component





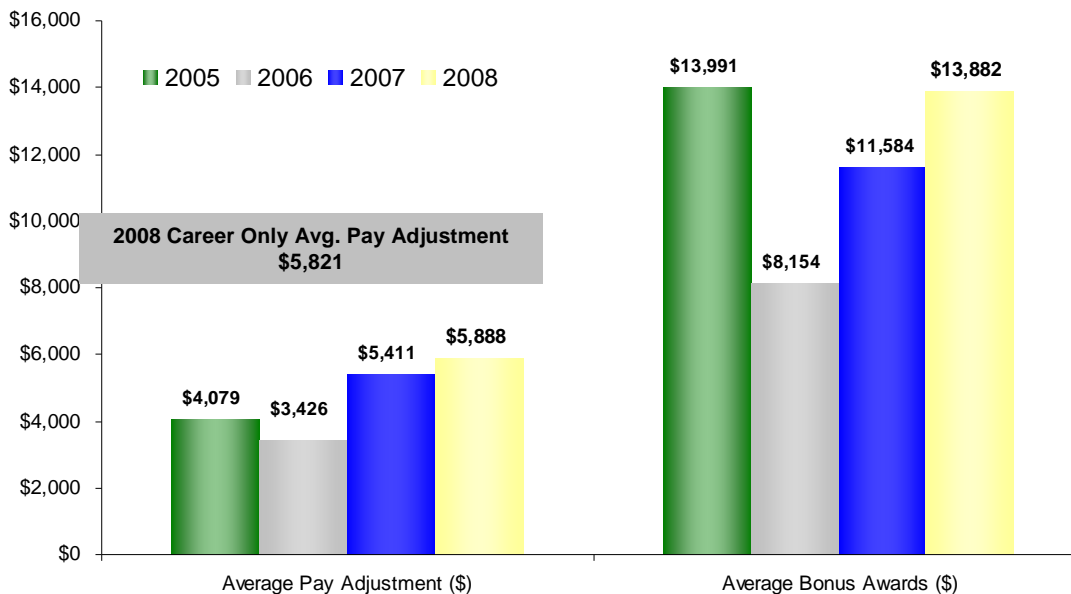
SES Average Basic Pay (2007-2008) DoD-Wide by Tier



1,230 Rated SES were in Tiers in 2008. Tier data excludes 16 OUSDI SES.



SES Average Pay Adjustment and Average Bonus (2005-2008) (by Dollars) DoD-Wide

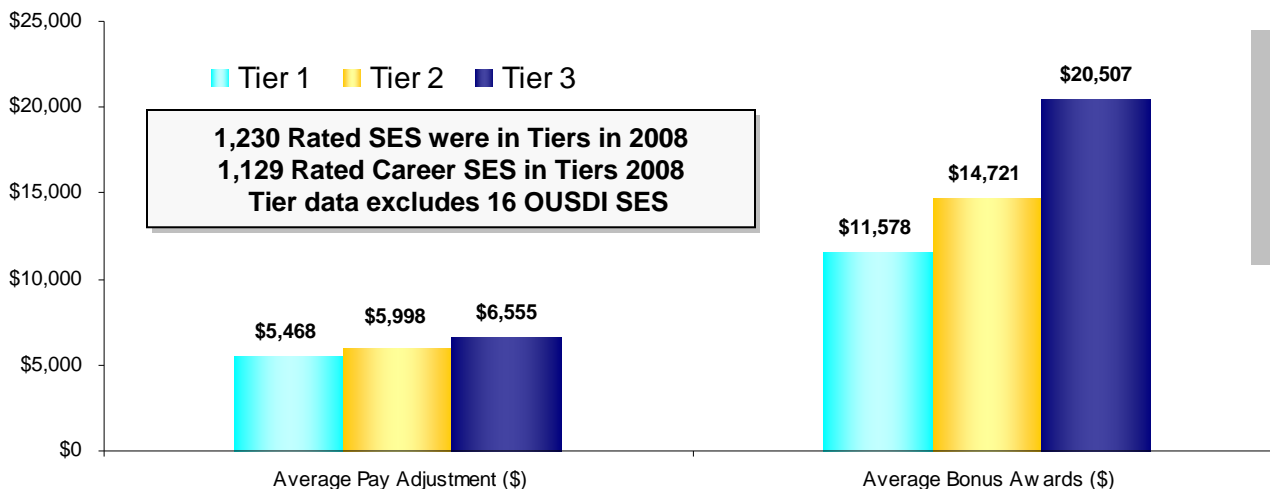


1,246 SES RATED IN 2008
1,145 Career Only Rated in 2008

88% of Rated SES received a bonus in 2008

FY05-07 reflects preliminary data

2008 Career Only Avg. Pay Adjustment
\$5,821



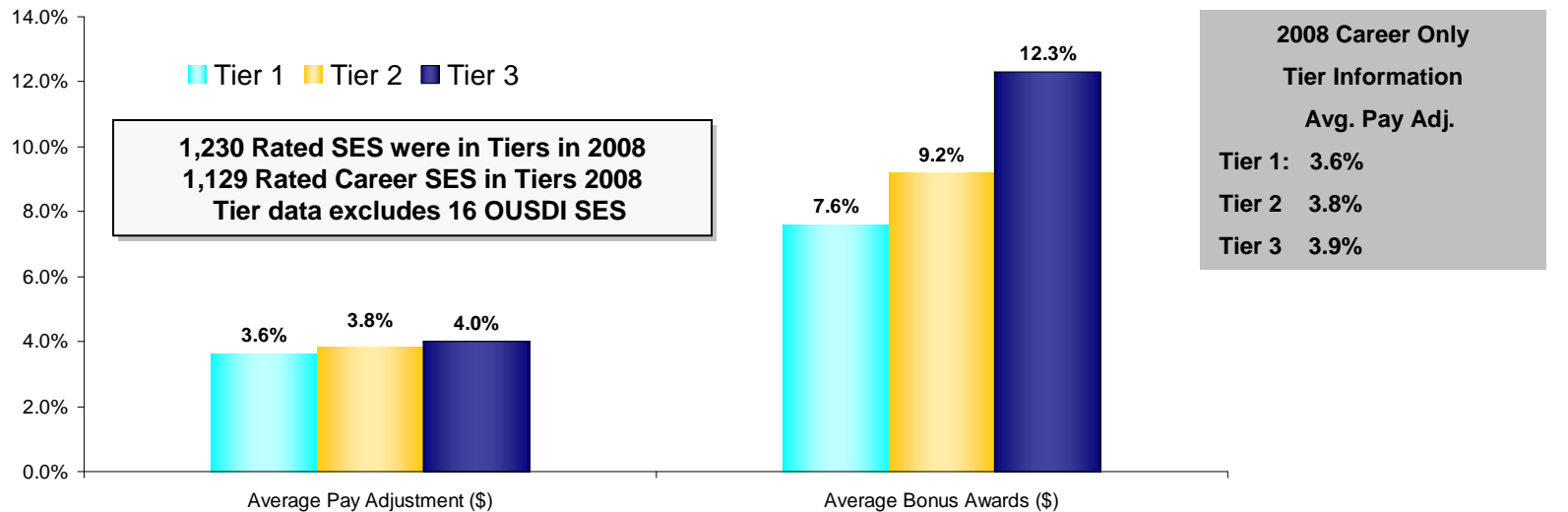
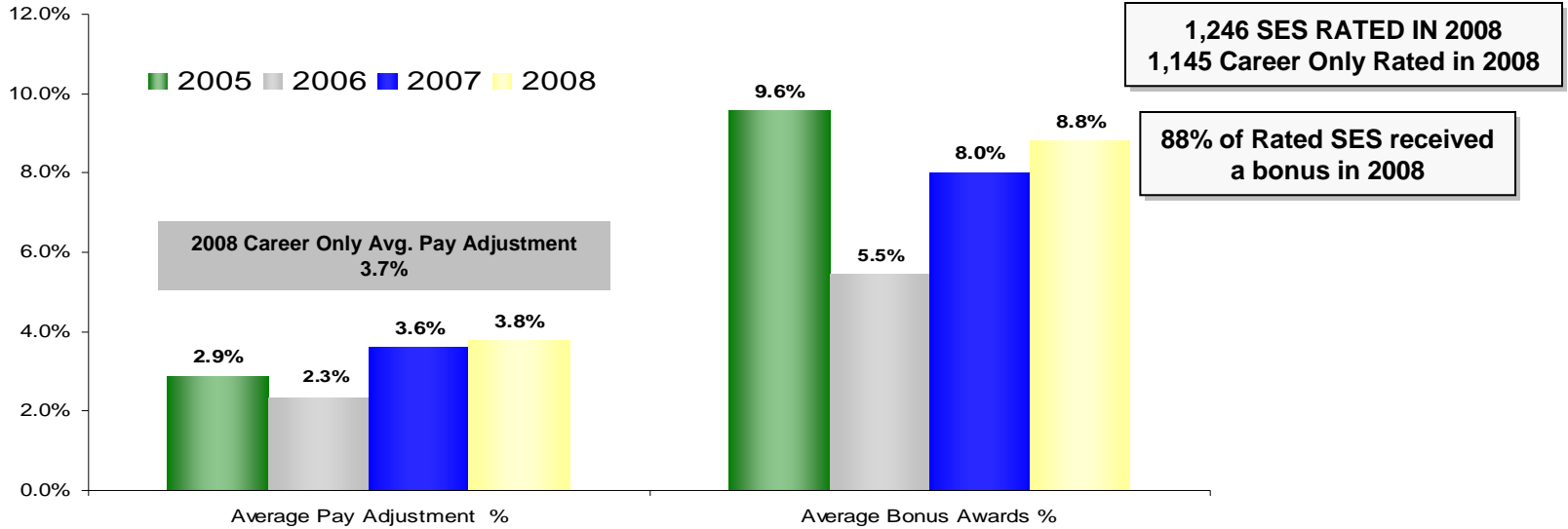
1,230 Rated SES were in Tiers in 2008
1,129 Rated Career SES in Tiers 2008
Tier data excludes 16 OUSDI SES

2008 Career Only Tier Information
Avg. Pay Adj.
Tier 1: \$5,440
Tier 2 \$5,956
Tier 3 \$6,403

2008 by Tier Level



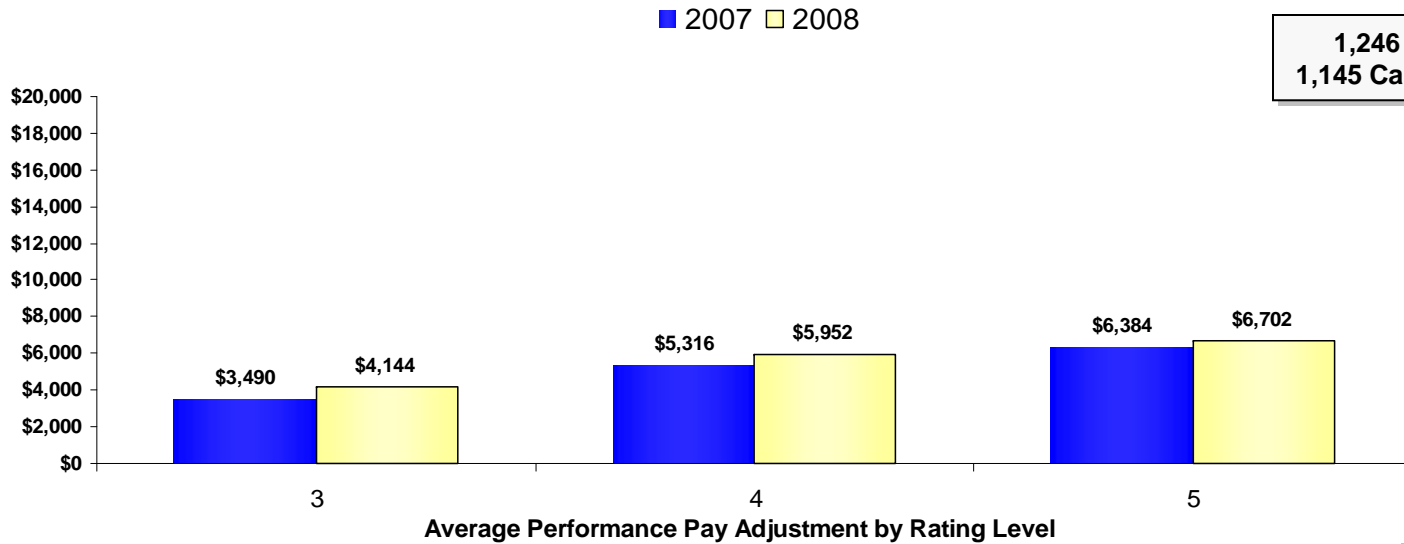
SES Average Pay Adjustment and Average Bonus (2005-2008) (by Percent) DoD-Wide



2008 by Tier Level

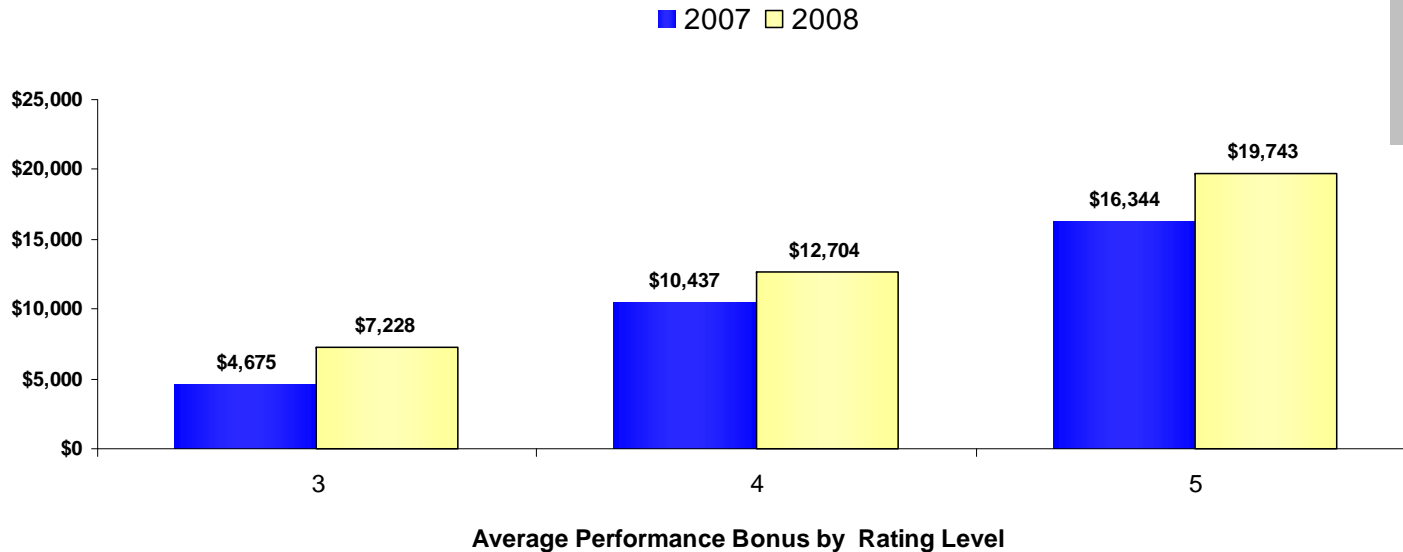


SES Average Pay Adjustment and Average Bonus (2007-2008) (by Rating Level) DoD-Wide



1,246 SES RATED IN 2008
1,145 Career Only Rated in 2008

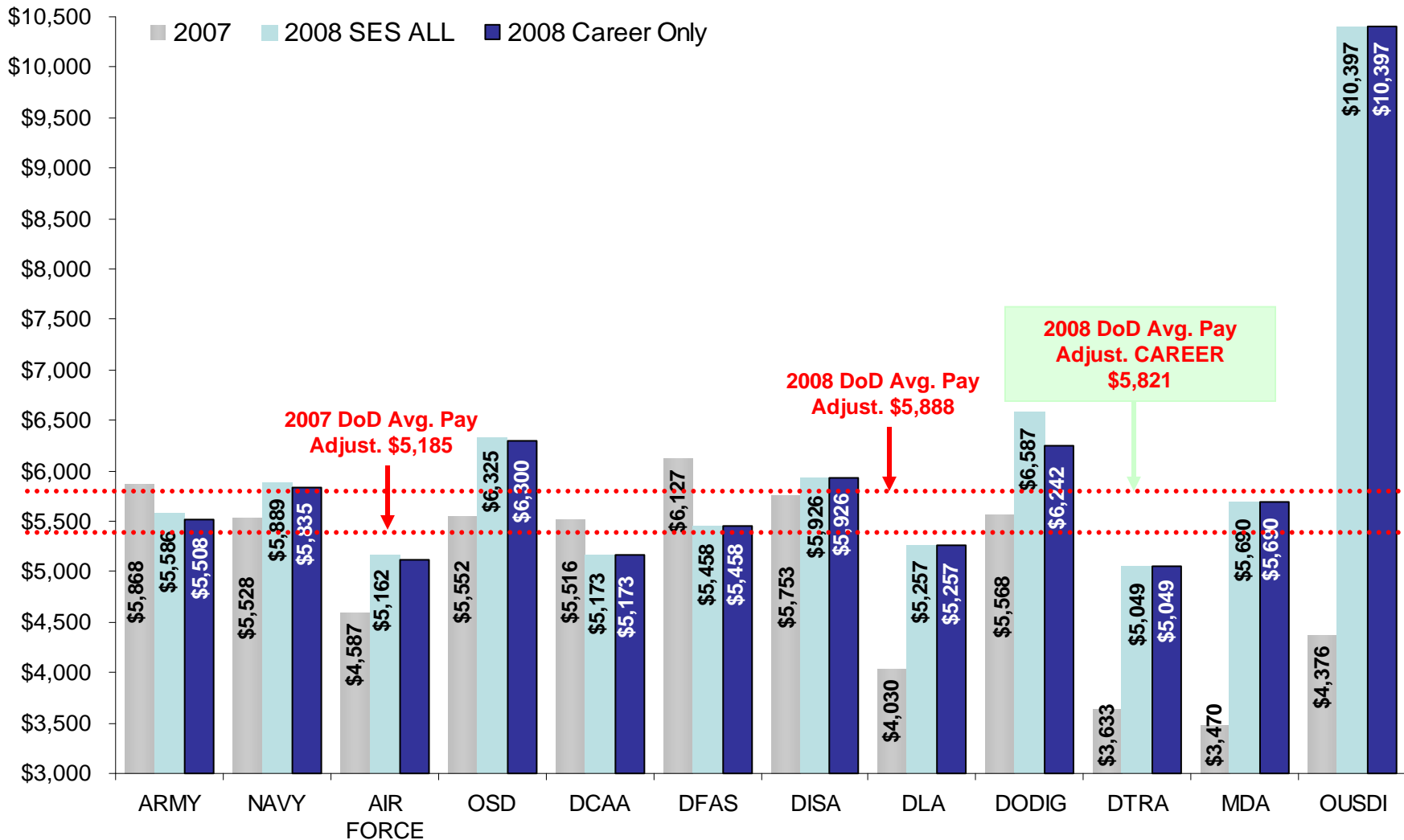
2008 Career Only
Avg. Adj.
3: \$4,088
4: \$5,868
5: \$6,640





SES Average Performance Pay Adjustment (2007-2008) DoD-Wide by Component

1,246 SES RATED IN 2008

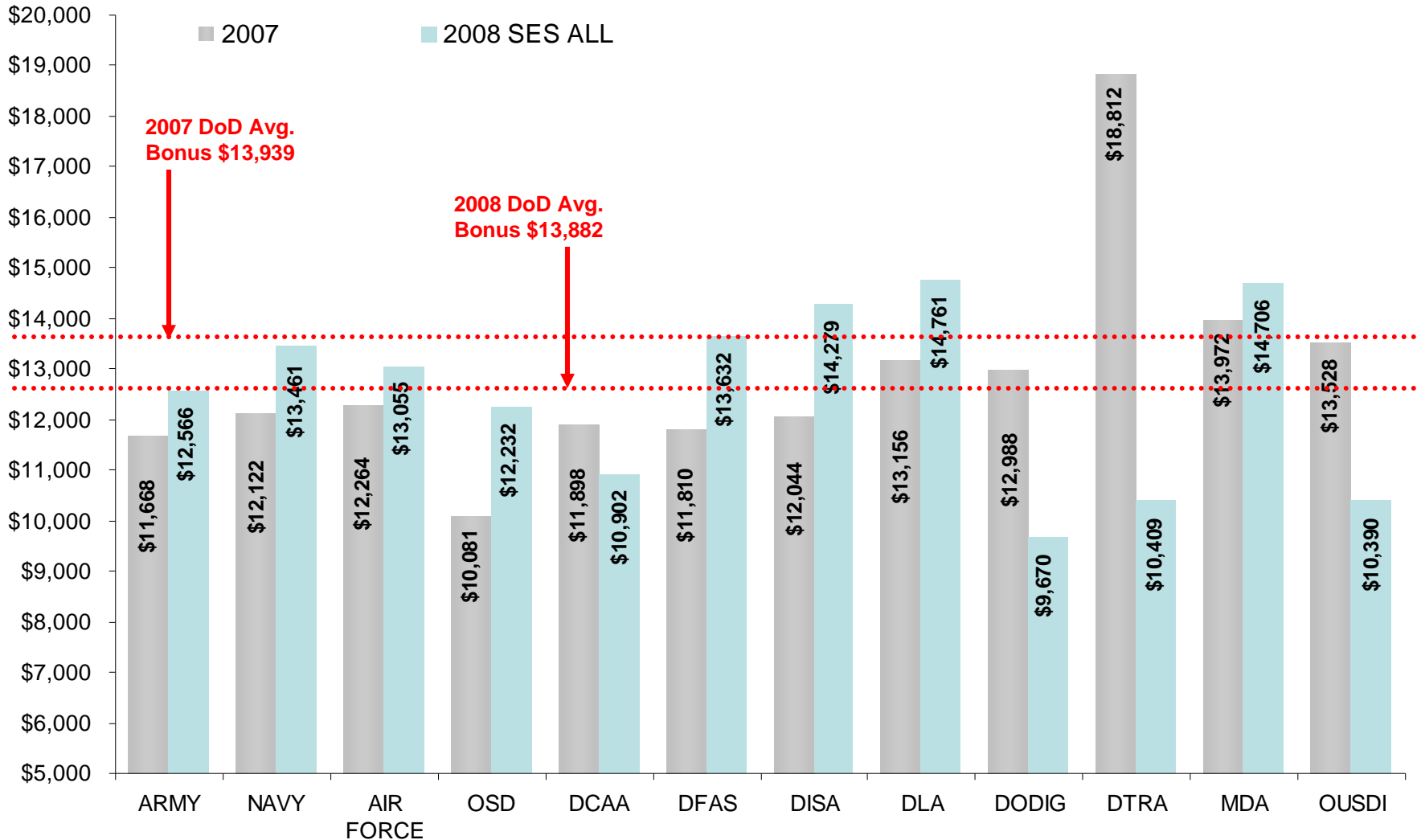


Data for 1246 RATED SES in 2008



SES Average Bonus (2007-2008) DoD-Wide by Component

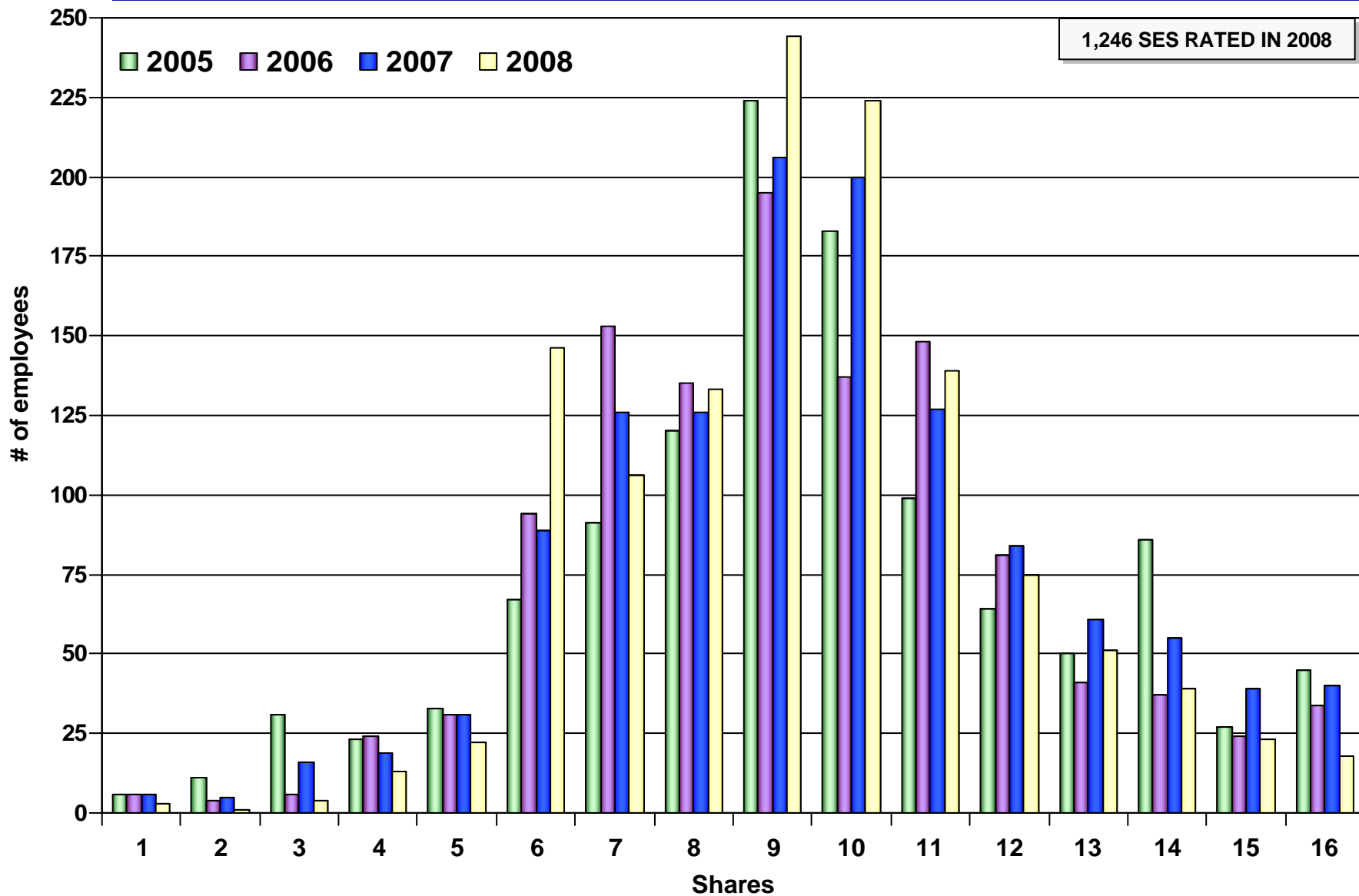
1,246 SES RATED IN 2008



Data for 1246 RATED SES in 2008



SES Distribution of Shares (2005-2008) DoD-Wide

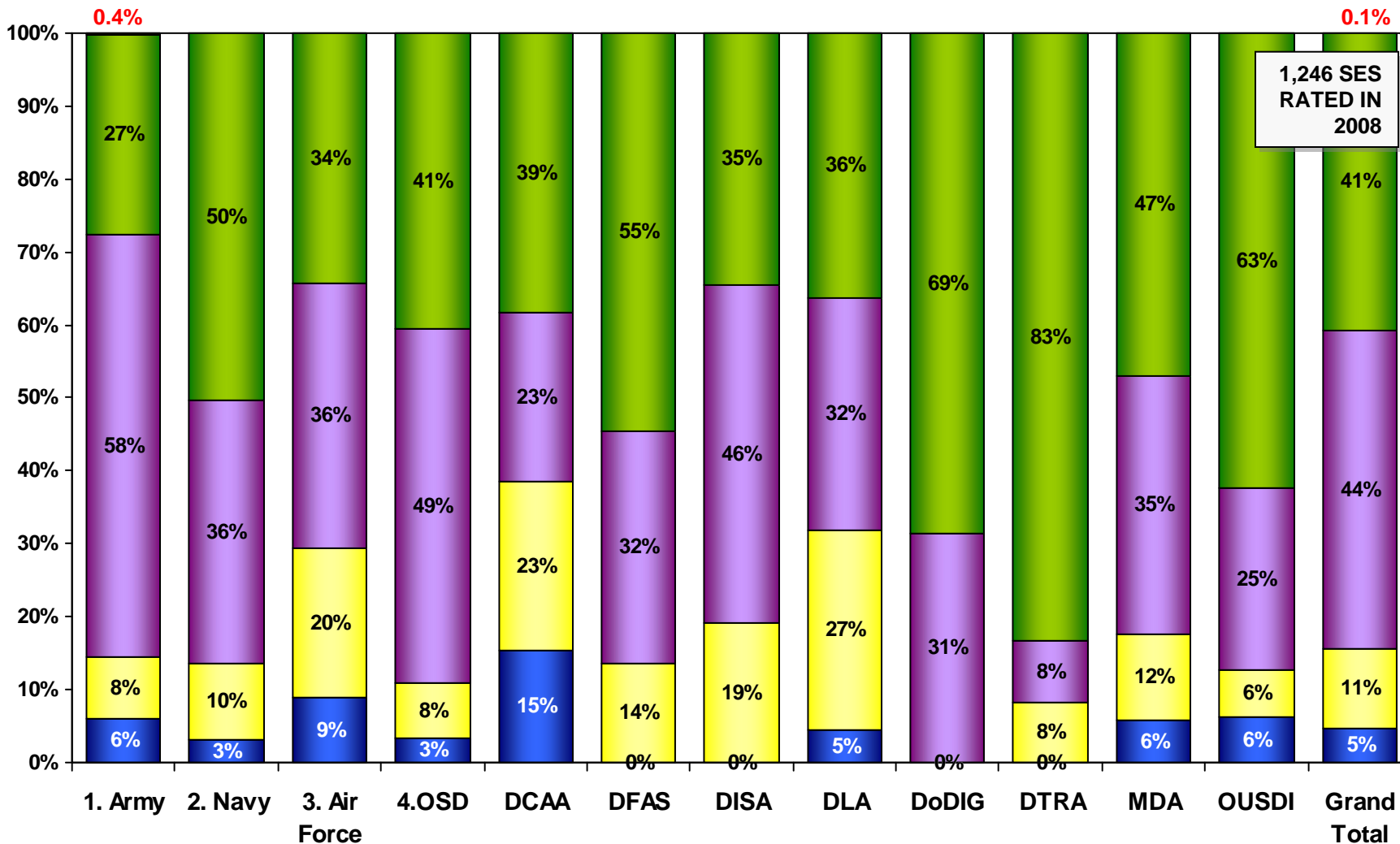


Back Up Slides - DoD-Wide





Percent of SES with Basic Pay (2008) Within Pay Ranges DoD-Wide by Component

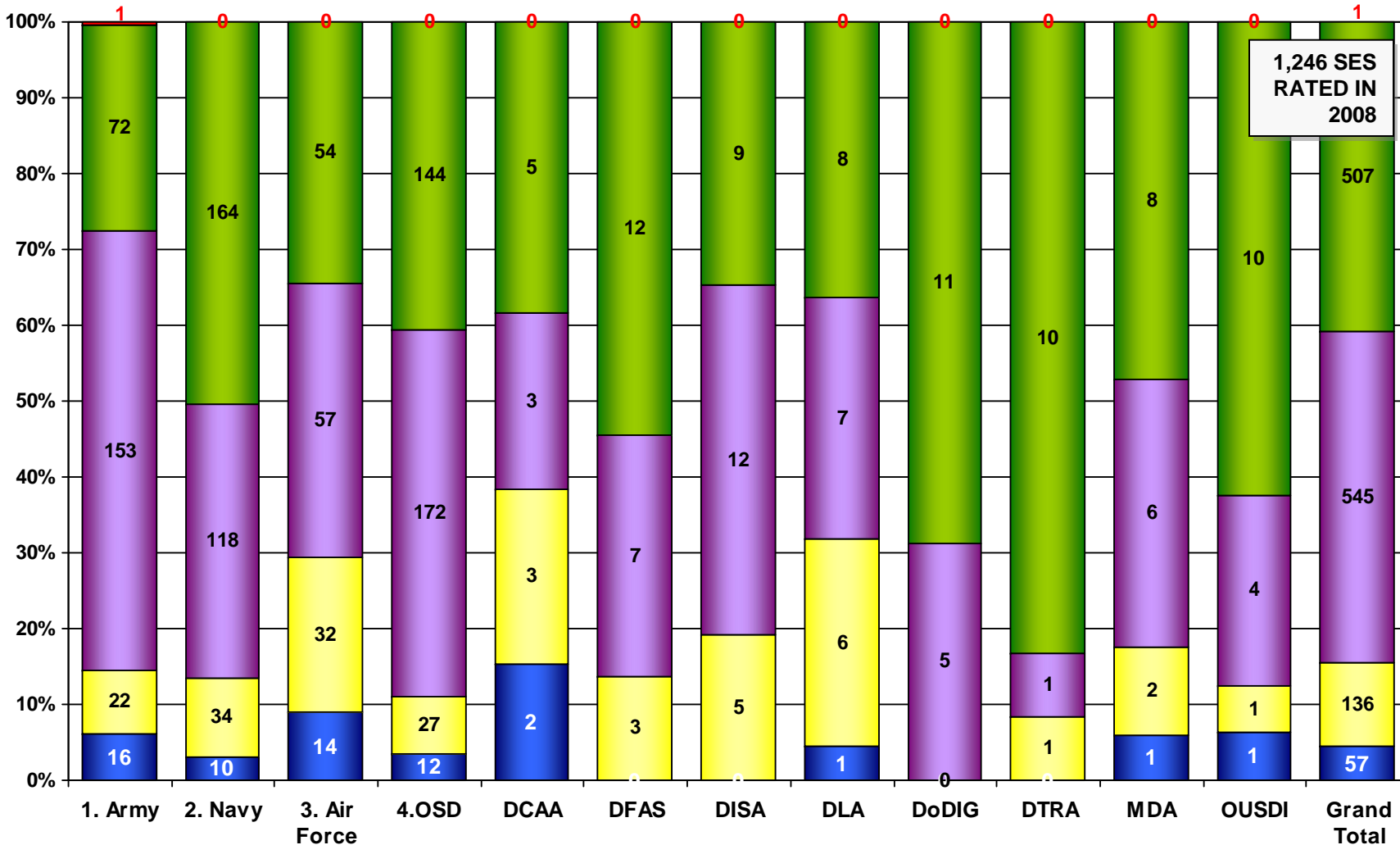


■ < Level V \$143,500
■ <= Level III \$162,900 and > Level IV \$153,200
■ <= Level I \$196,700 and > Level II \$177,000

■ <= Level IV \$153,200 and > Level V \$143,500
■ <= Level II \$177,000 and > Level III \$162,900



Number of SES with Basic Pay (2008) Within Pay Ranges DoD-Wide by Component



1,246 SES
RATED IN
2008

■ < Level V \$143,500

■ <= Level III \$162,900 and > Level IV \$153,200

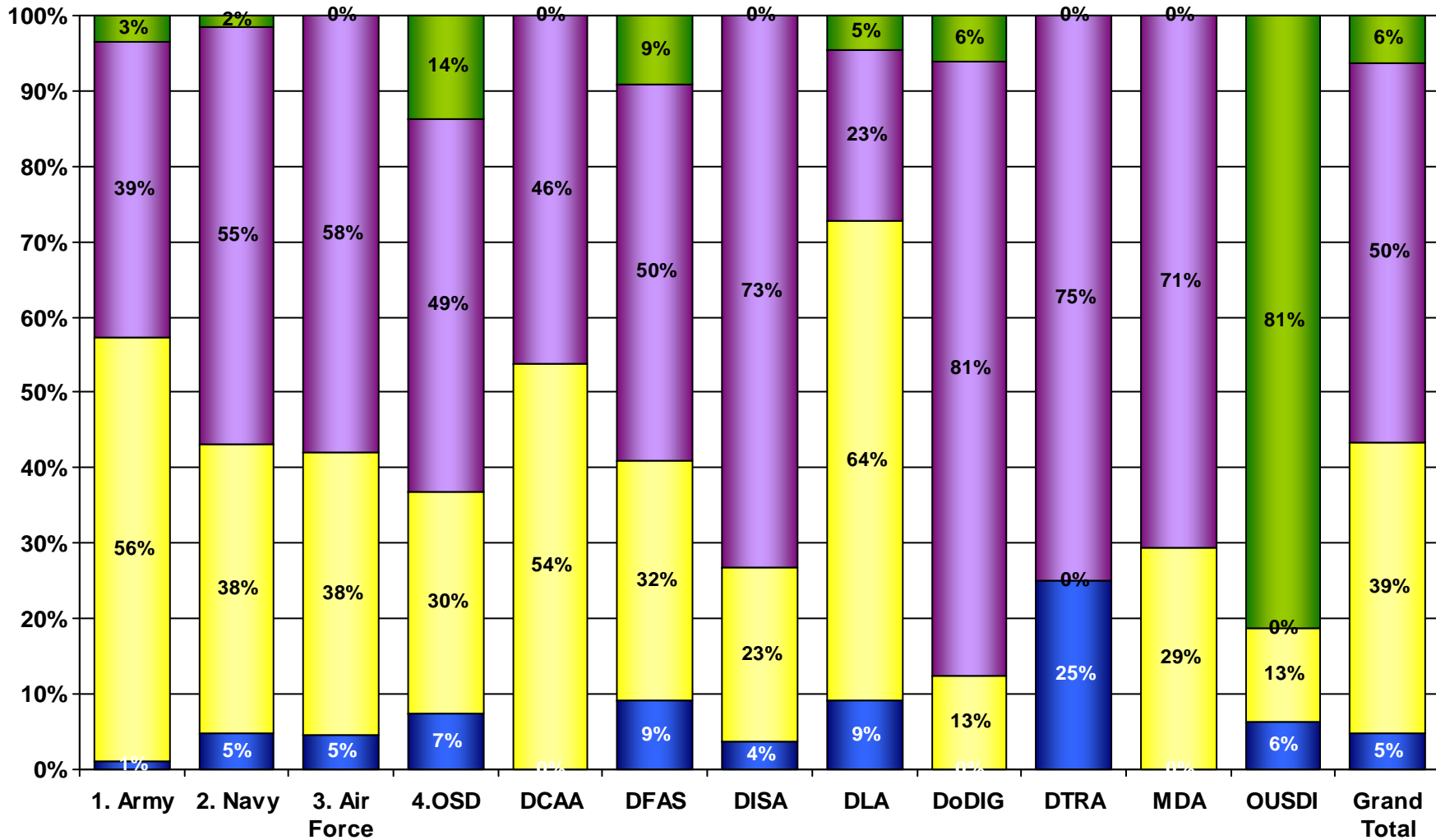
■ <= Level I \$196,700 and > Level II \$177,000

■ <= Level IV \$153,200 and > Level V \$143,500

■ <= Level II \$177,000 and > Level III \$162,900



Percent of SES with Pay Adjustments (2008) Within Pay Ranges DoD-Wide by Component

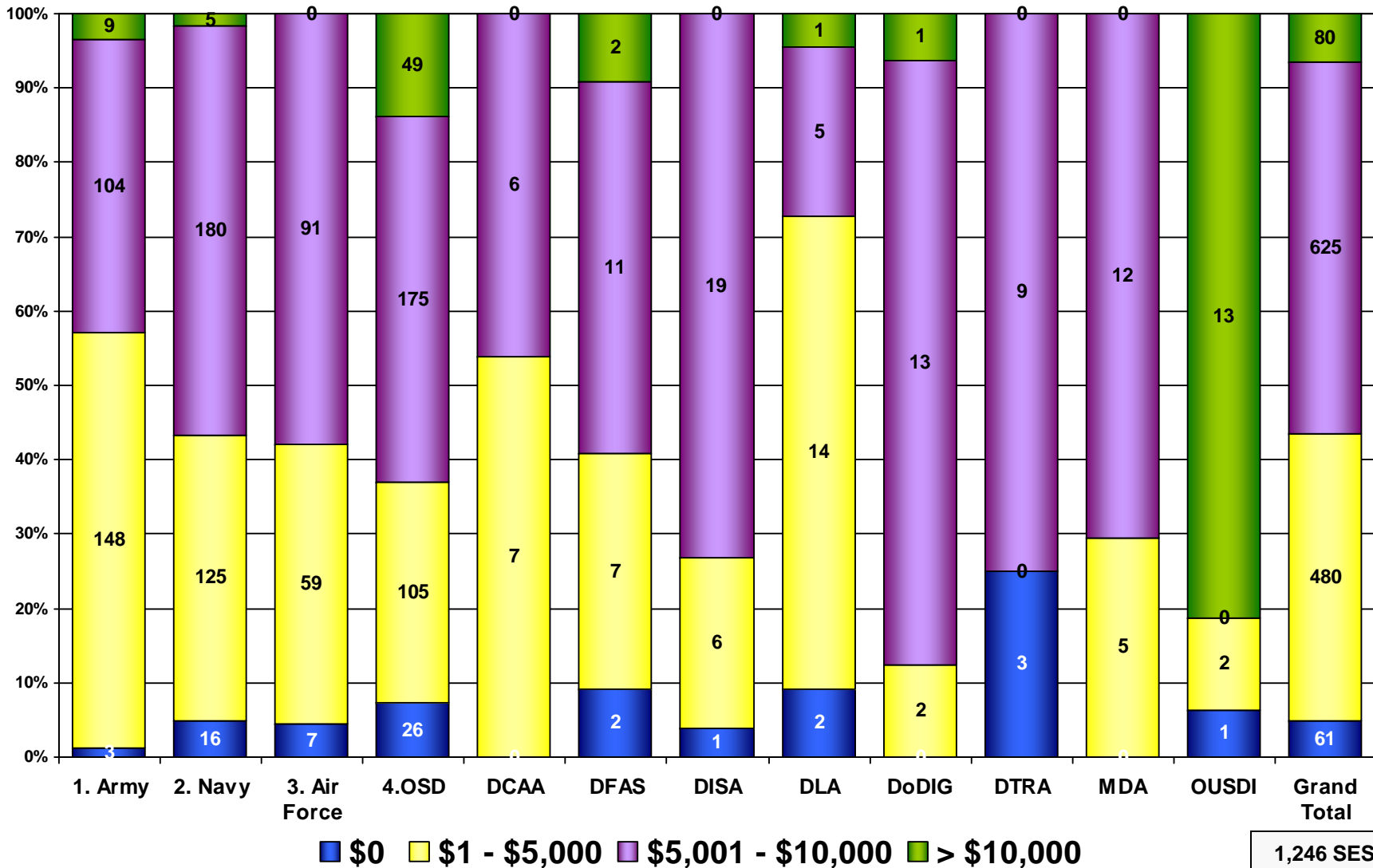


■ \$0
 ■ \$1 - \$5,000
 ■ \$5,001 - \$10,000
 ■ > \$10,000

1,246 SES
RATED IN
2008



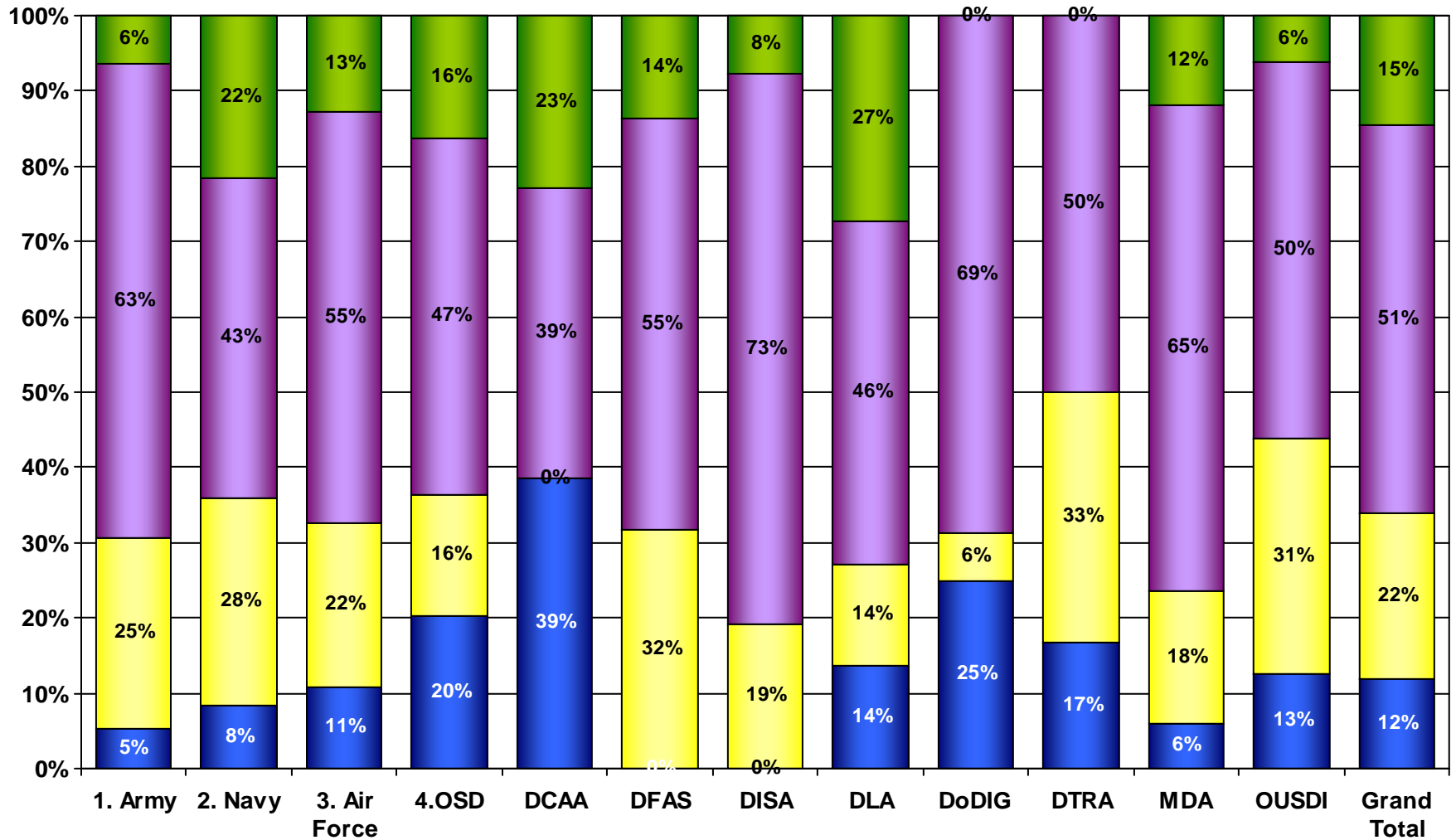
Number of SES with Pay Adjustments (2008) Within Pay Ranges DoD-Wide by Component



1,246 SES
RATED IN
2008



Percent of SES with Bonuses (2008) Within Pay Ranges DoD-Wide by Component

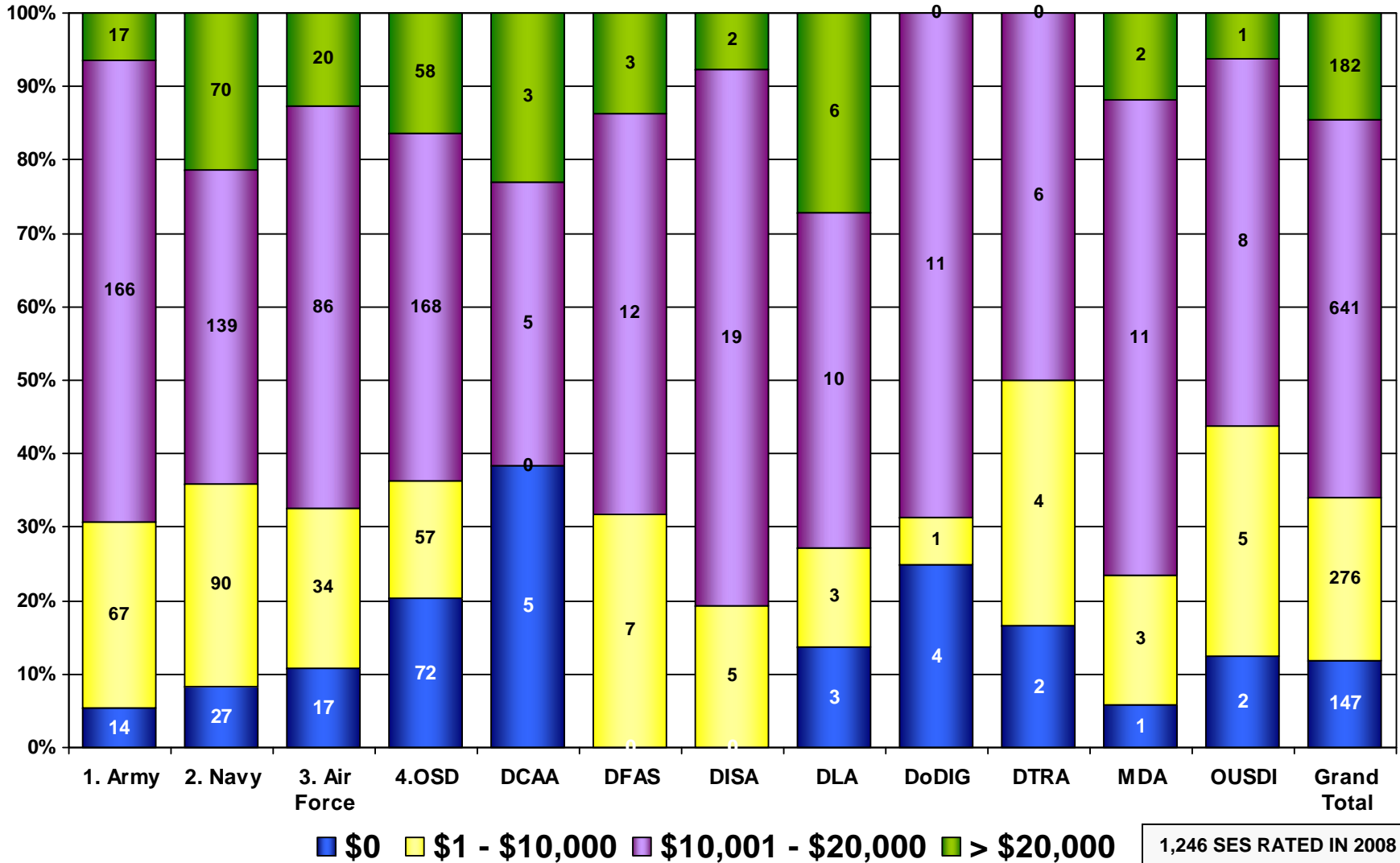


■ \$0
 ■ \$1 - \$10,000
 ■ \$10,001 - \$20,000
 ■ > \$20,000

1,246 SES
RATED IN
2008

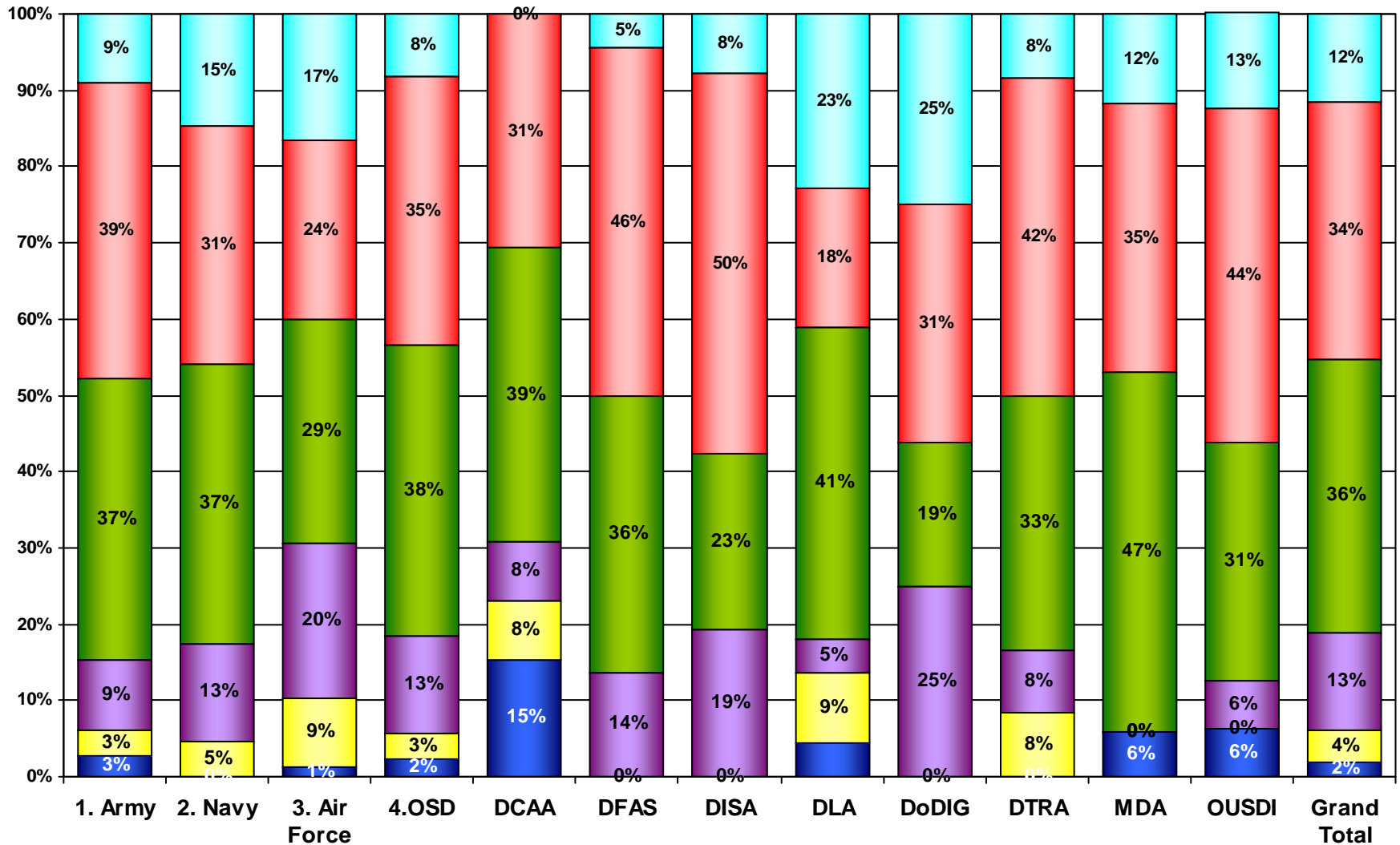


Number of SES with Bonuses (2008) Within Pay Ranges DoD-Wide by Component





Percent of SES with Total Aggregate Pay (2008) Within Pay Ranges DoD-Wide by Component

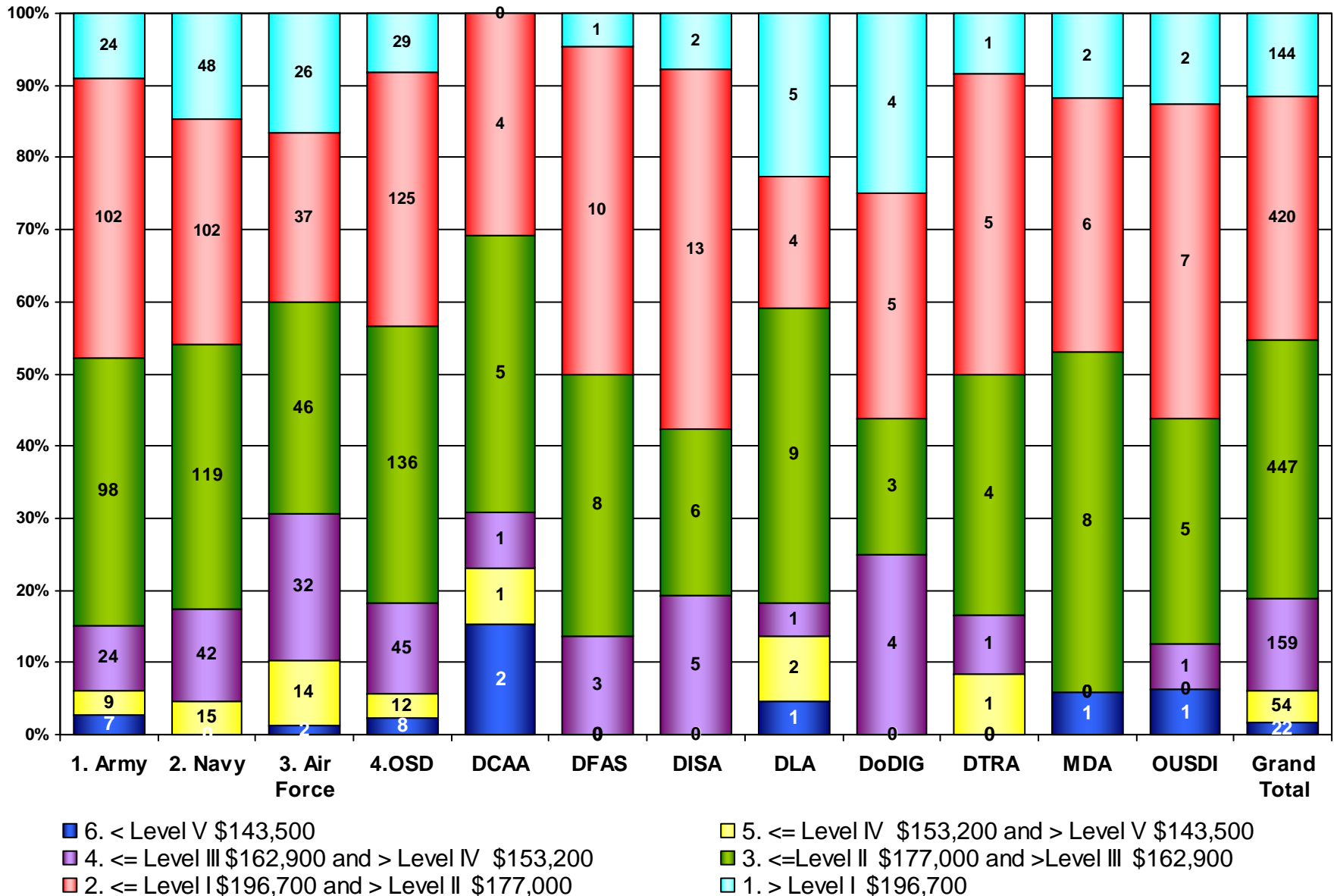


■ 6. < Level V \$143,500
 ■ 4. <= Level III \$162,900 and > Level IV \$153,200
 ■ 2. <= Level I \$196,700 and > Level II \$177,000

■ 5. <= Level IV \$153,200 and > Level V \$143,500
 ■ 3. <= Level II \$177,000 and > Level III \$162,900
 ■ 1. > Level I \$196,700



Number of SES Total Aggregate Pay Within Pay Ranges (2008) DoD-Wide



SES Back Up Slides Continued DoD Components and Defense Agencies



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SES Performance Payout Results (2008)

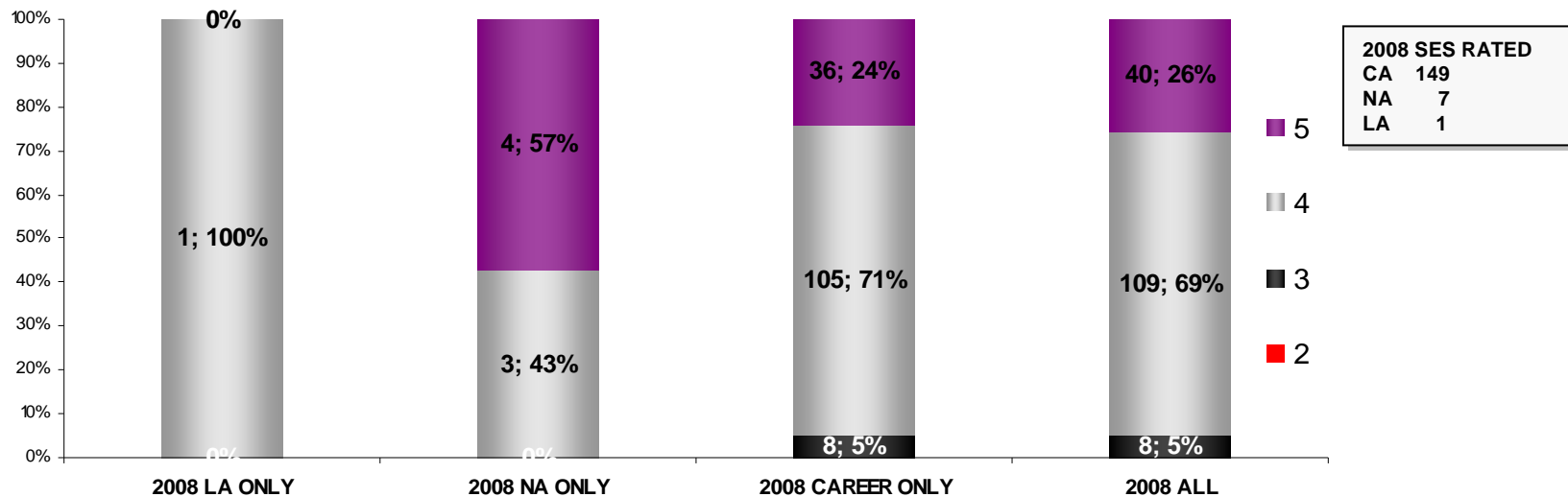
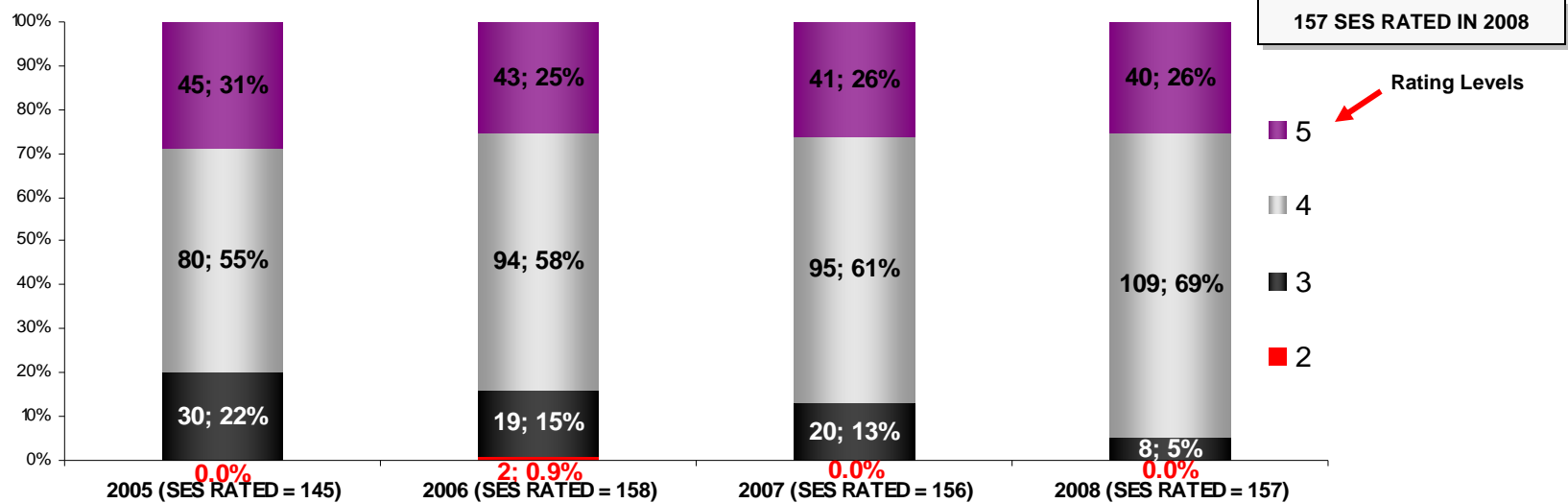
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2008 Results at a Glance (For Rated SES, unless otherwise noted)	2008
Total Number (#) of SES Leaders	165
Total # Rated SES (career, non-career and limited term)	157
Total Salaries	\$25,364,670
Total Salaries of Rated SES	\$24,143,025
Pay Pool Funding Factor (Pay Progression + PAEP + Performance Budget)	Tier 1 - 11% Tier 2 - 13% Tier 3 - 17%
Pay Pool Value (Pay Pool Funding Factor X Total Salaries of all covered executives)	\$3,297,407
Total Performance (Basic) Pay Increase Payouts	\$810,476
Avg. Performance (Basic) Pay Increase	\$5,162
Total Performance Bonus Payouts	\$2,049,676
Avg. Bonus Payout	\$13,055
Unspent Pay Pool	\$437,255
Unspent Pay Pool (as a % of total rated salaries)	1.72%
Total Performance (Basic) Pay Increase Payouts (as % of Total Salaries)	3.2%
Total Performance Bonus Payouts (as % of Total Salaries)	8.1%



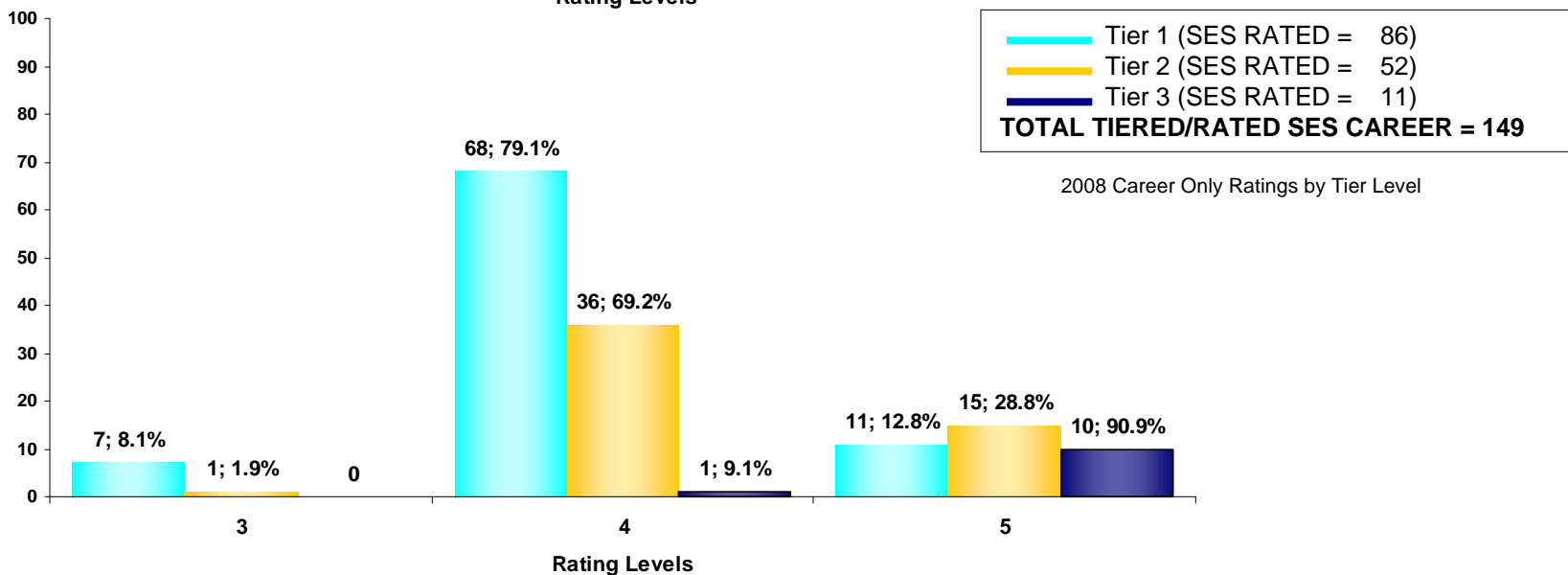
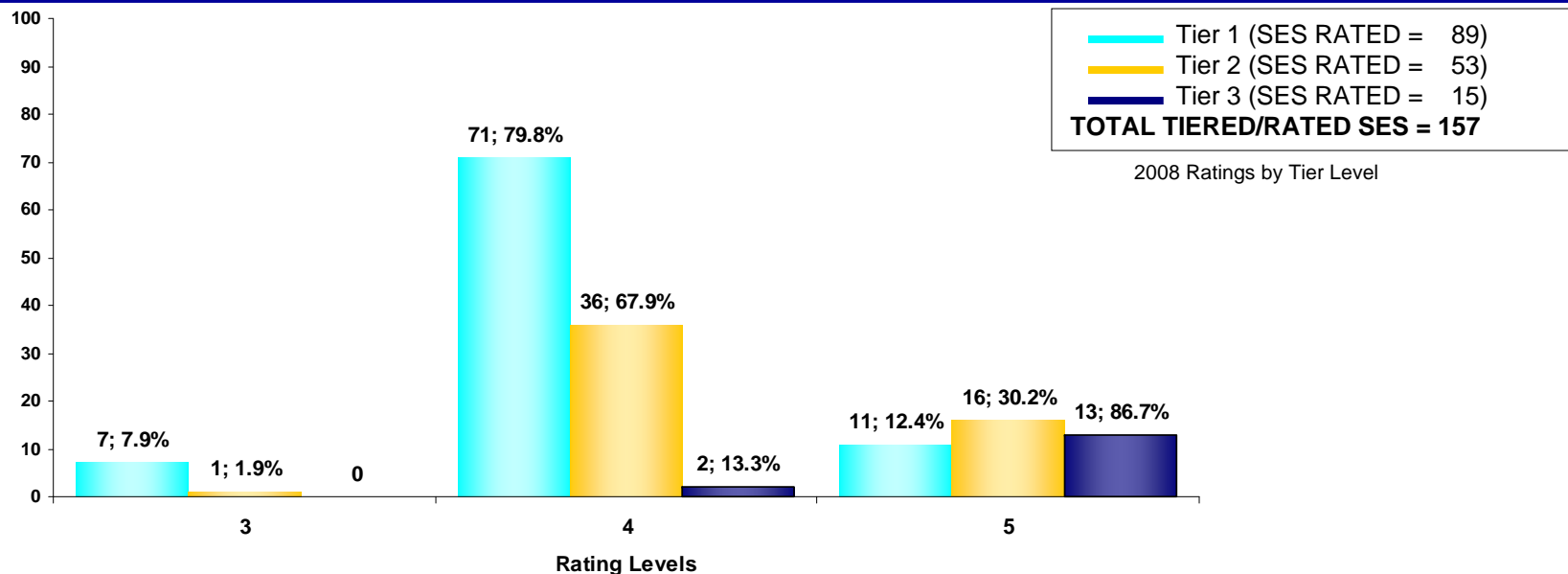
Distribution of SES Ratings (2005-2008)

AIR FORCE



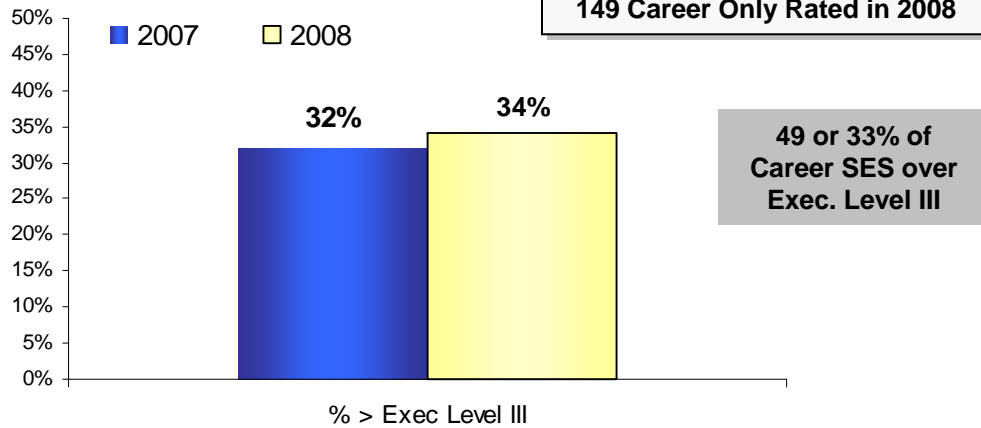
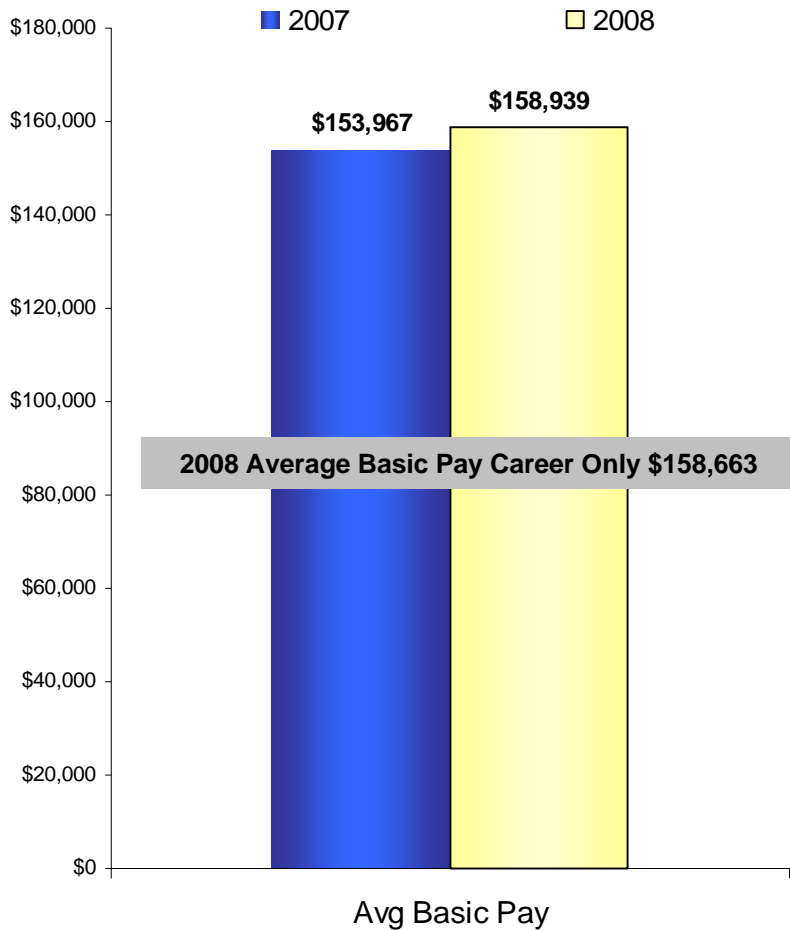


Distribution of SES Ratings (2008) AIR FORCE

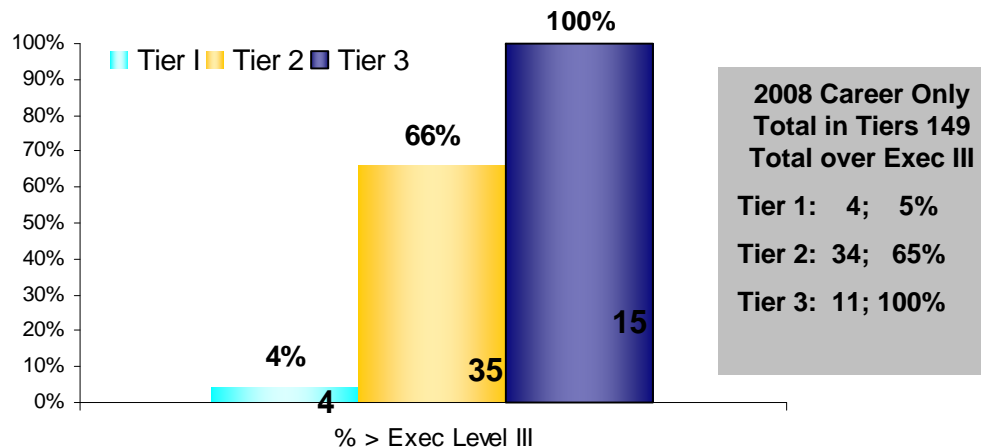




SES Average Basic Pay (2007-2008) AIR FORCE

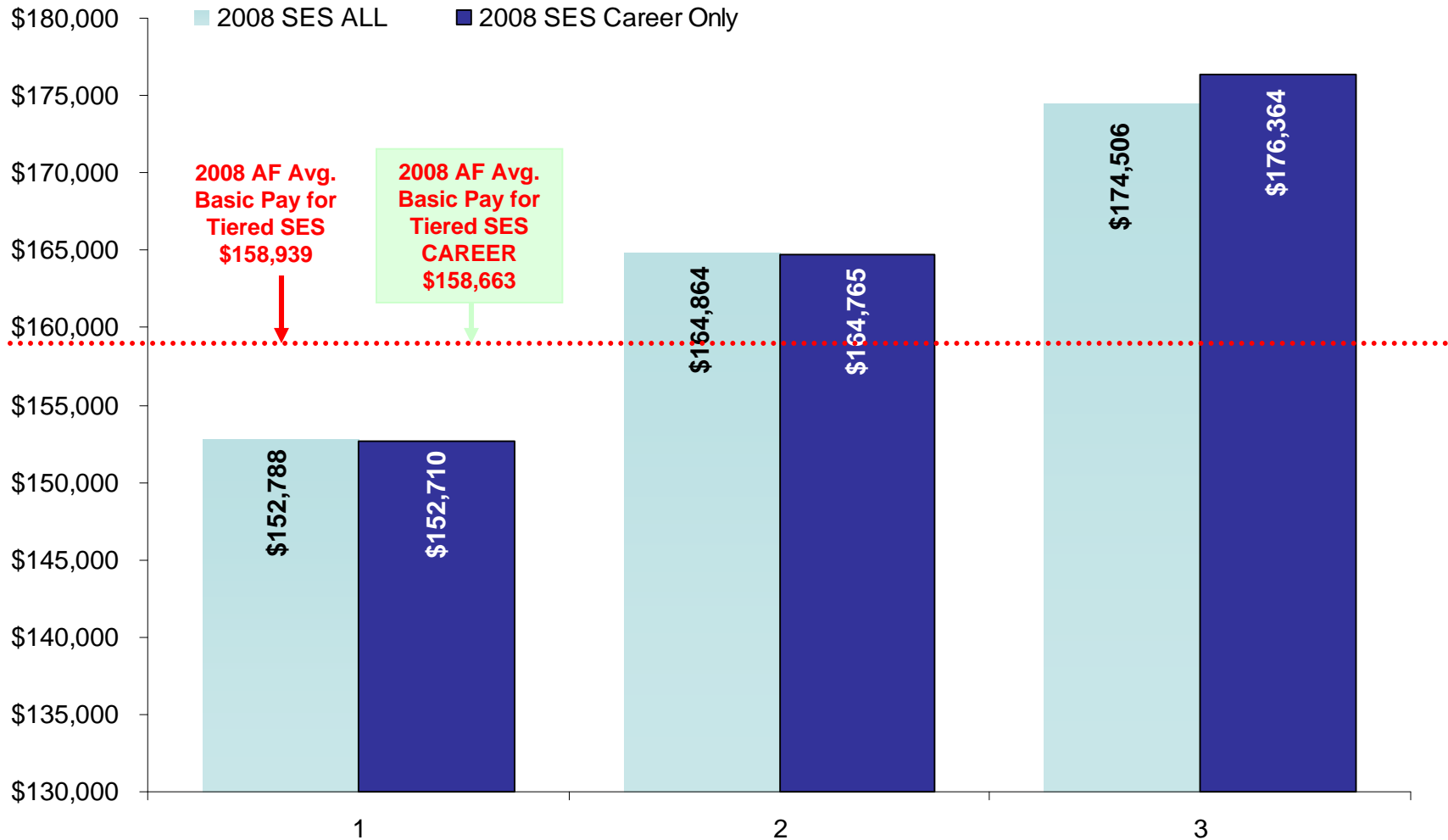


Tier Data below only contains 2008 Data. 157 Rated SES were in Tiers in 2008.





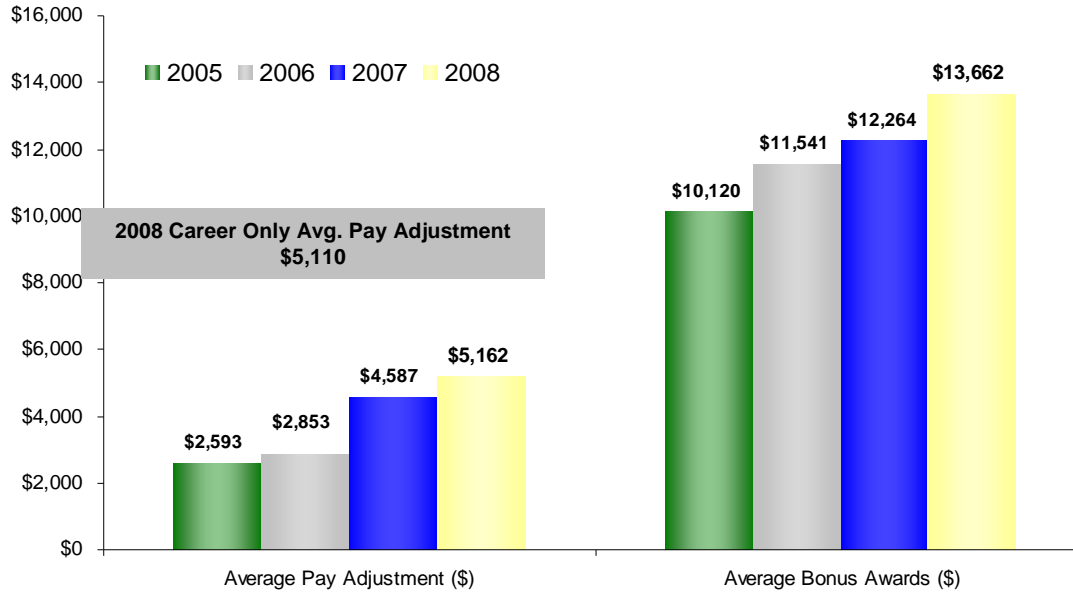
SES Average Basic Pay (2007-2008) AIR FORCE by Tier



157 Rated SES were in Tiers in 2008.



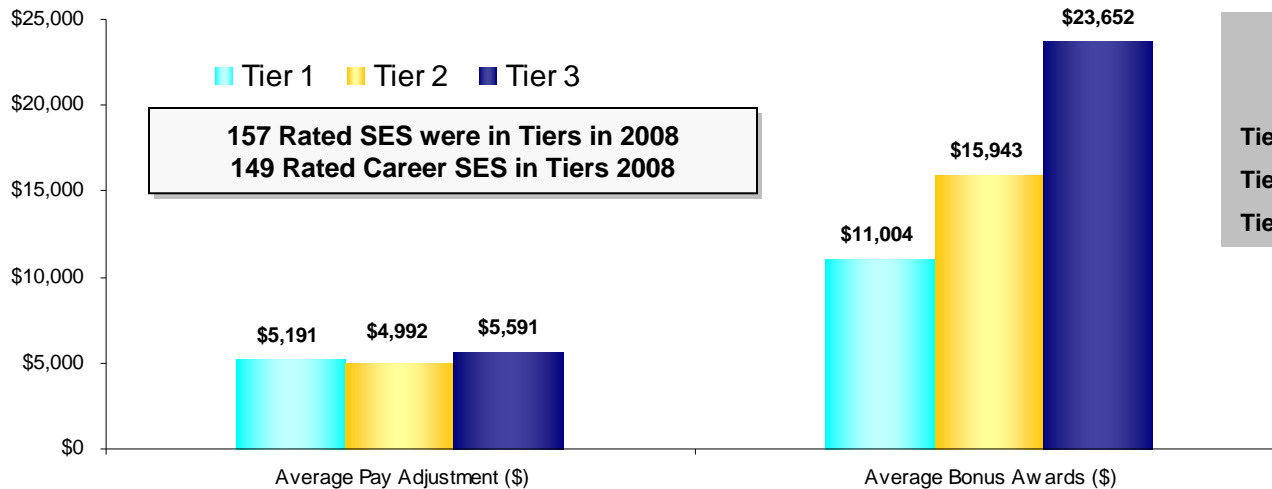
SES Average Pay Adjustment and Average Bonus (2005-2008) (by Dollars) AIR FORCE



157 SES RATED IN 2008
149 Career Only Rated in 2008

89% of Rated SES received a bonus in 2008. 93% Career Only.

FY05-07 reflects preliminary data



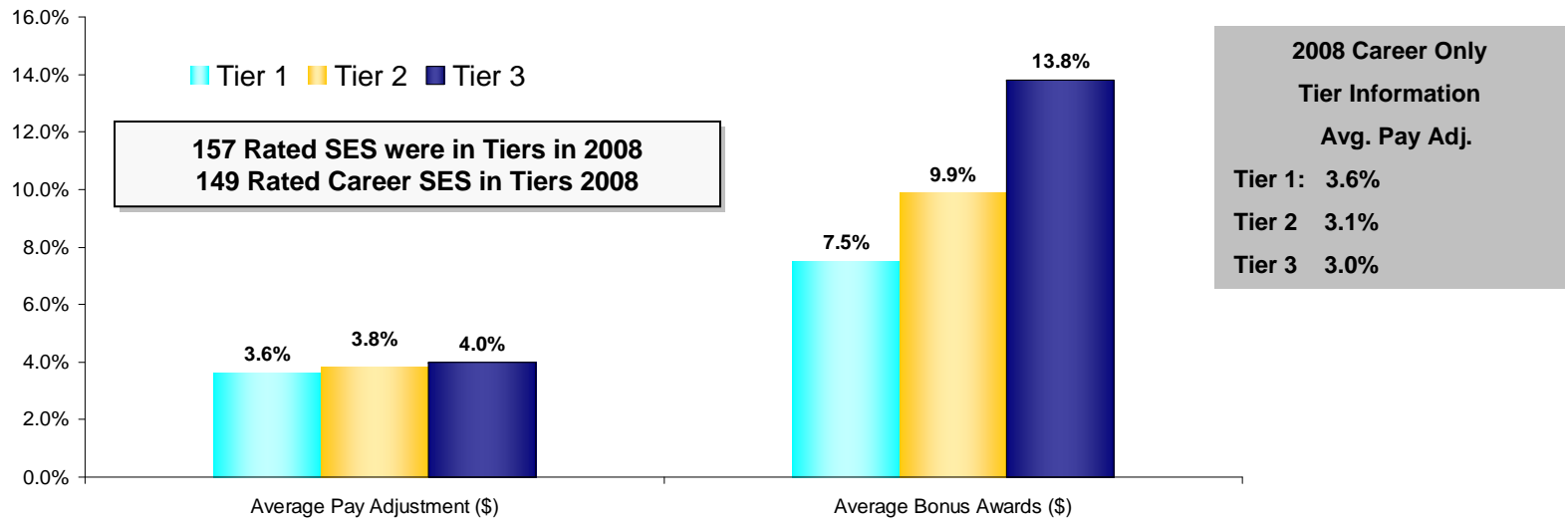
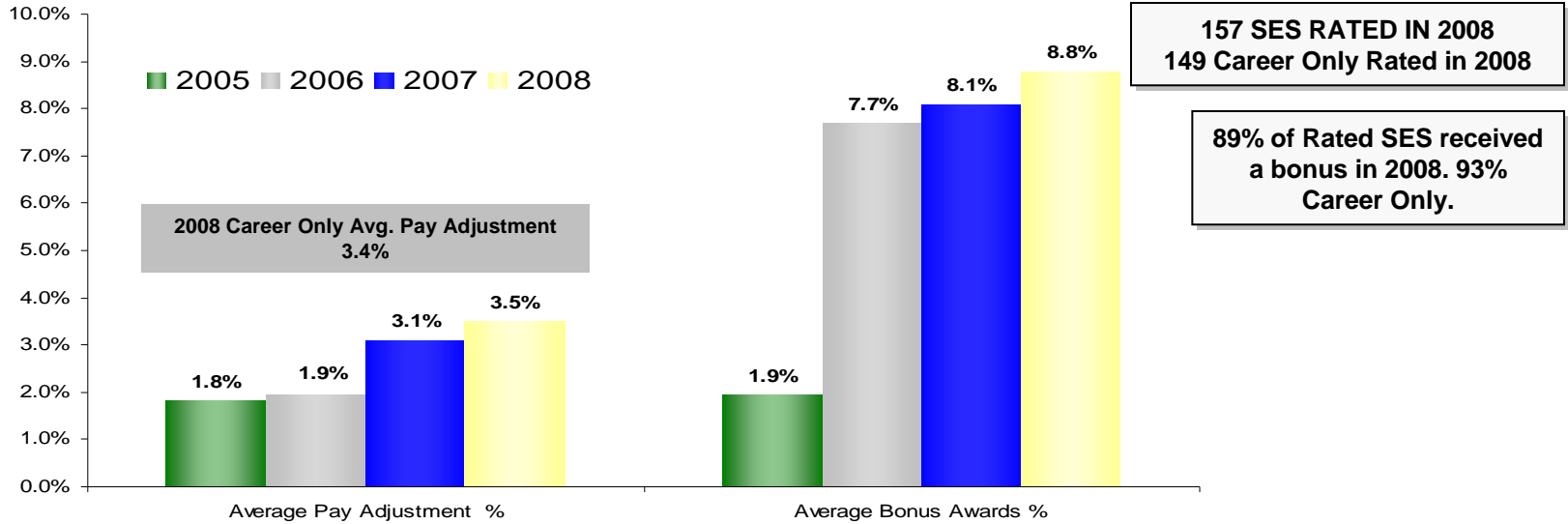
157 Rated SES were in Tiers in 2008
149 Rated Career SES in Tiers 2008

2008 Career Only Tier Information Avg. Pay Adj.
Tier 1: \$5,205
Tier 2 \$4,953
Tier 3 \$5,103

2008 by Tier Level



SES Average Pay Adjustment and Average Bonus (2005-2008) (by Percent) Air Force

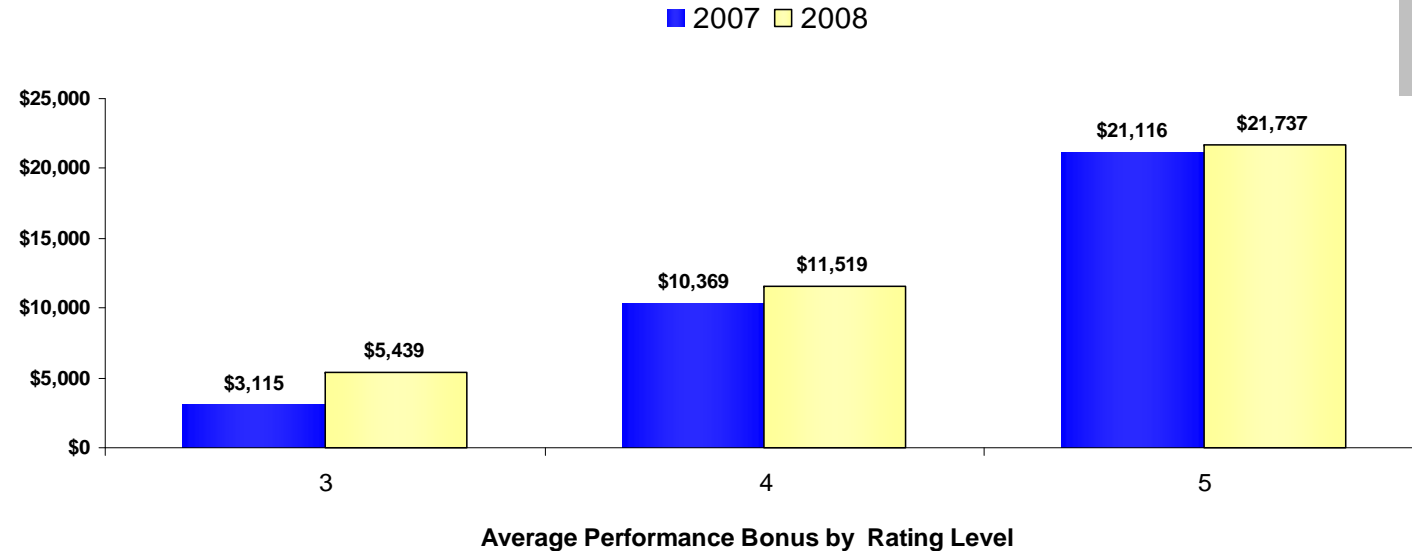
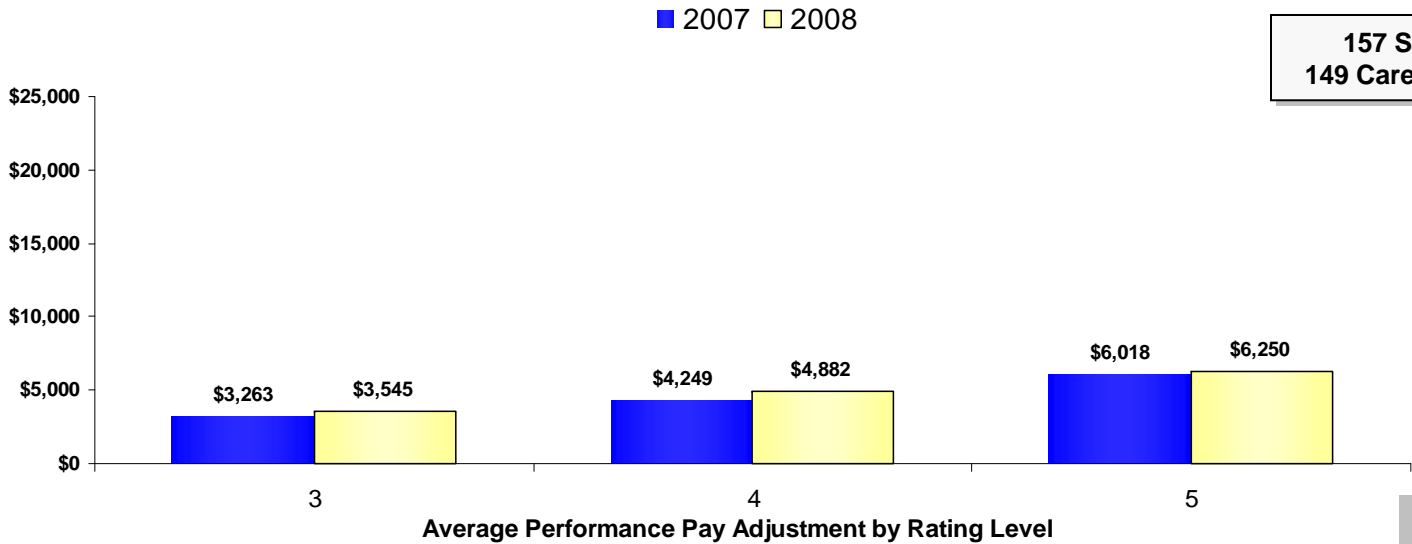


2008 by Tier Level



SES Average Pay Adjustment and Average Bonus (2007-2008) (by Rating Level) AIR FORCE

157 SES RATED IN 2008
149 Career Only Rated in 2008

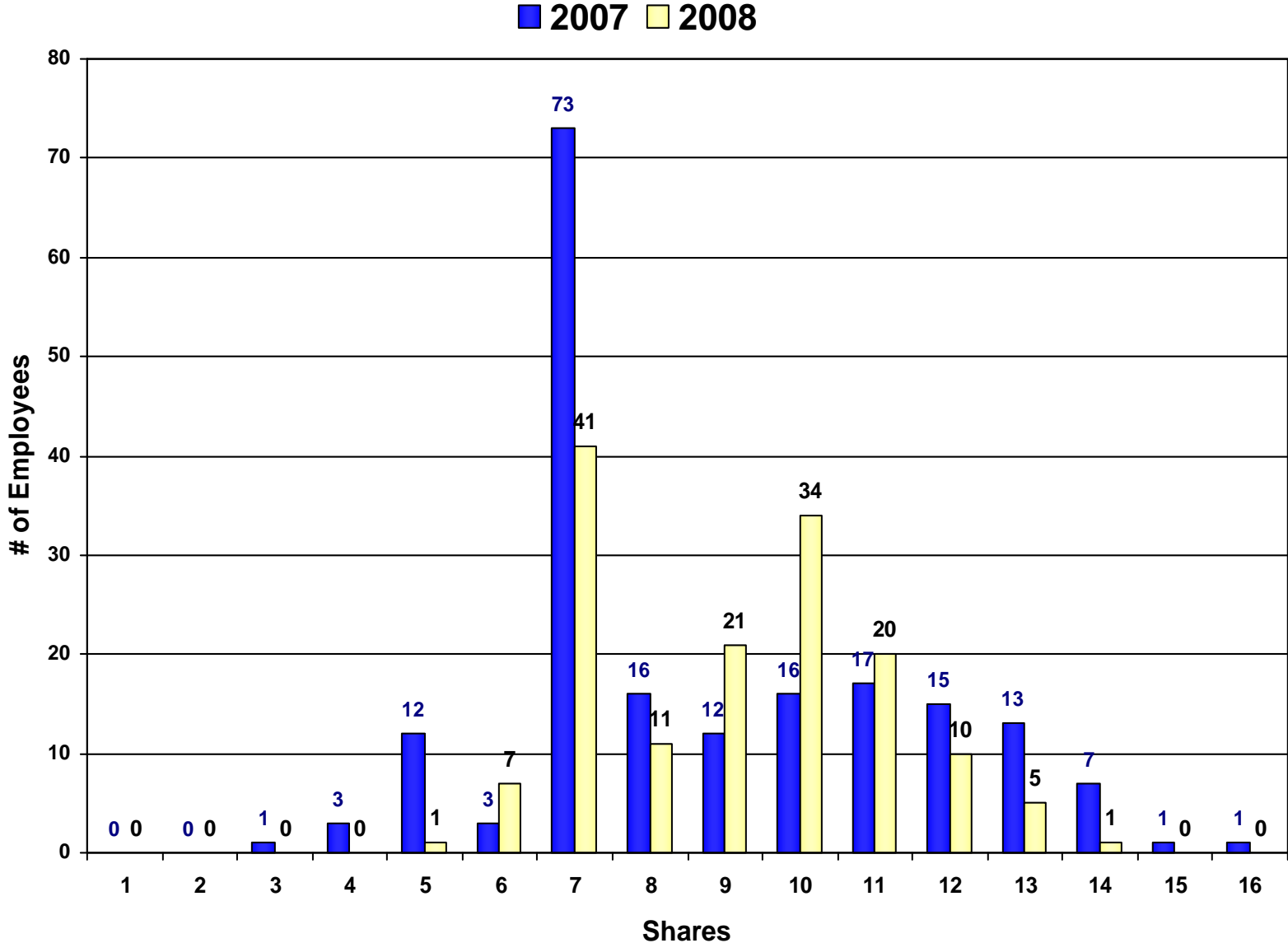


2008 Career Only
Avg. Pay Adj.

- 3: \$3,545
- 4: \$4,888
- 5: \$6,102



SES Distribution of Shares (2007-2008) AIR FORCE



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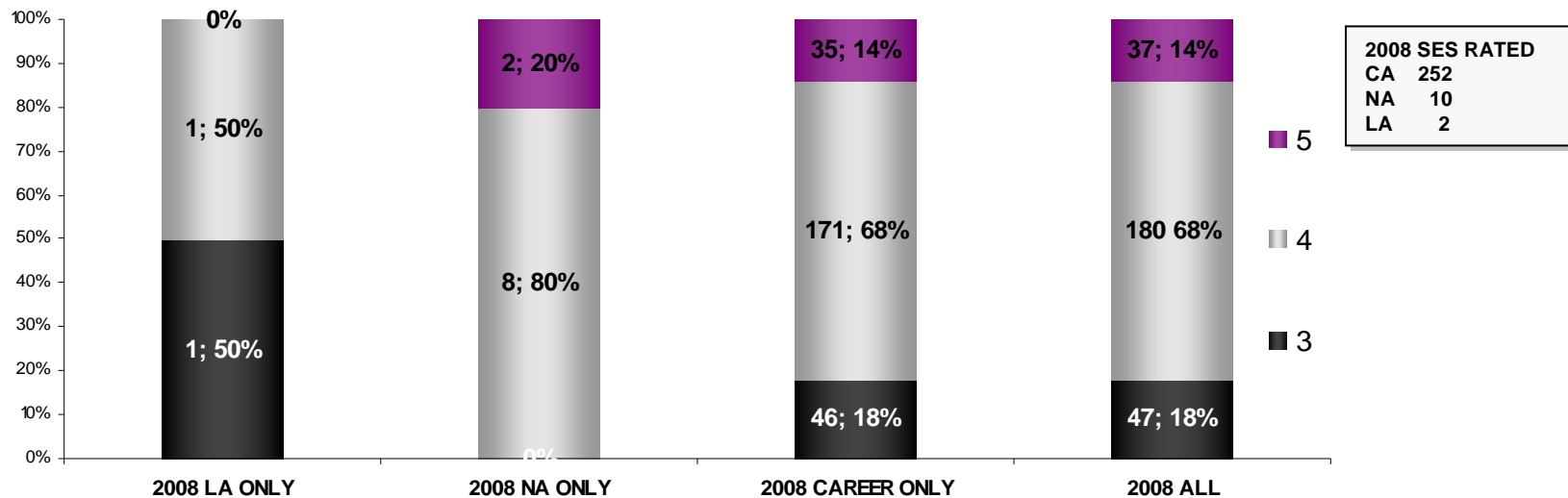
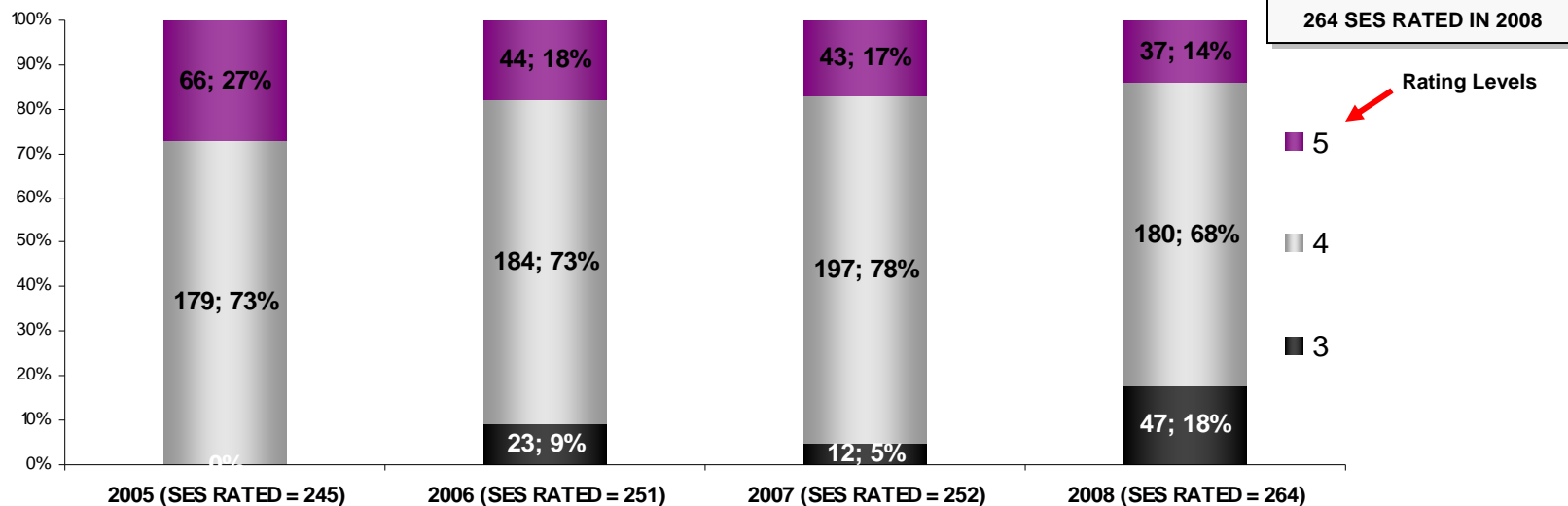
SES Performance Payout Results (2008)

ARMY

2008 Results at a Glance (For Rated SES, unless otherwise noted)	2008
Total Number (#) of SES Leaders	271
Total # Rated SES (career, non-career and limited term)	264
Total Salaries	\$42,274,522
Total Salaries of Rated SES	\$41,159,387
Pay Pool Funding Factor (Pay Progression + PAEP + Performance Budget)	Tier 1 - 11% Tier 2 - 13% Tier 3 - 17%
Pay Pool Value (Pay Pool Funding Factor X Total Salaries of all covered executives)	\$5,495,687
Total Performance (Basic) Pay Increase Payouts	\$1,474,600
Avg. Performance (Basic) Pay Increase	\$5,586
Total Performance Bonus Payouts	\$3,354,349
Avg. Bonus Payout	\$12,566
Unspent Pay Pool	\$666,738
Unspent Pay Pool (as a % of total rated salaries)	1.58%
Total Performance (Basic) Pay Increase Payouts (as % of Total Salaries)	3.5%
Total Performance Bonus Payouts (as % of Total Salaries)	7.9%

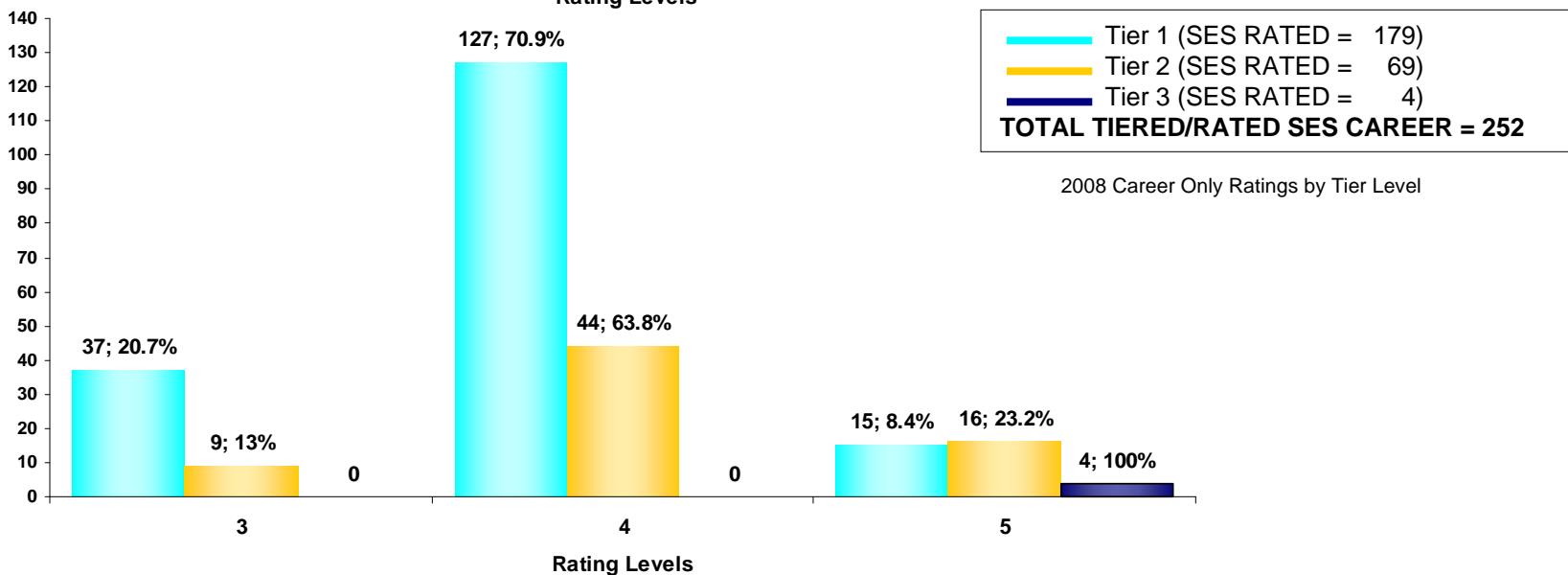
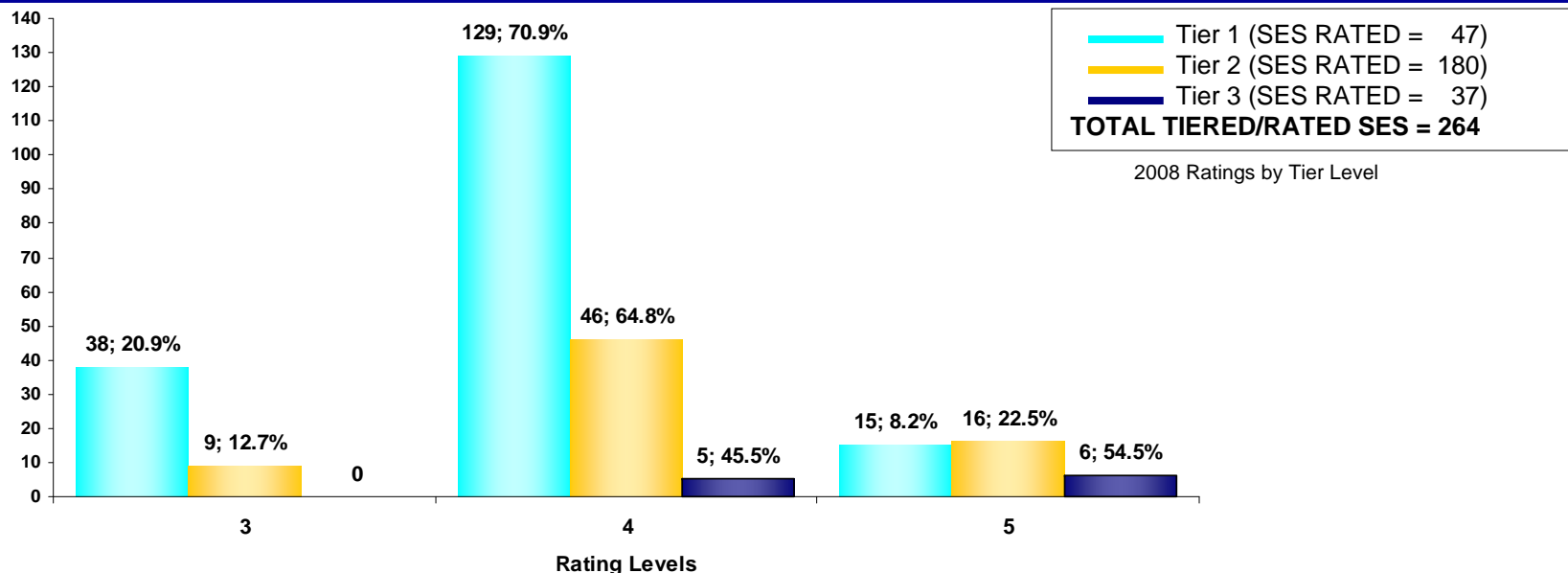


Distribution of SES Ratings (2005-2008) ARMY





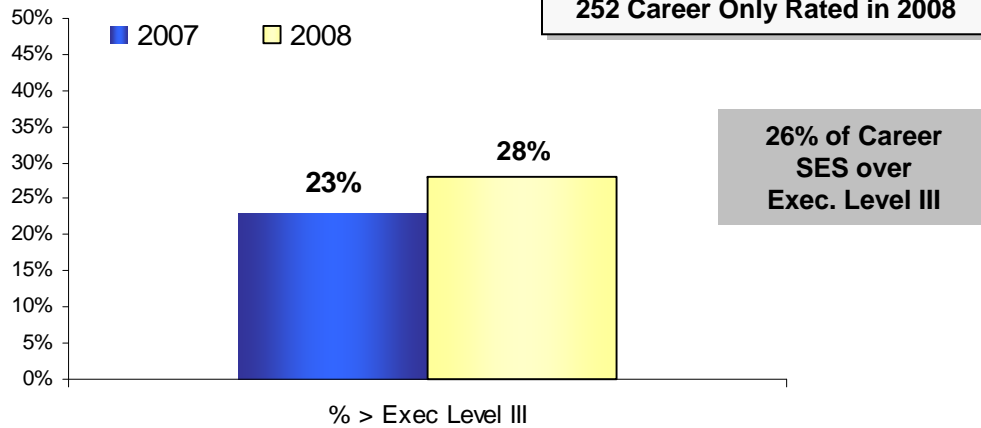
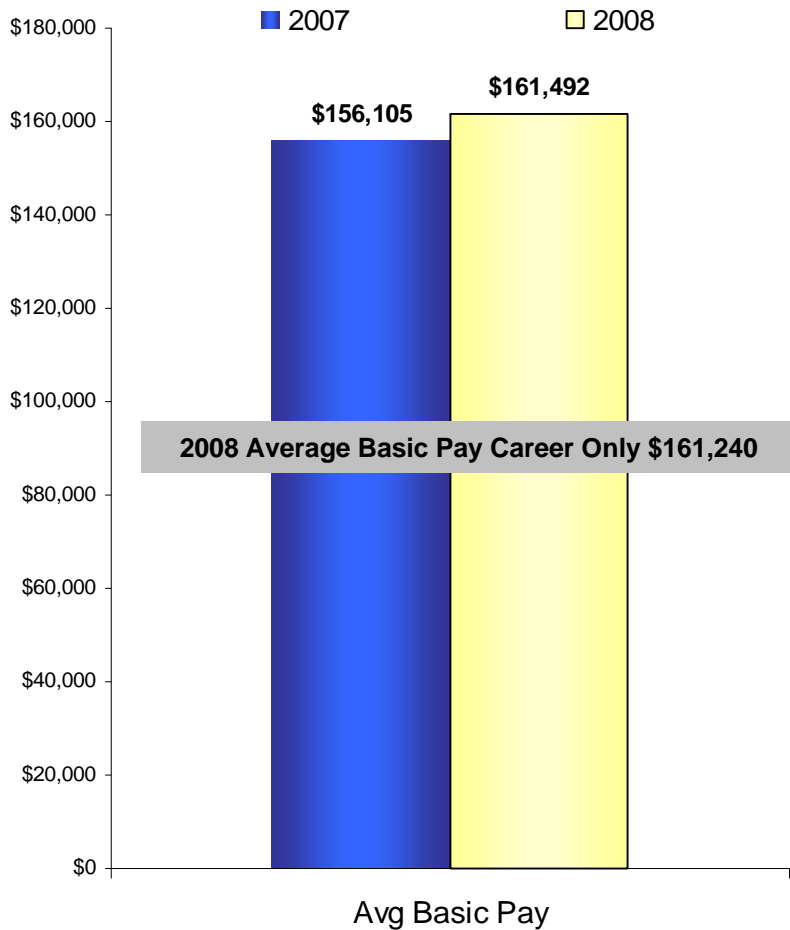
Distribution of SES Ratings (2008) ARMY



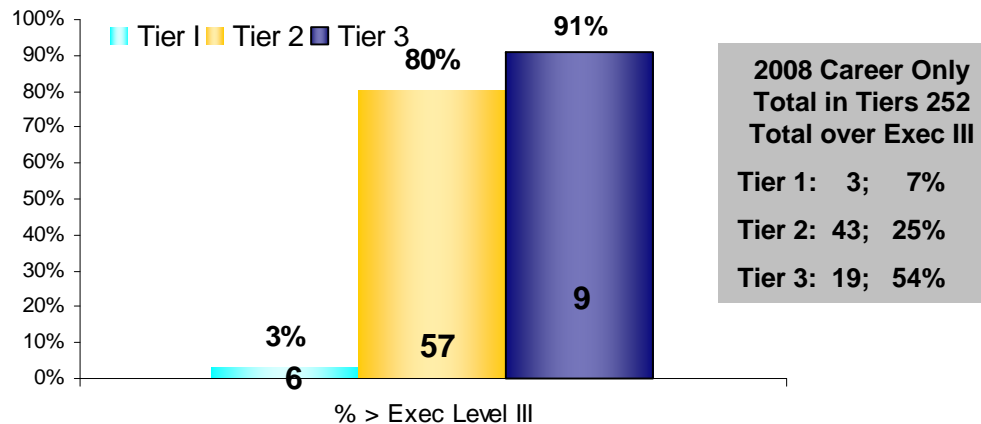


SES Average Basic Pay (2007-2008)

ARMY

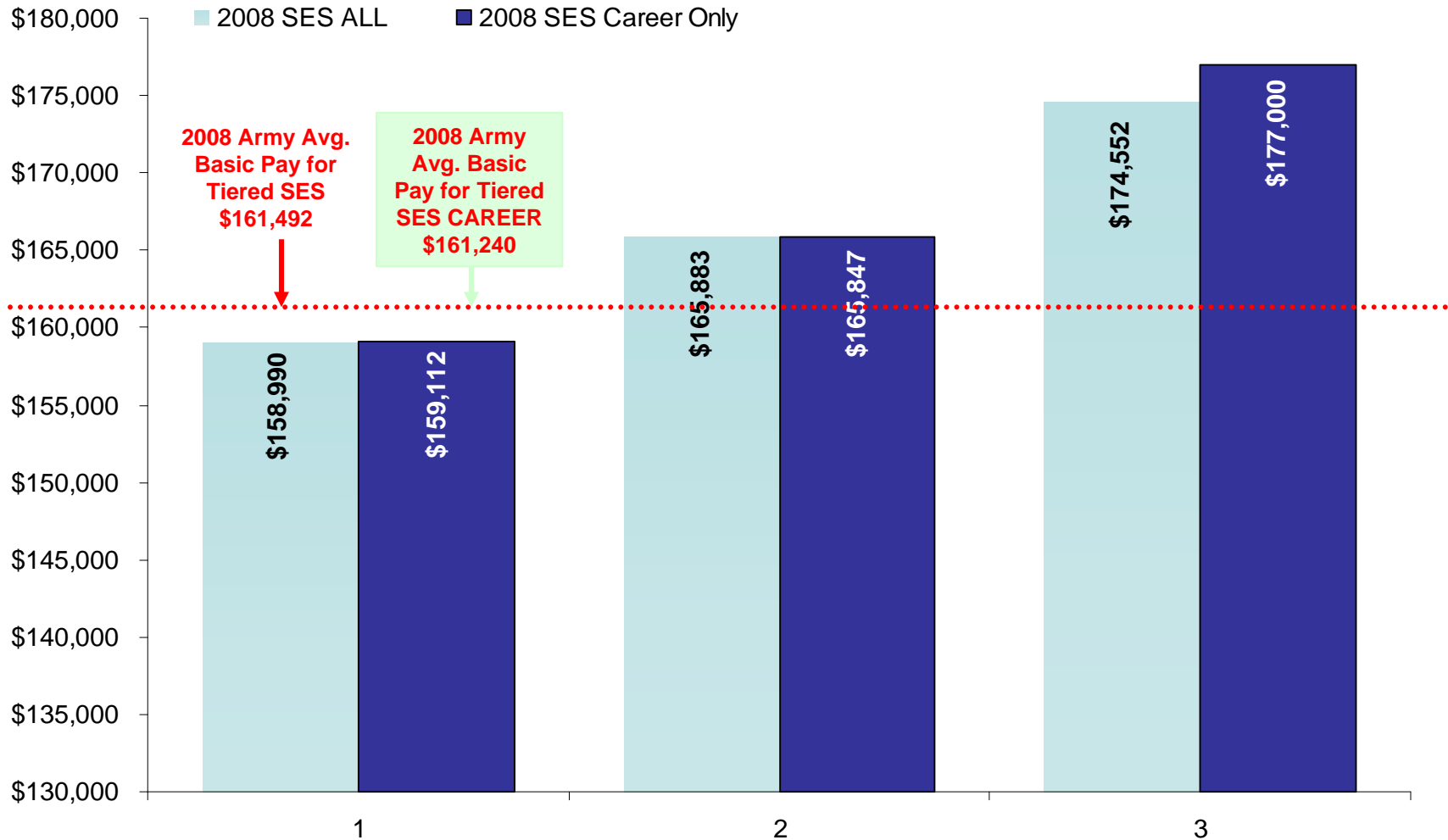


Tier Data below only contains 2008 Data. 264 Rated SES were in Tiers in 2008.





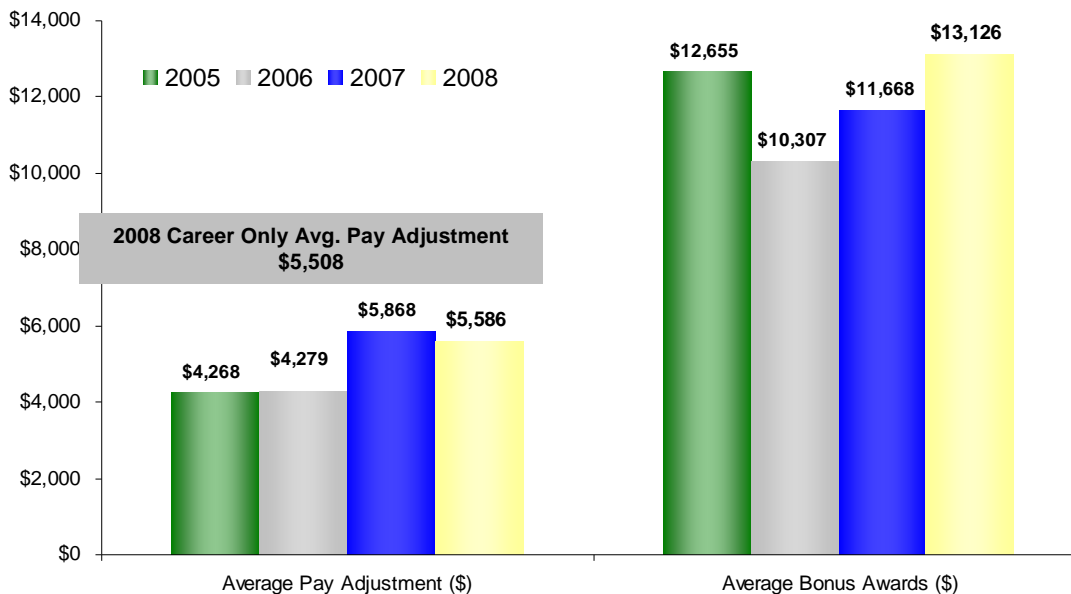
SES Average Basic Pay (2007-2008) ARMY by Tier



157 Rated SES were in Tiers in 2008.



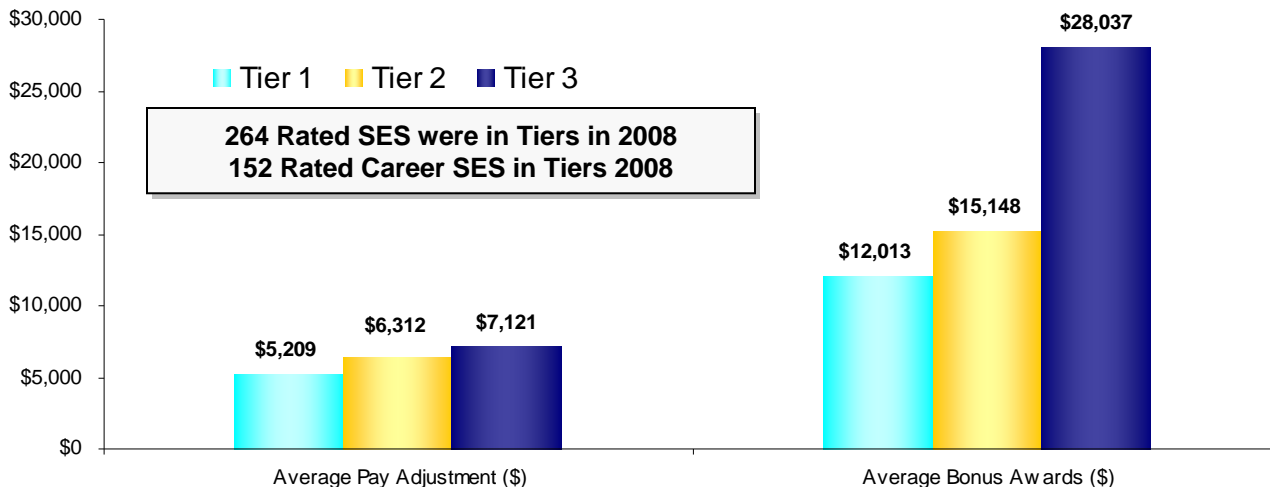
SES Average Pay Adjustment and Average Bonus (2005-2008) (by Dollars) ARMY



264 SES RATED IN 2008
252 Career Only Rated in 2008

95% of Rated SES received a bonus in 2008.
99% Career Only.

FY05-07 reflects preliminary data



264 Rated SES were in Tiers in 2008
152 Rated Career SES in Tiers 2008

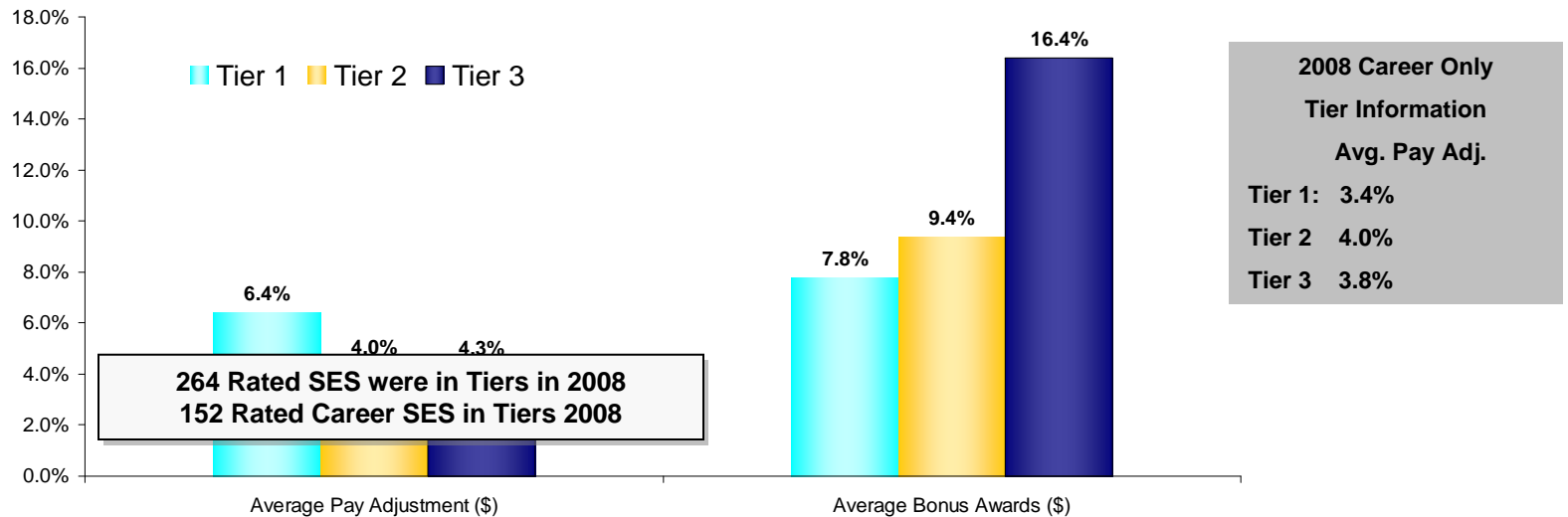
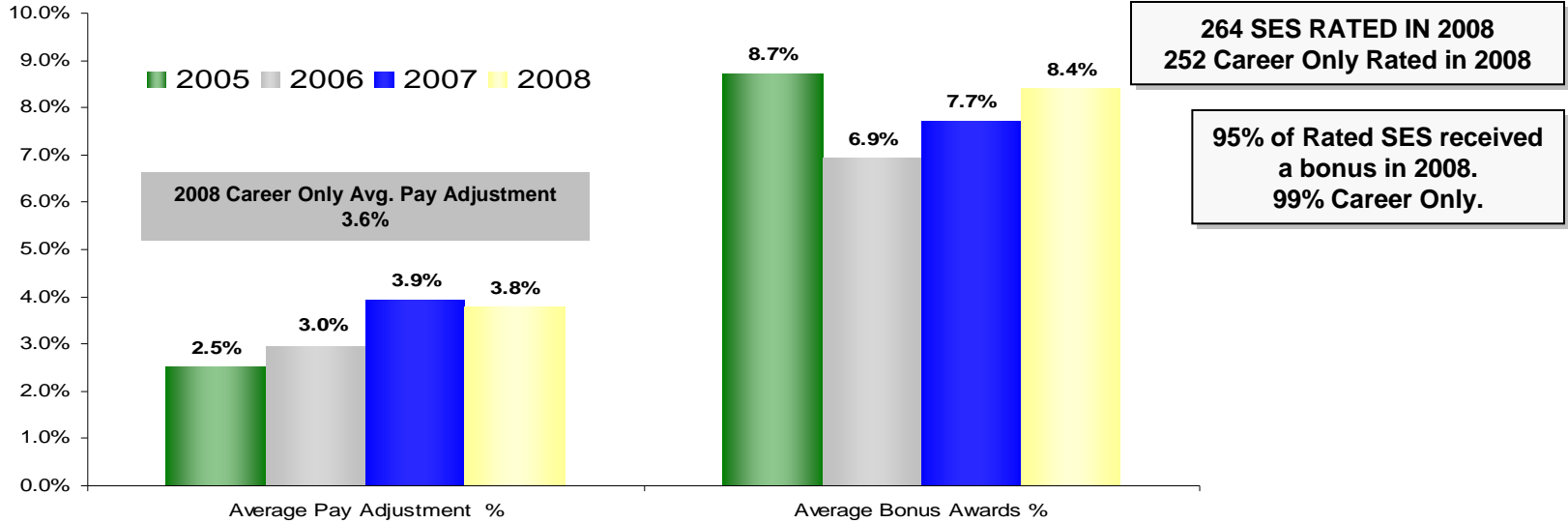
2008 Career Only Tier Information Avg. Pay Adj.

- Tier 1: \$5,197
- Tier 2: \$6,264
- Tier 3: \$6,371

2008 by Tier Level



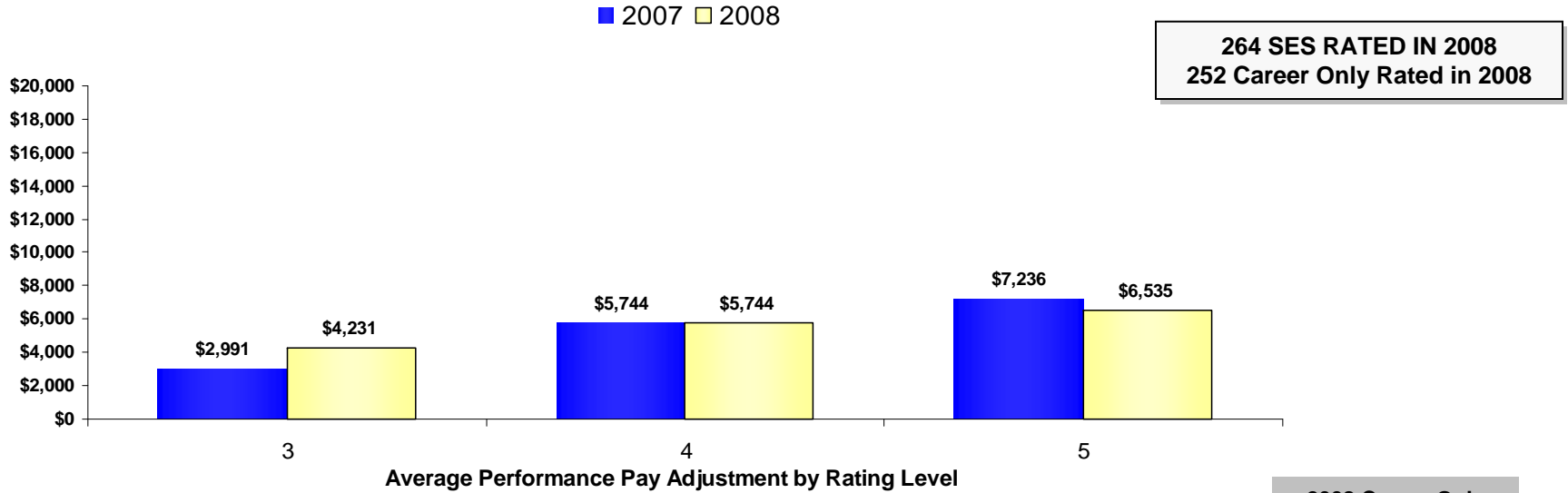
SES Average Pay Adjustment and Average Bonus (2005-2008) (by Percent) ARMY



2008 by Tier Level

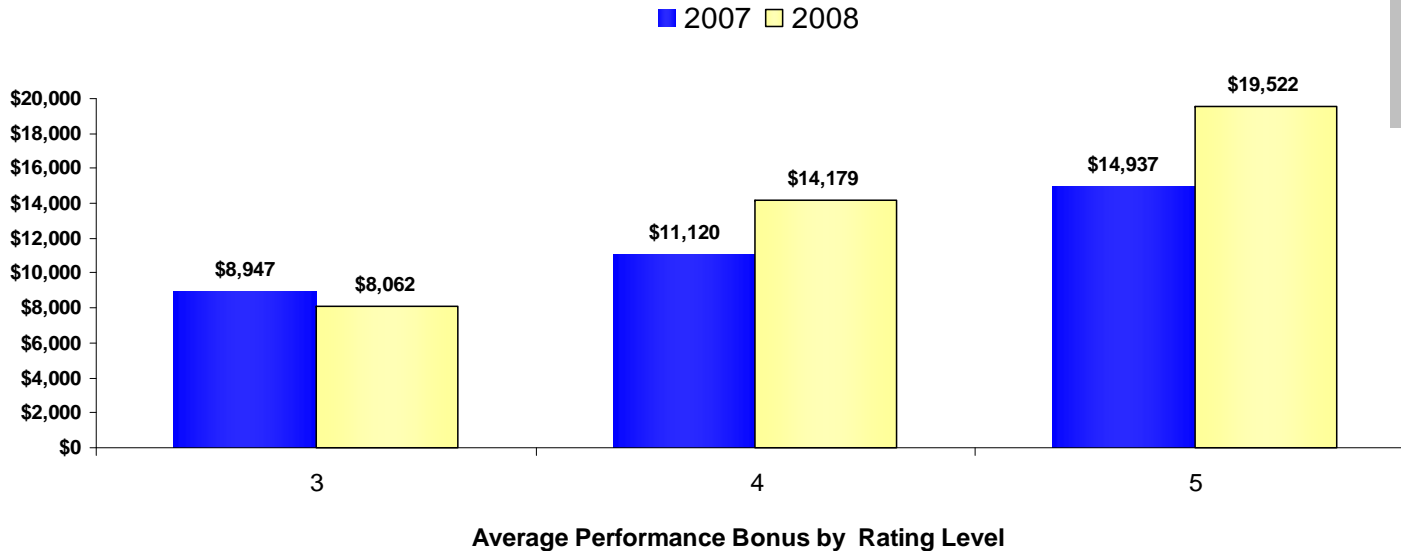


SES Average Pay Adjustment and Average Bonus (2007-2008) (by Rating Level) ARMY



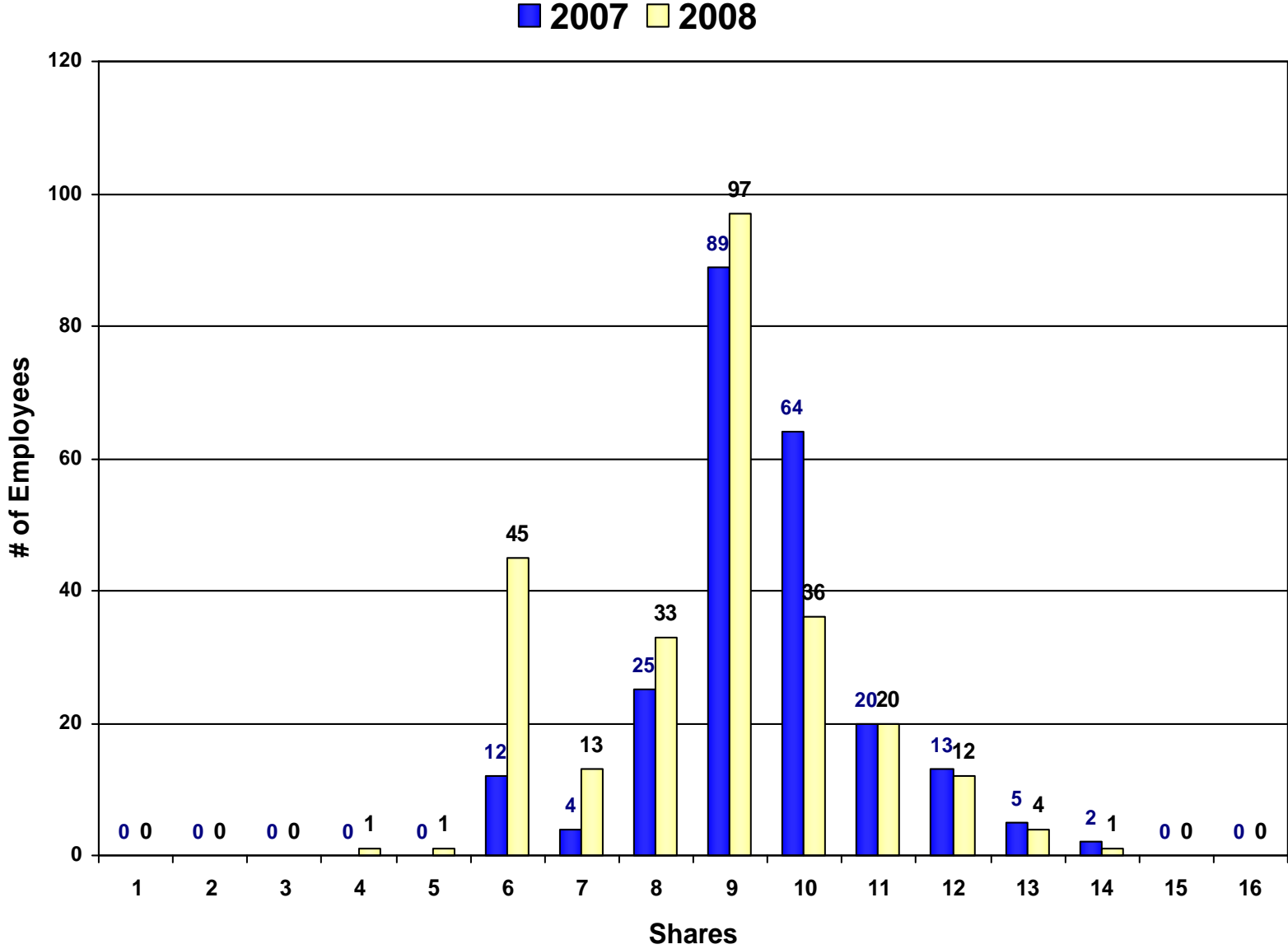
2008 Career Only
Avg. Pay Adj.

- 3: \$4,233
- 4: \$5,667
- 5: \$6,409





SES Distribution of Shares (2007-2008) ARMY



NAVY





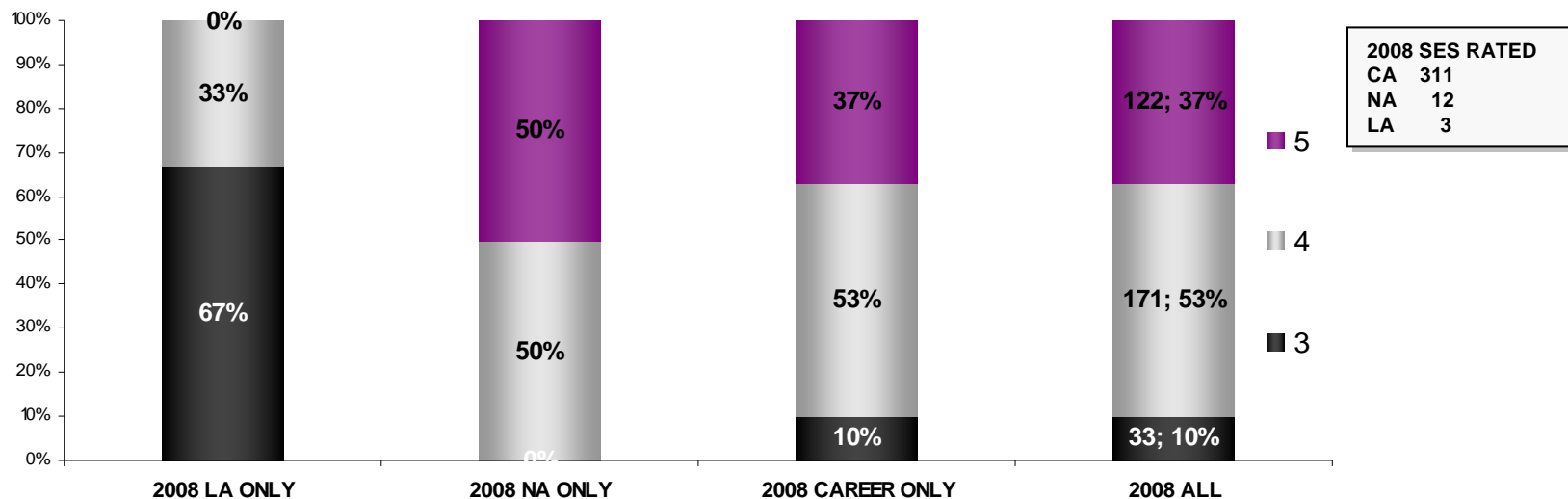
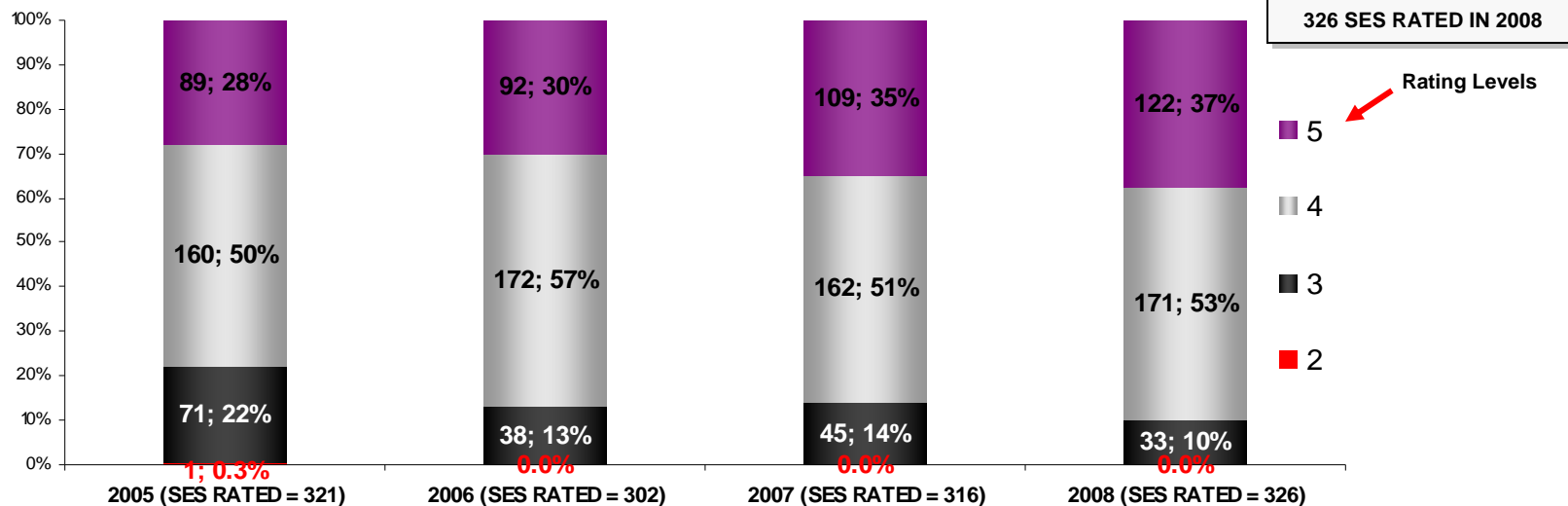
SES Performance Payout Results (2008)

NAVY

2008 Results at a Glance (For Rated SES, unless otherwise noted)	2008
Total Number (#) of SES Leaders	335
Total # Rated SES (career, non-career and limited term)	326
Total Salaries	\$52,846,839
Total Salaries of Rated SES	\$51,448,225
Pay Pool Funding Factor (Pay Progression + PAEP + Performance Budget)	Tier 1 - 11% Tier 2 - 13% Tier 3 - 17%
Pay Pool Value (Pay Pool Funding Factor X Total Salaries of all covered executives)	\$6,870,089
Total Performance (Basic) Pay Increase Payouts	\$1,919,759
Avg. Performance (Basic) Pay Increase	\$5,889
Total Performance Bonus Payouts	\$4,388,272
Avg. Bonus Payout	\$13,461
Unspent Pay Pool	\$562,058
Unspent Pay Pool (as a % of total rated salaries)	1.06%
Total Performance (Basic) Pay Increase Payouts (as % of Total Salaries)	3.6%
Total Performance Bonus Payouts (as % of Total Salaries)	8.3%

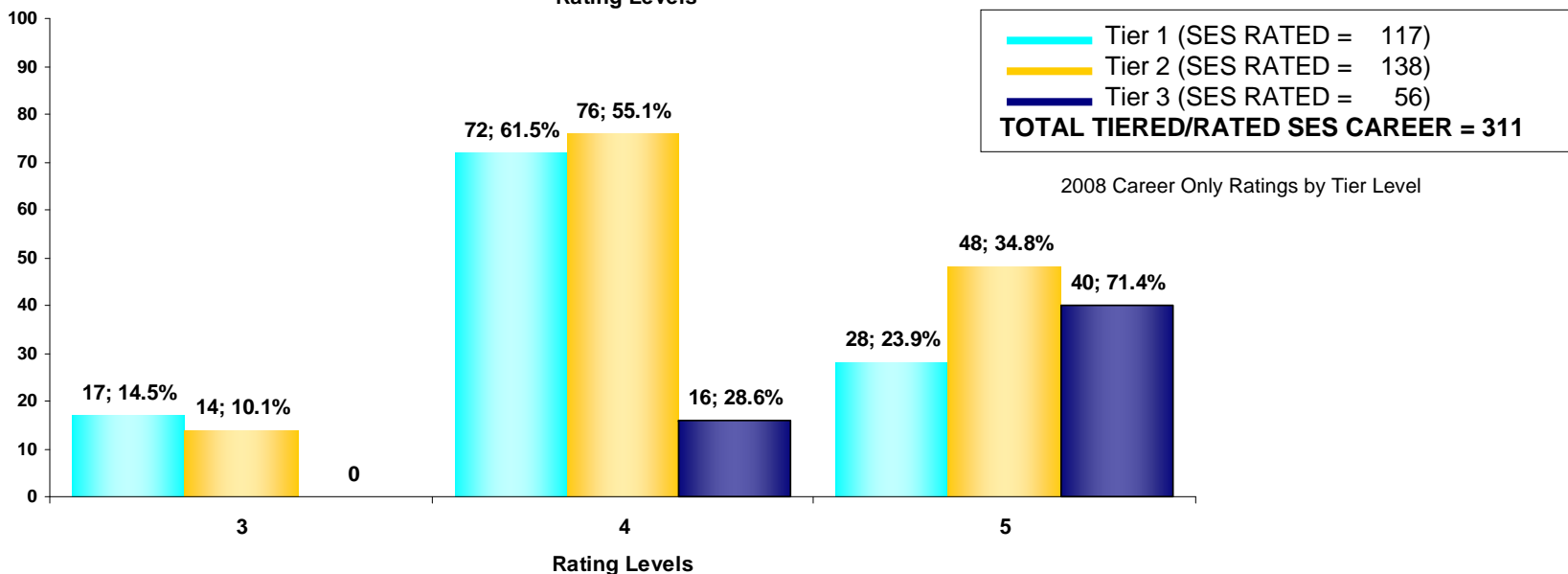
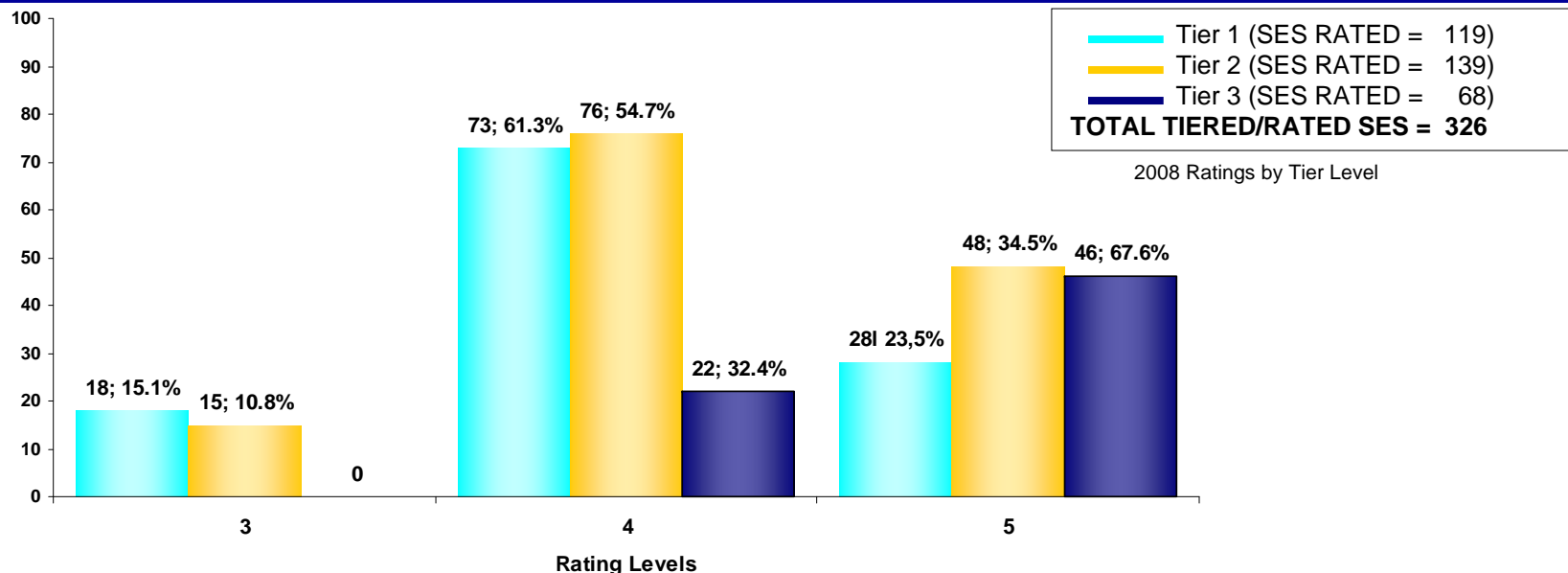


Distribution of SES Ratings (2005-2008) NAVY





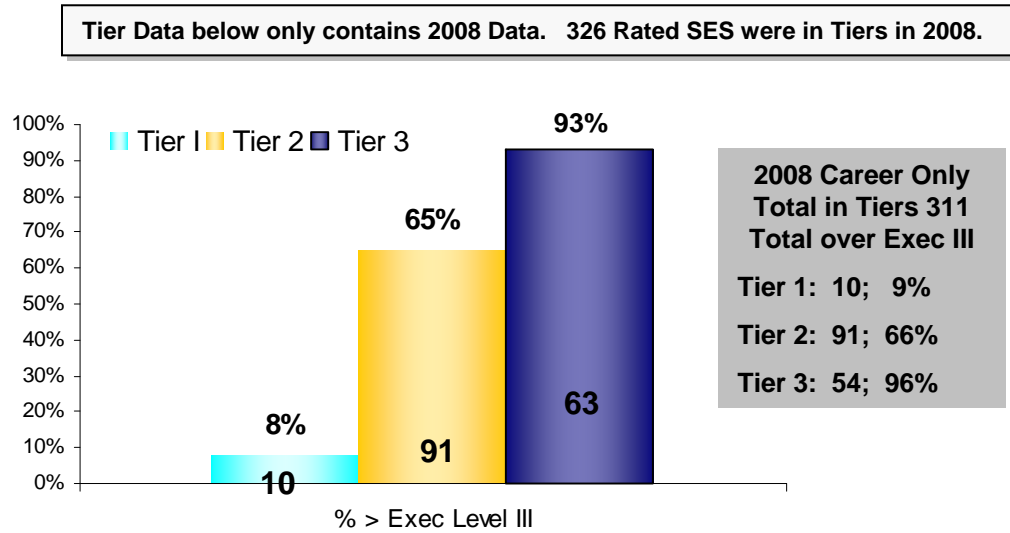
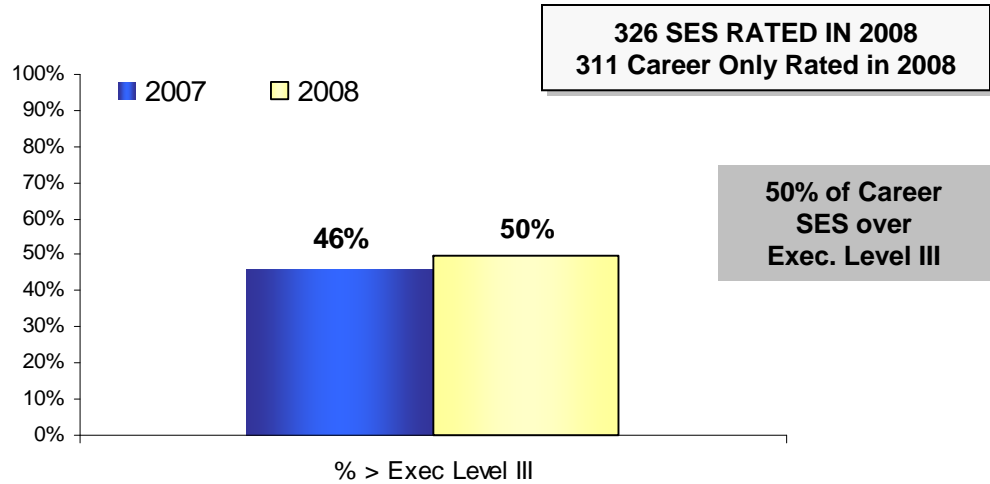
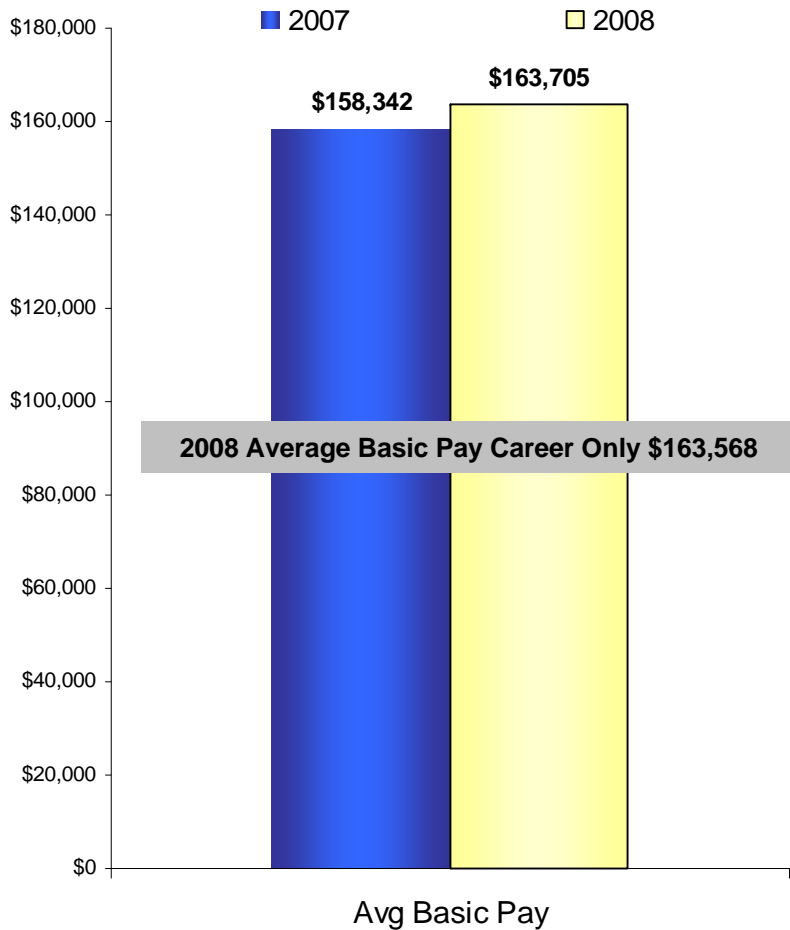
Distribution of SES Ratings (2008) NAVY





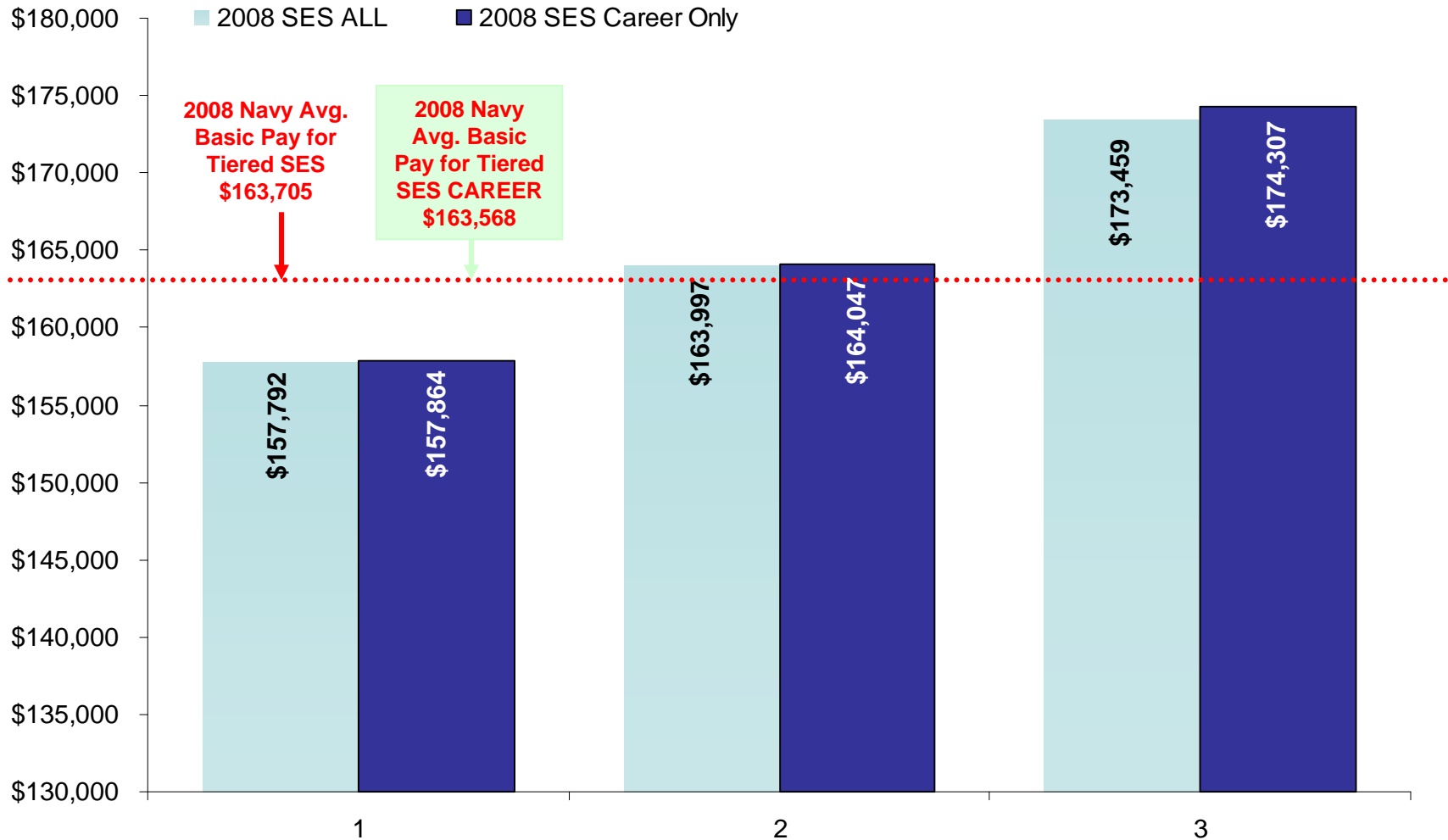
SES Average Basic Pay (2007-2008)

NAVY





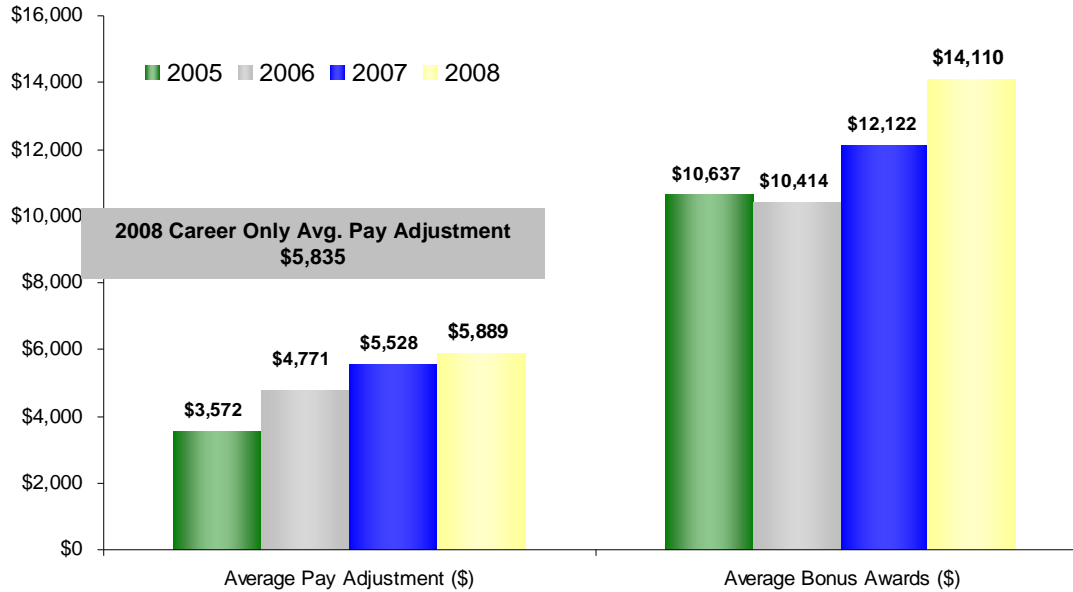
SES Average Basic Pay (2007-2008) NAVY by Tier



326 Rated SES were in Tiers in 2008.



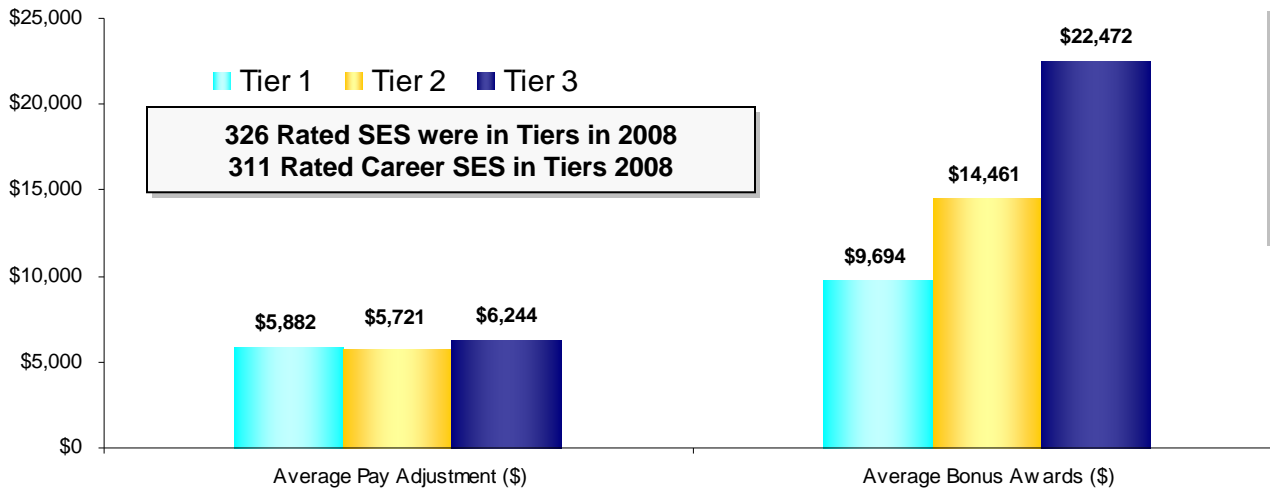
SES Average Pay Adjustment and Average Bonus (2005-2008) (by Dollars) NAVY



326 SES RATED IN 2008
311 Career Only Rated in 2008

92% of Rated SES received a bonus in 2008.
96% Career Only.

FY05-07 reflects preliminary data



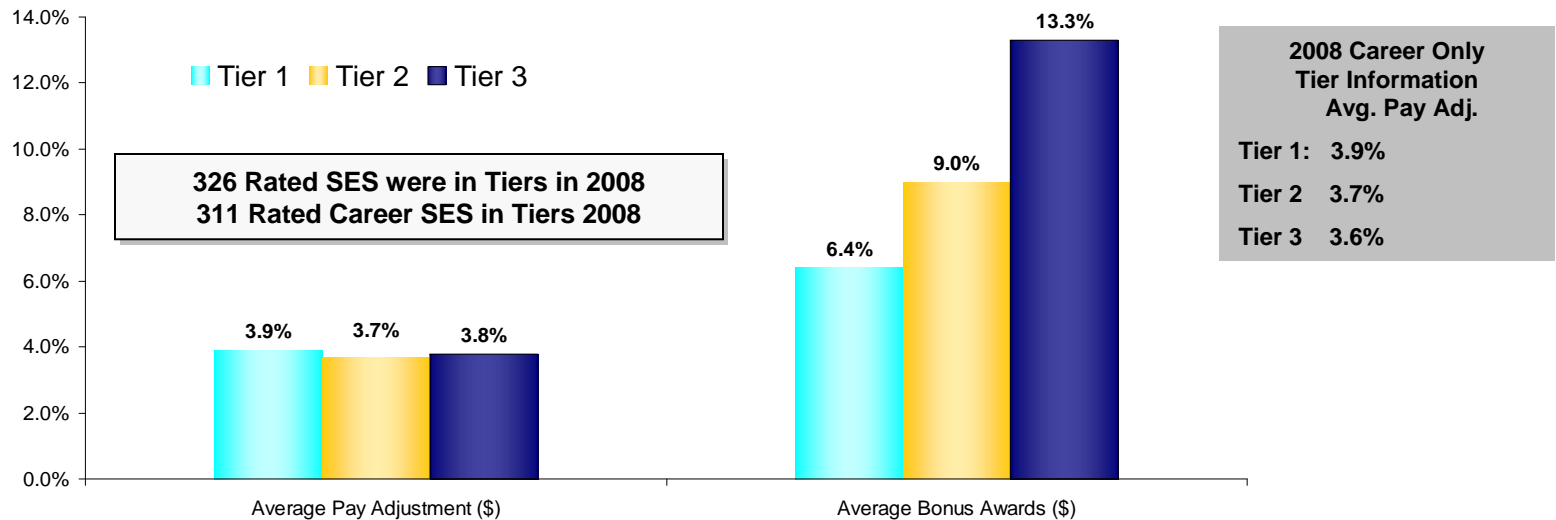
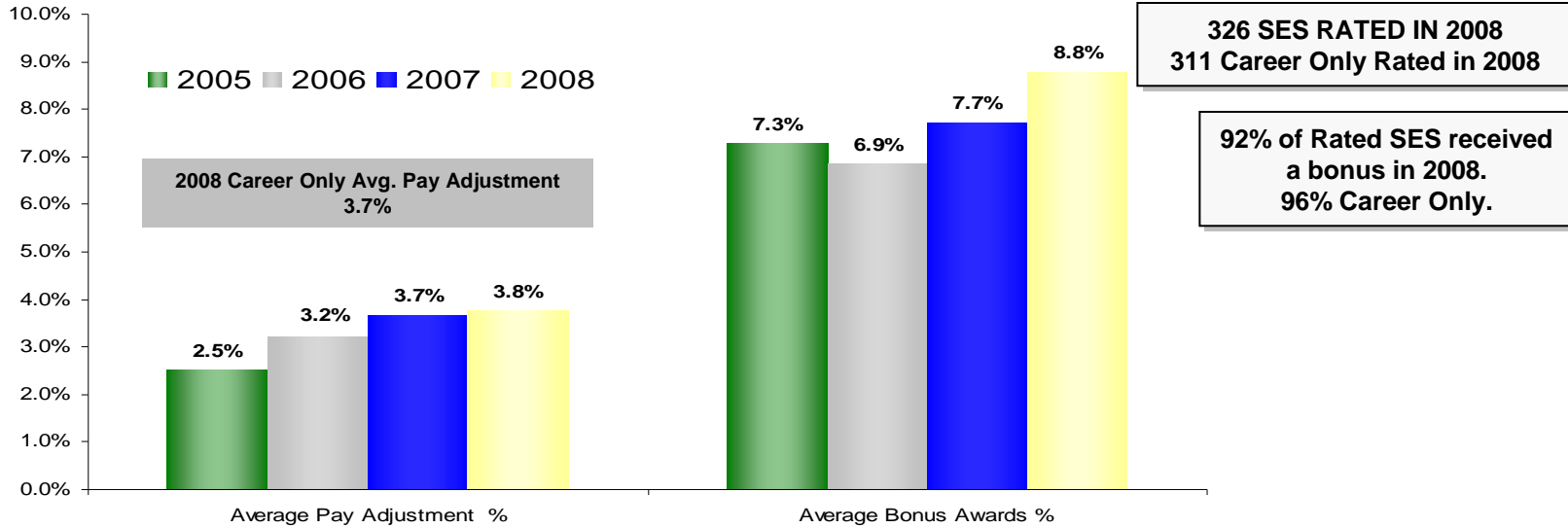
326 Rated SES were in Tiers in 2008
311 Rated Career SES in Tiers 2008

2008 Career Only Tier Information Avg. Pay Adj.
Tier 1: \$5,876
Tier 2: \$5,698
Tier 3: \$6,088

2008 by Tier Level



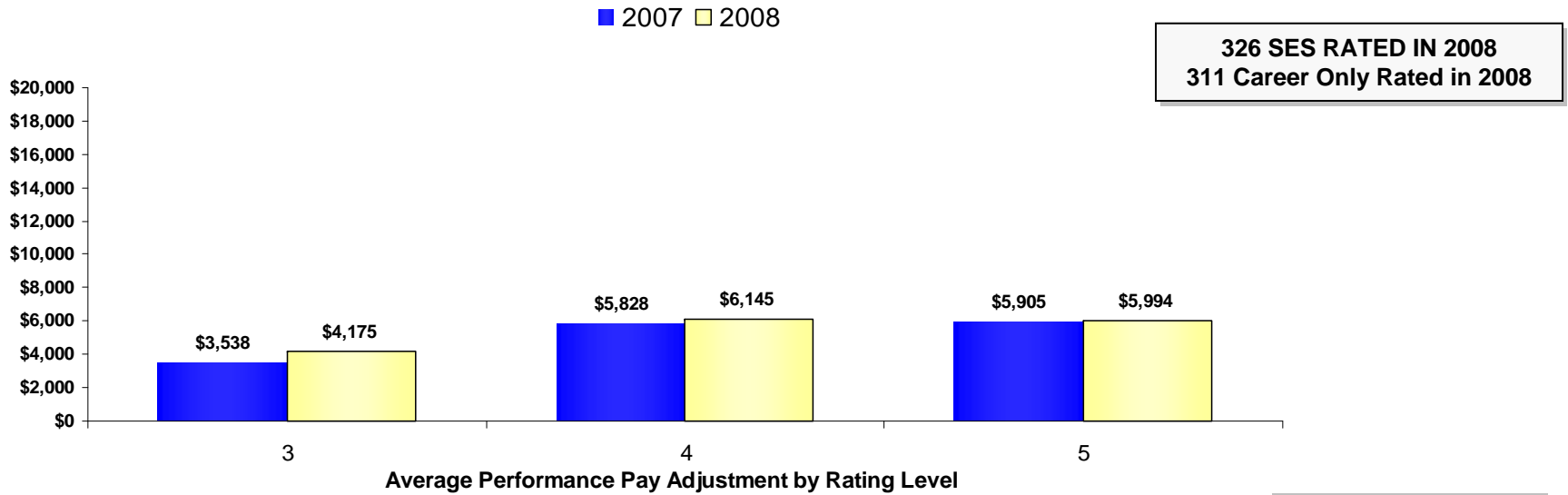
SES Average Pay Adjustment and Average Bonus (2005-2008) (by Percent) NAVY



2008 by Tier Level

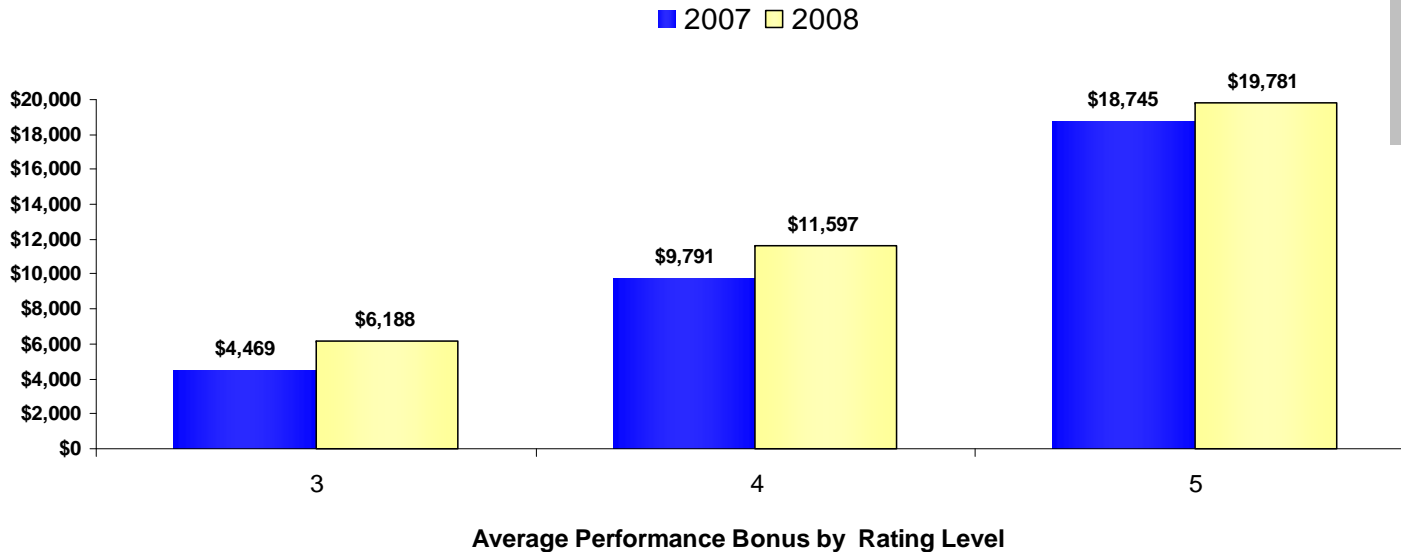


SES Average Pay Adjustment and Average Bonus (2007-2008) (by Rating Level) NAVY



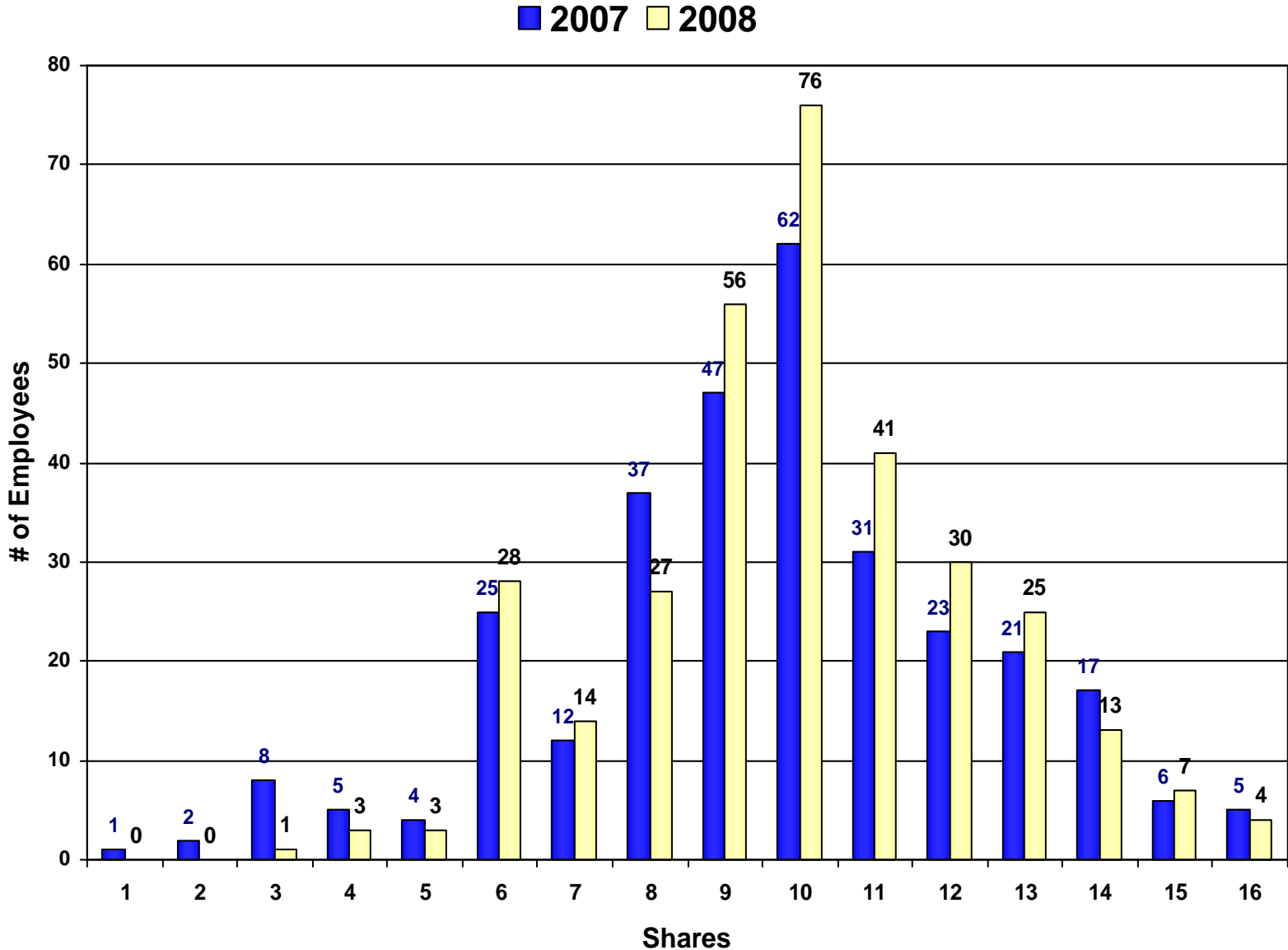
**2008 Career Only
Avg. Pay Adj.**

3: \$3,894
4: \$6,084
5: \$6,002





SES Distribution of Shares (2007-2008) NAVY



DCAA





SES Performance Payout Results (2008)

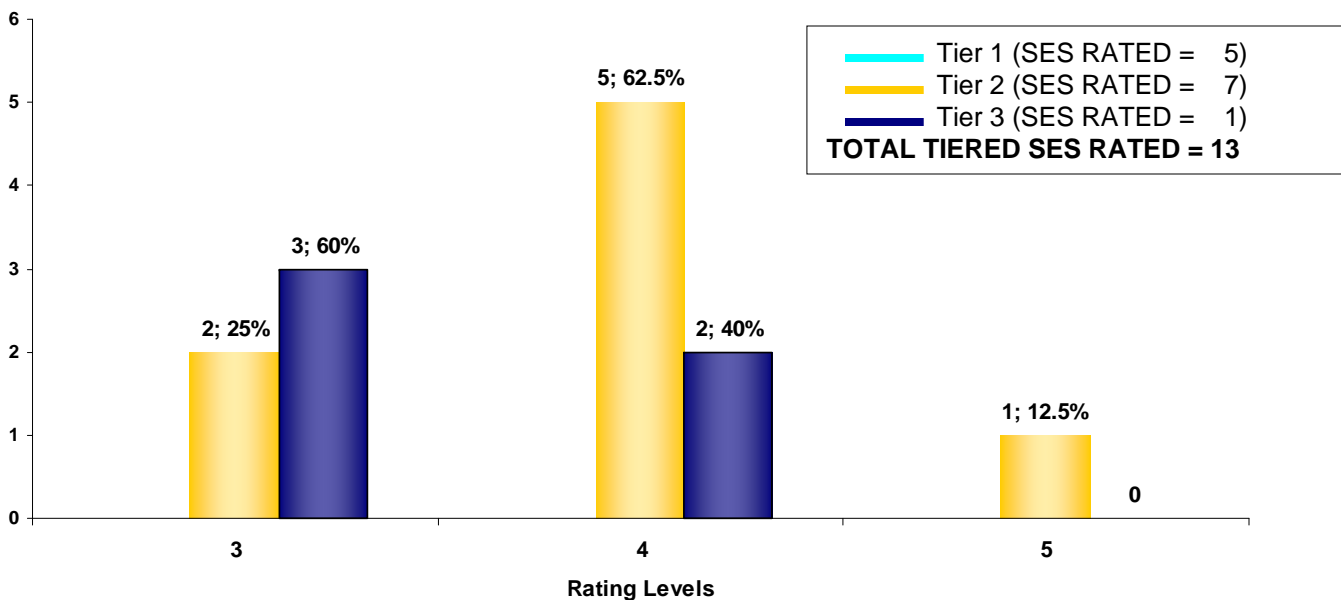
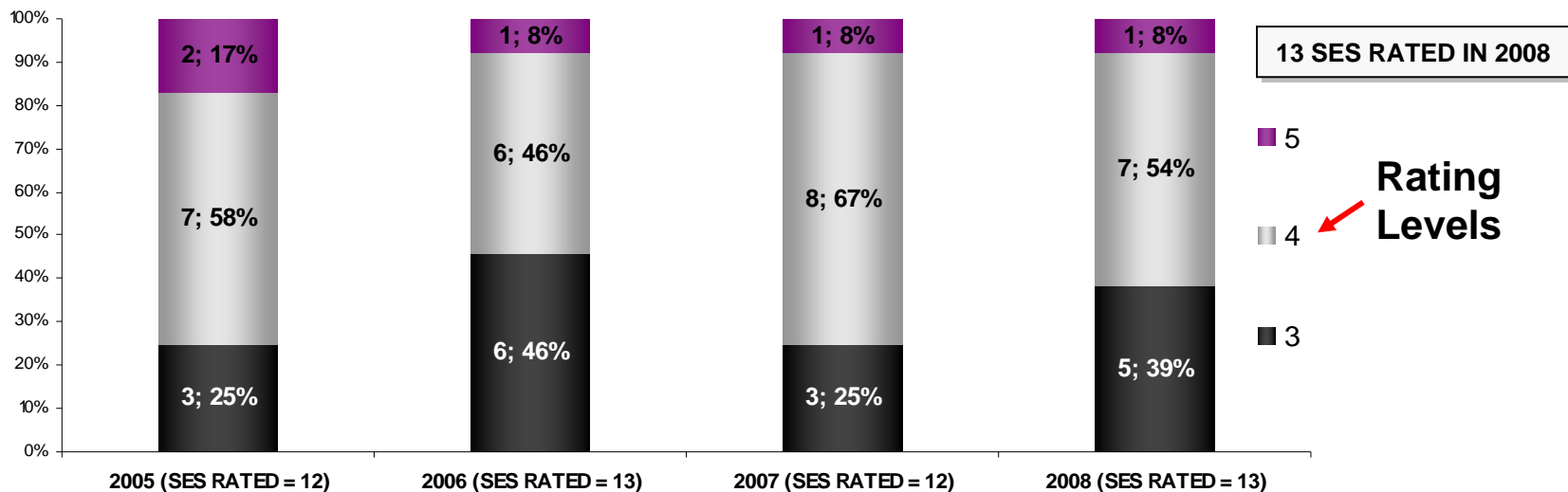
DCAA

2008 Results at a Glance (For Rated SES, unless otherwise noted)	2008
Total Number (#) of SES Leaders	13
Total # Rated SES (career, non-career and limited term)	13
Total Salaries	\$1,980,891
Total Salaries of Rated SES	\$1,980,891
Pay Pool Funding Factor (Pay Progression + PAEP + Performance Budget)	Tier 1 - 11% Tier 2 - 13% Tier 3 - 17%
Pay Pool Value (Pay Pool Funding Factor X Total Salaries of all covered executives)	\$275,515
Total Performance (Basic) Pay Increase Payouts	\$67,243
Avg. Performance (Basic) Pay Increase	\$5,173
Total Performance Bonus Payouts	\$141,731
Avg. Bonus Payout	\$10,902
Unspent Pay Pool	\$48,541
Unspent Pay Pool (as a % of total rated salaries)	2.45%
Total Performance (Basic) Pay Increase Payouts (as % of Total Salaries)	3.4%
Total Performance Bonus Payouts (as % of Total Salaries)	7.2%



Distribution of SES Ratings (2005-2008) DCAA

All DCAA
SES are
Career
Only

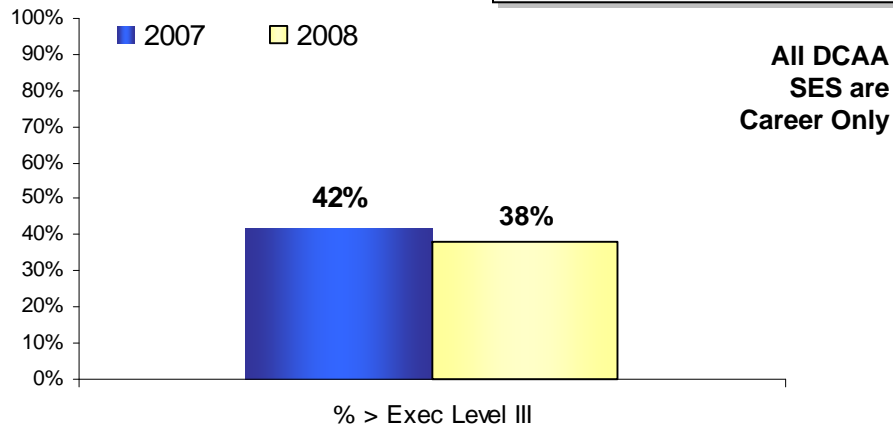
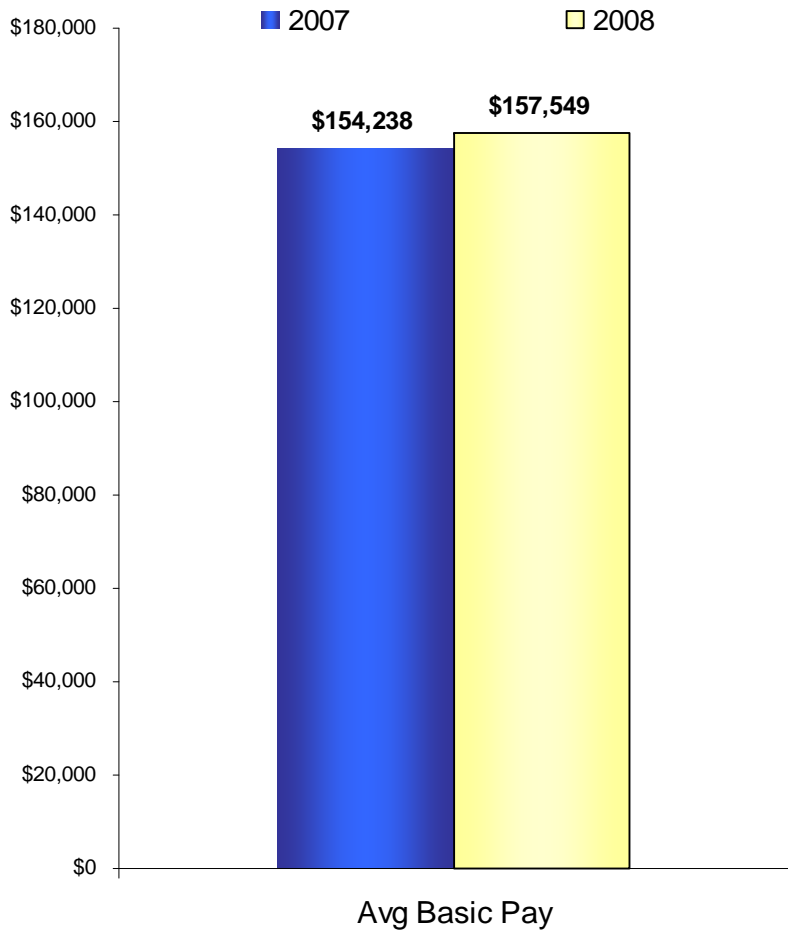


**2008 by
Tier Level**

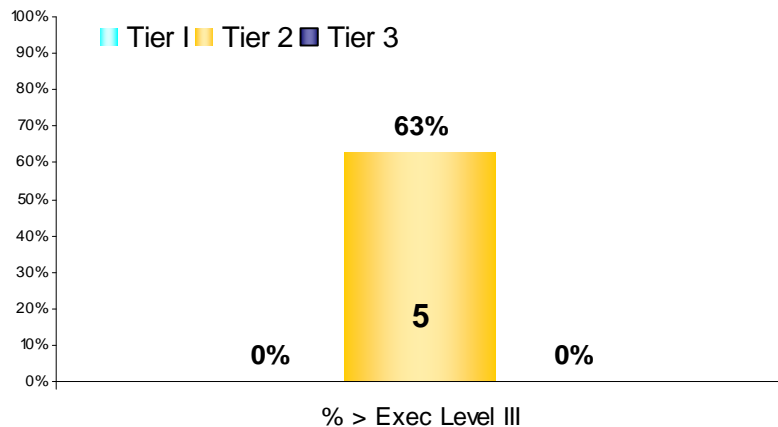


SES Average Basic Pay (2007-2008) DCAA

13 SES RATED IN 2008

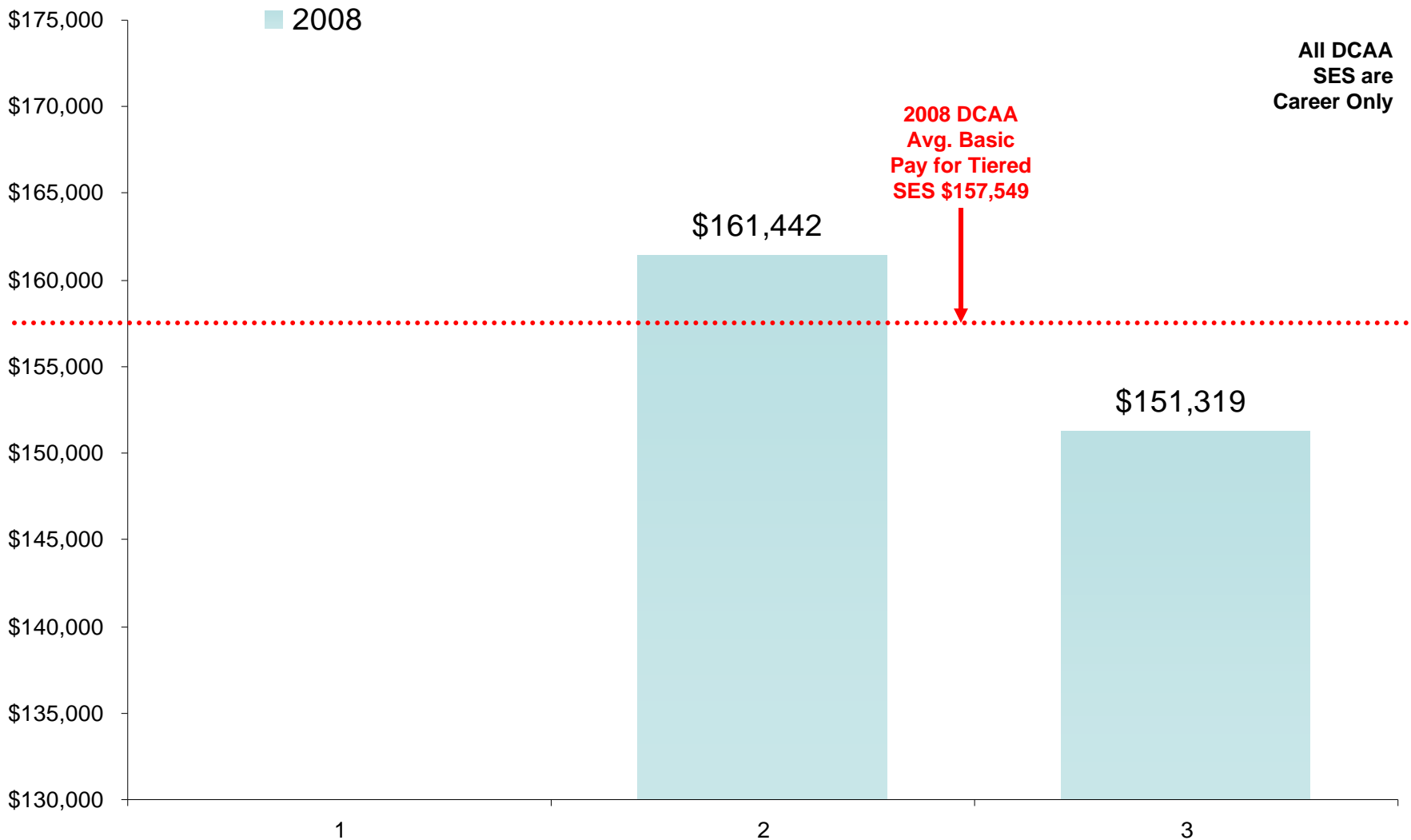


Tier Data below only contains 2008 Data. 13 Rated SES were in Tiers in 2008.





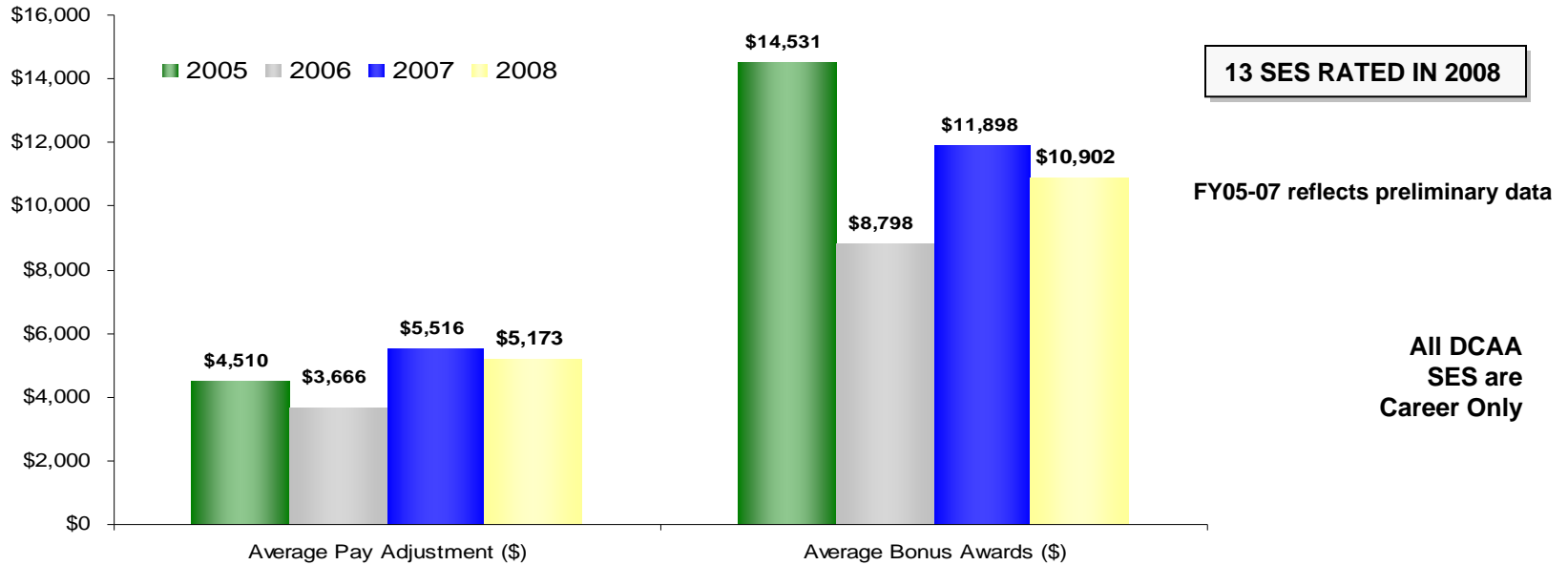
SES Average Basic Pay (2008) DCAA by Tier



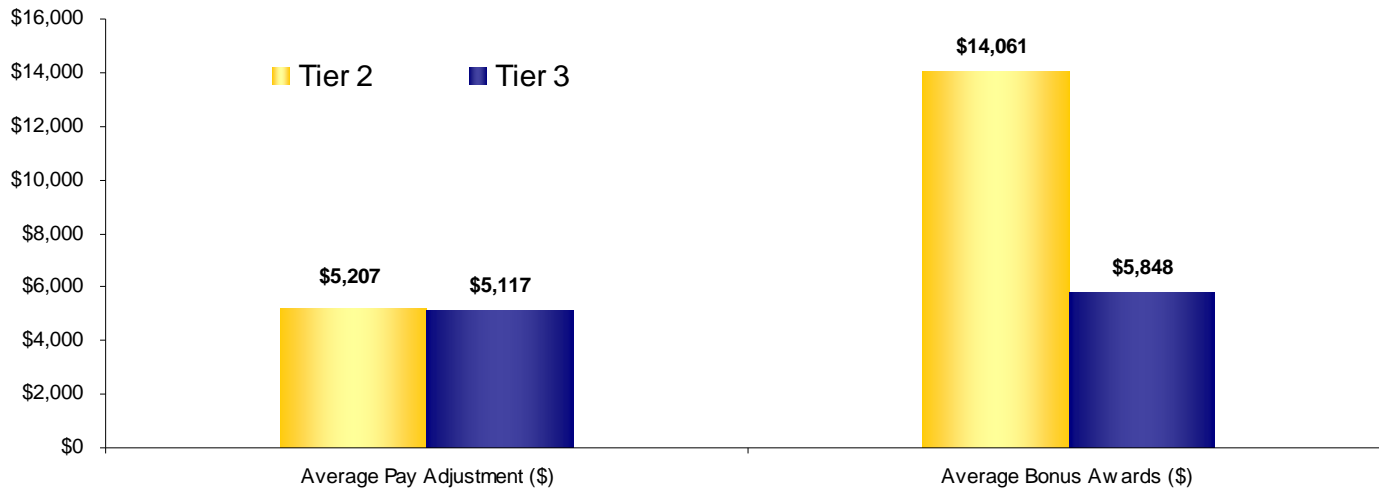
22 Rated SES were in Tiers in 2008, which was the first year for Tiers in DFAS.



SES Average Pay Adjustment and Average Bonus (2005-2008) DCAA

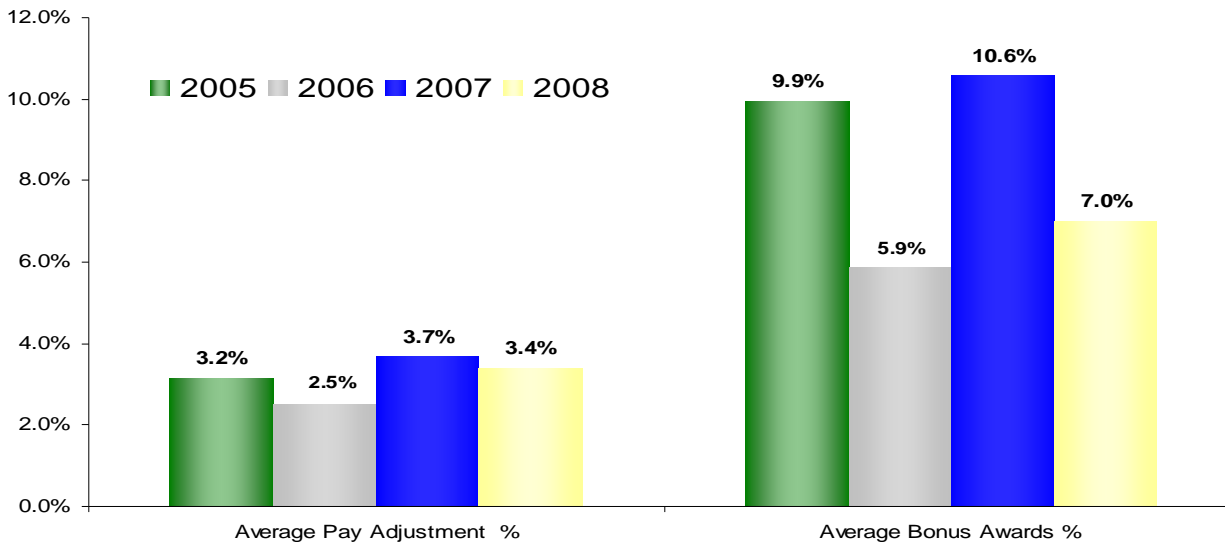


2008 by Tier Level





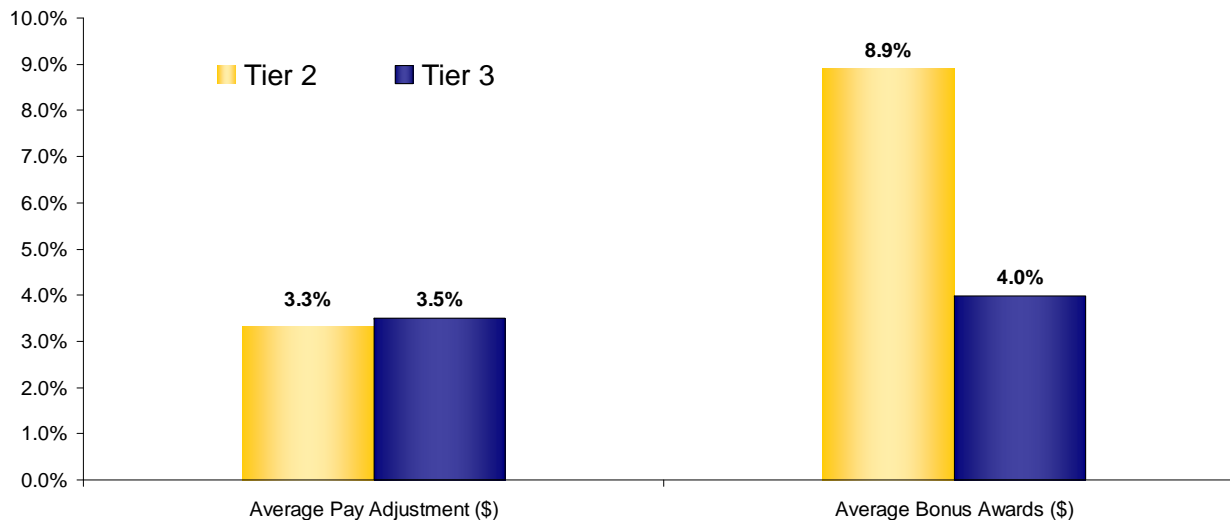
Average Performance Pay Adjustment and Average Performance Bonus Award 2005-2008 DCAA



13 SES RATED IN 2008

62% of rated SES received a bonus in 2008

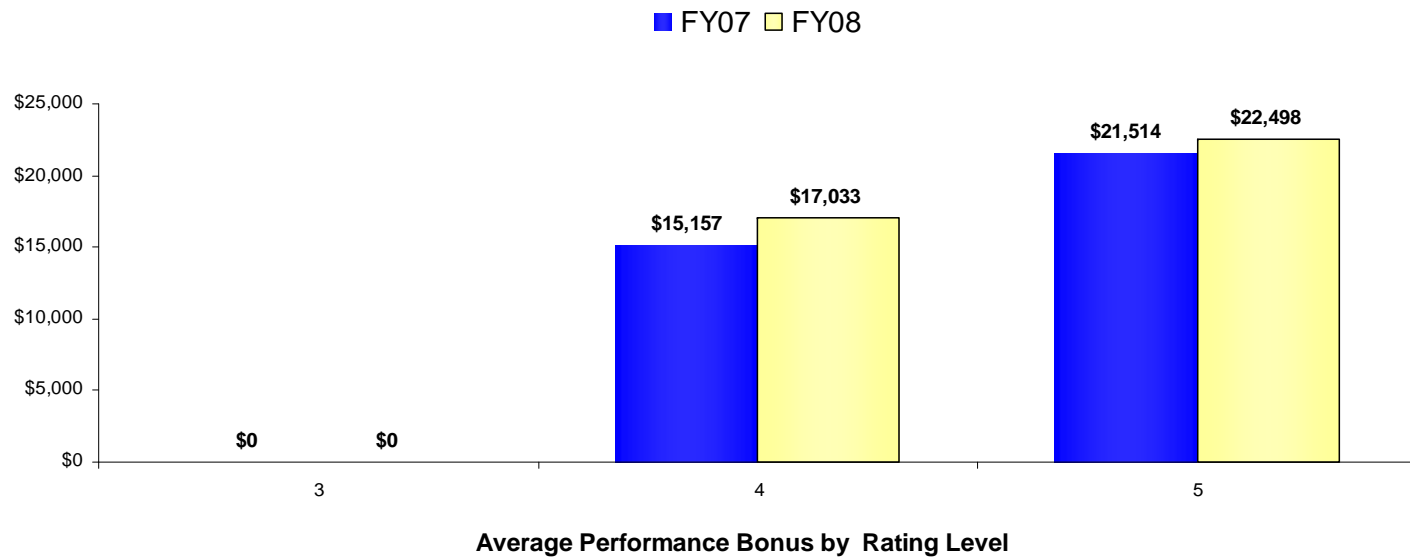
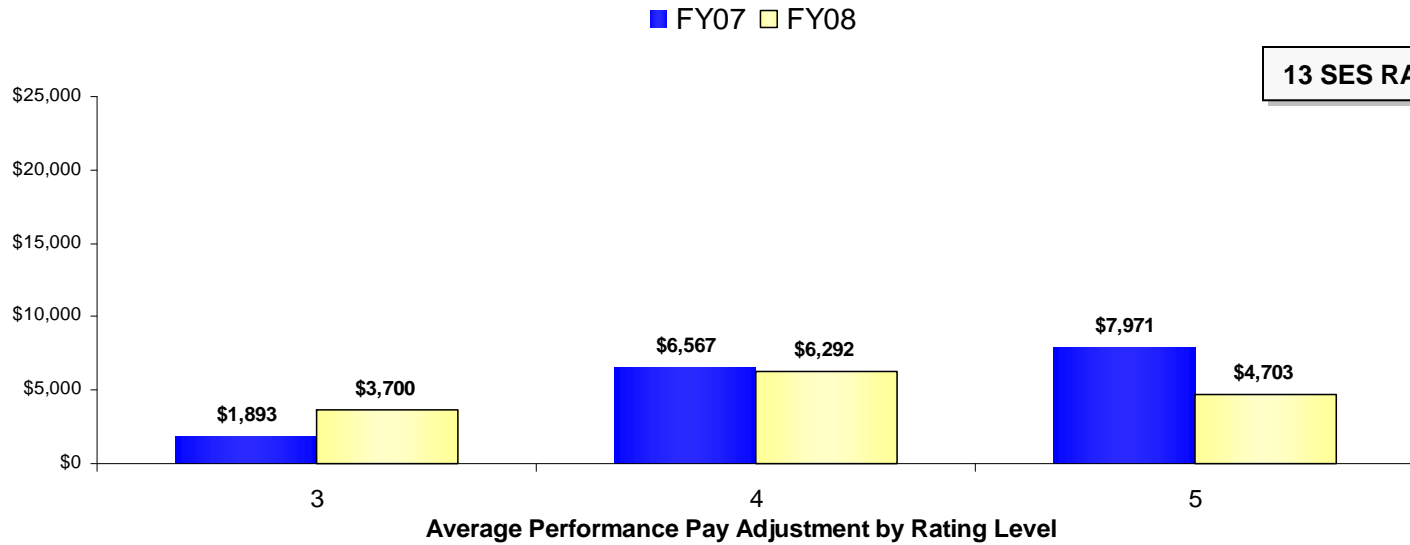
All DCAA SES are Career Only



2008 by Tier Level

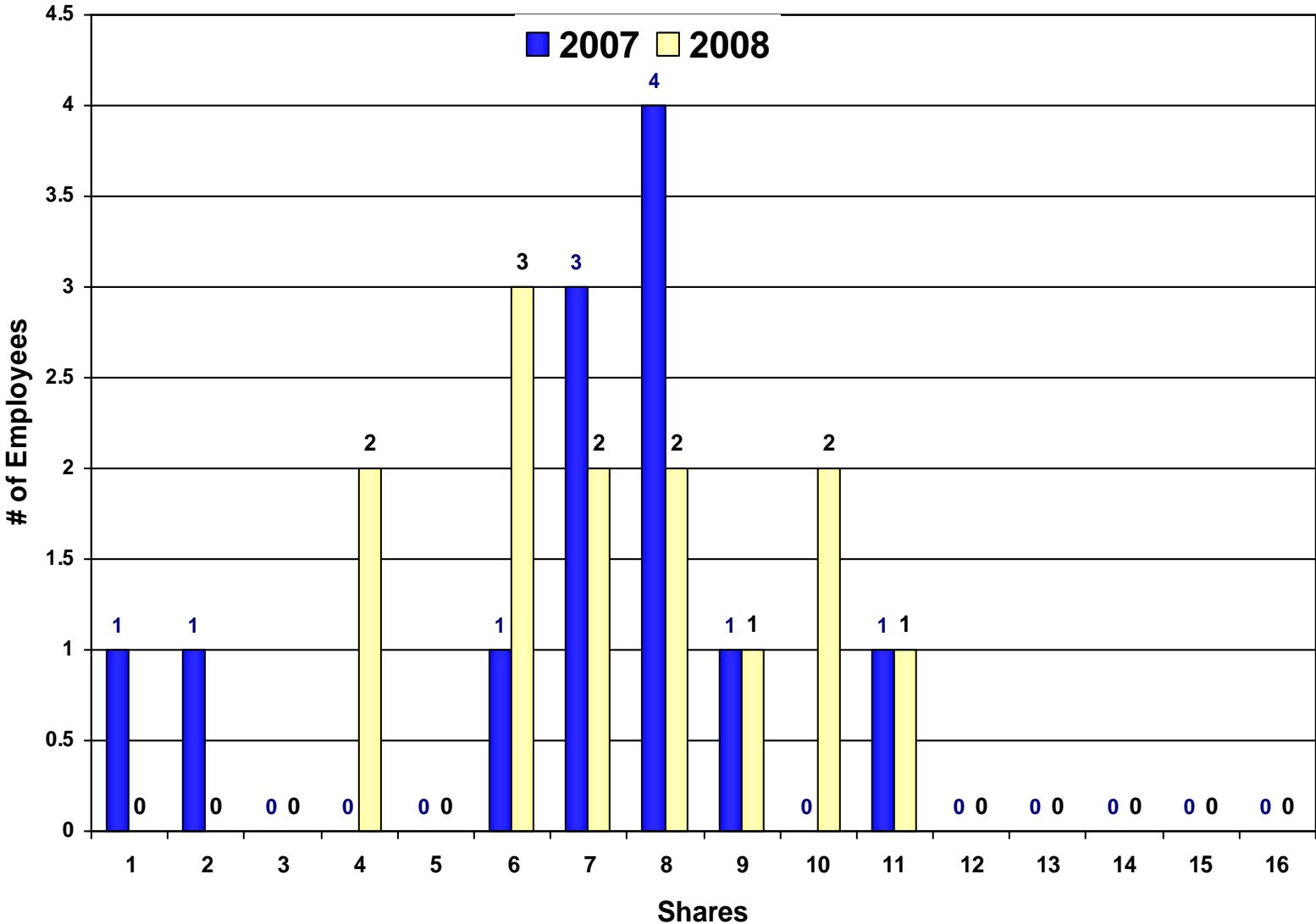


SES Average Pay Adjustment and Average Bonus (2007-2008) (by Rating Level) DCAA





SES Distribution of Shares (2007-2008) DCAA



DFAS





SES Performance Payout Results (2008)

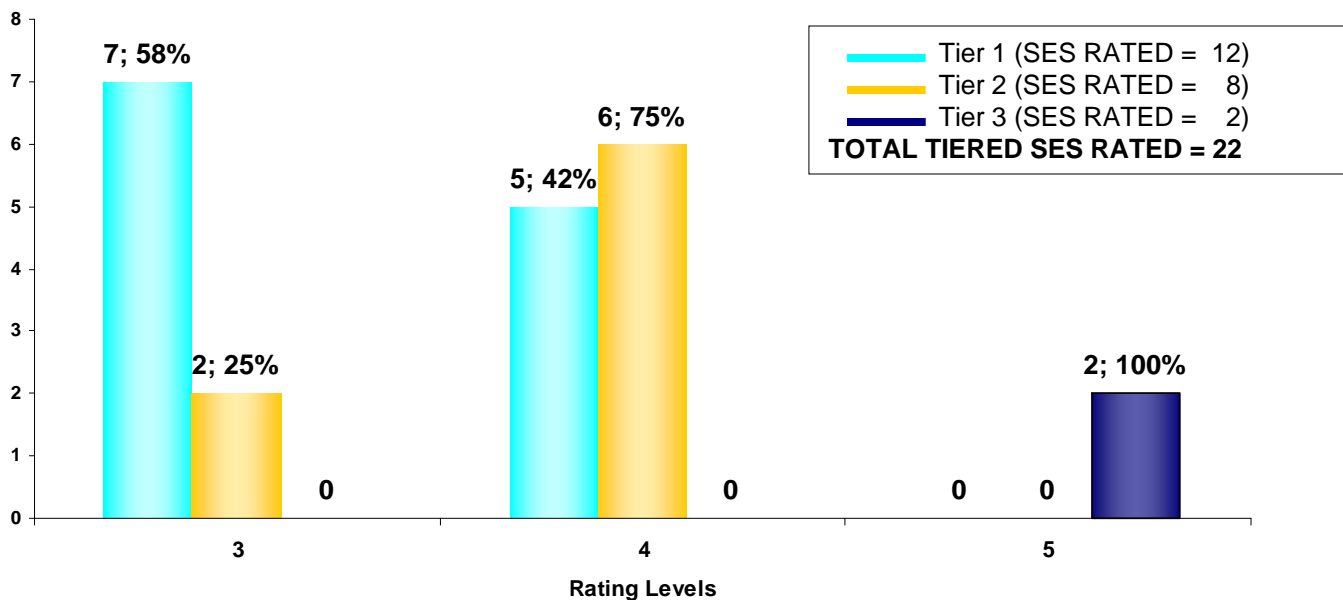
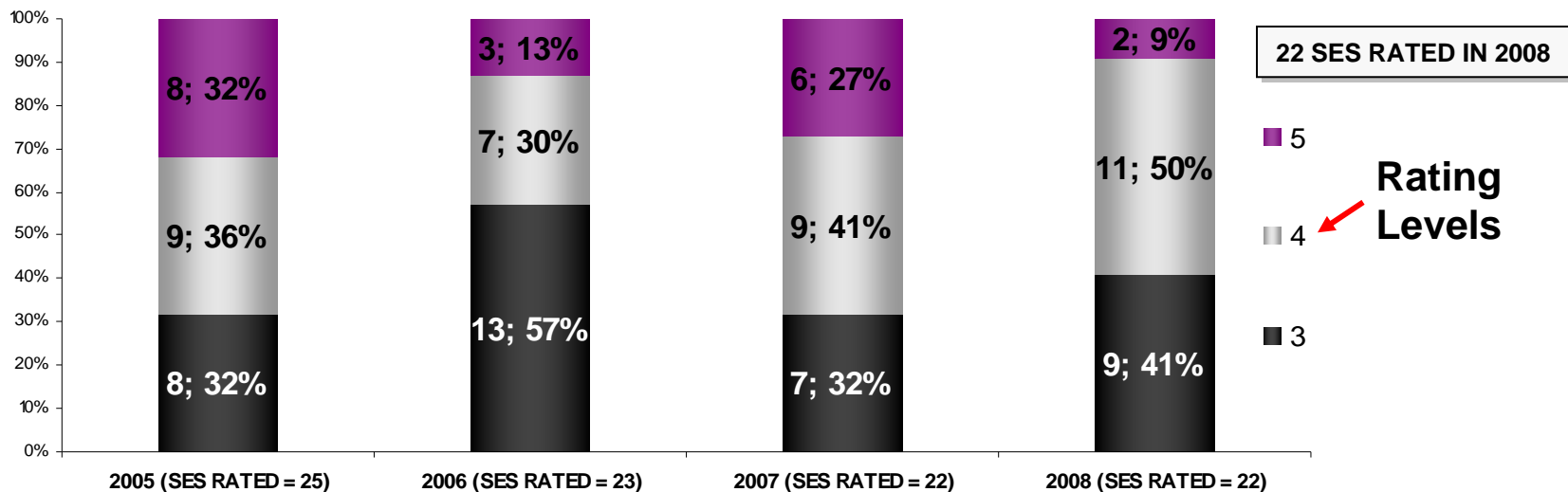
DFAS

2008 Results at a Glance (For Rated SES, unless otherwise noted)	2008
Total Number (#) of SES Leaders Total # Rated SES (career, non-career and limited term)	22 22
Total Salaries Total Salaries of Rated SES	\$3,429,209 \$3,429,209
Pay Pool Funding Factor (Pay Progression + PAEP + Performance Budget)	Tier 1 - 11% Tier 2 - 13% Tier 3 - 17%
Pay Pool Value (Pay Pool Funding Factor X Total Salaries of all covered executives)	\$445,797
Total Performance (Basic) Pay Increase Payouts	\$120,077
Avg. Performance (Basic) Pay Increase	\$5,458
Total Performance Bonus Payouts	\$299,913
Avg. Bonus Payout	\$13,632
Unspent Pay Pool	\$25,807
Unspent Pay Pool	0.75%
Total Performance (Basic) Pay Increase Payouts (as % of Total Salaries)	3.5%
Total Performance Bonus Payouts (as % of Total Salaries)	8.7%



Distribution of SES Ratings (2005-2008) DFAS

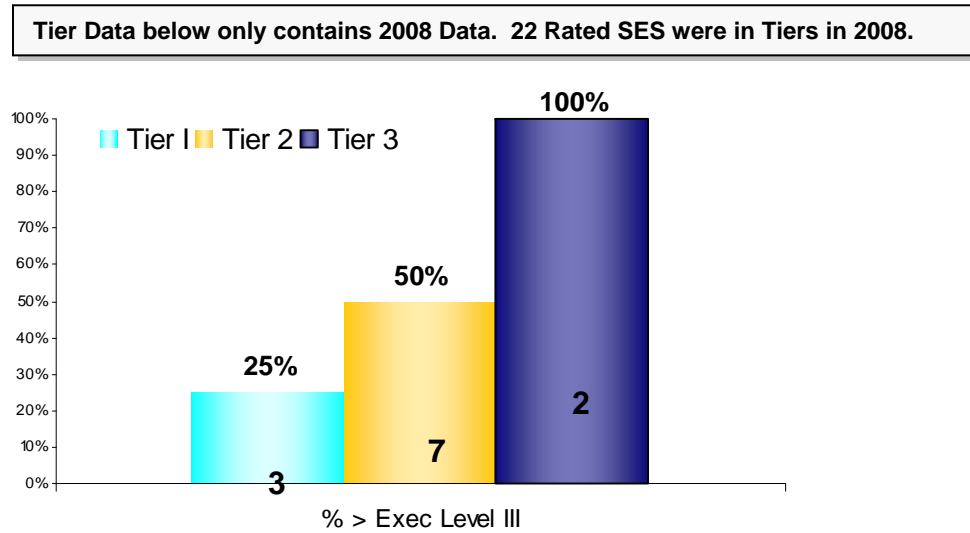
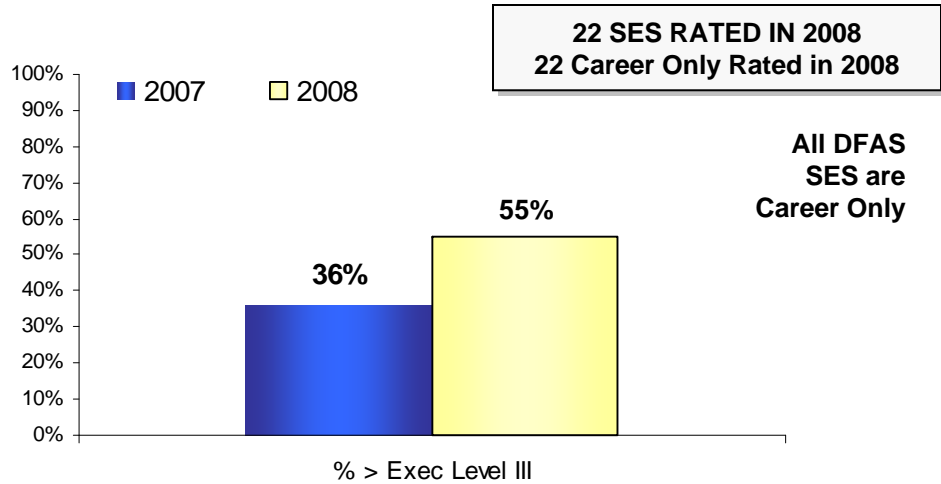
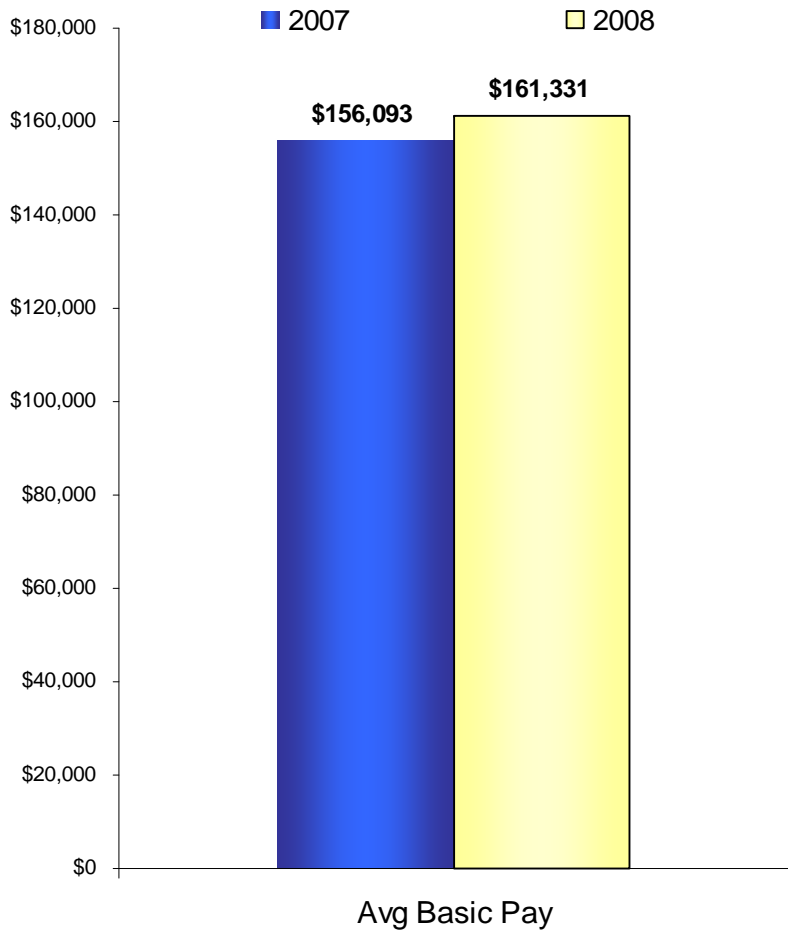
All DFAS
SES are
Career
Only



2008 by
Tier Level

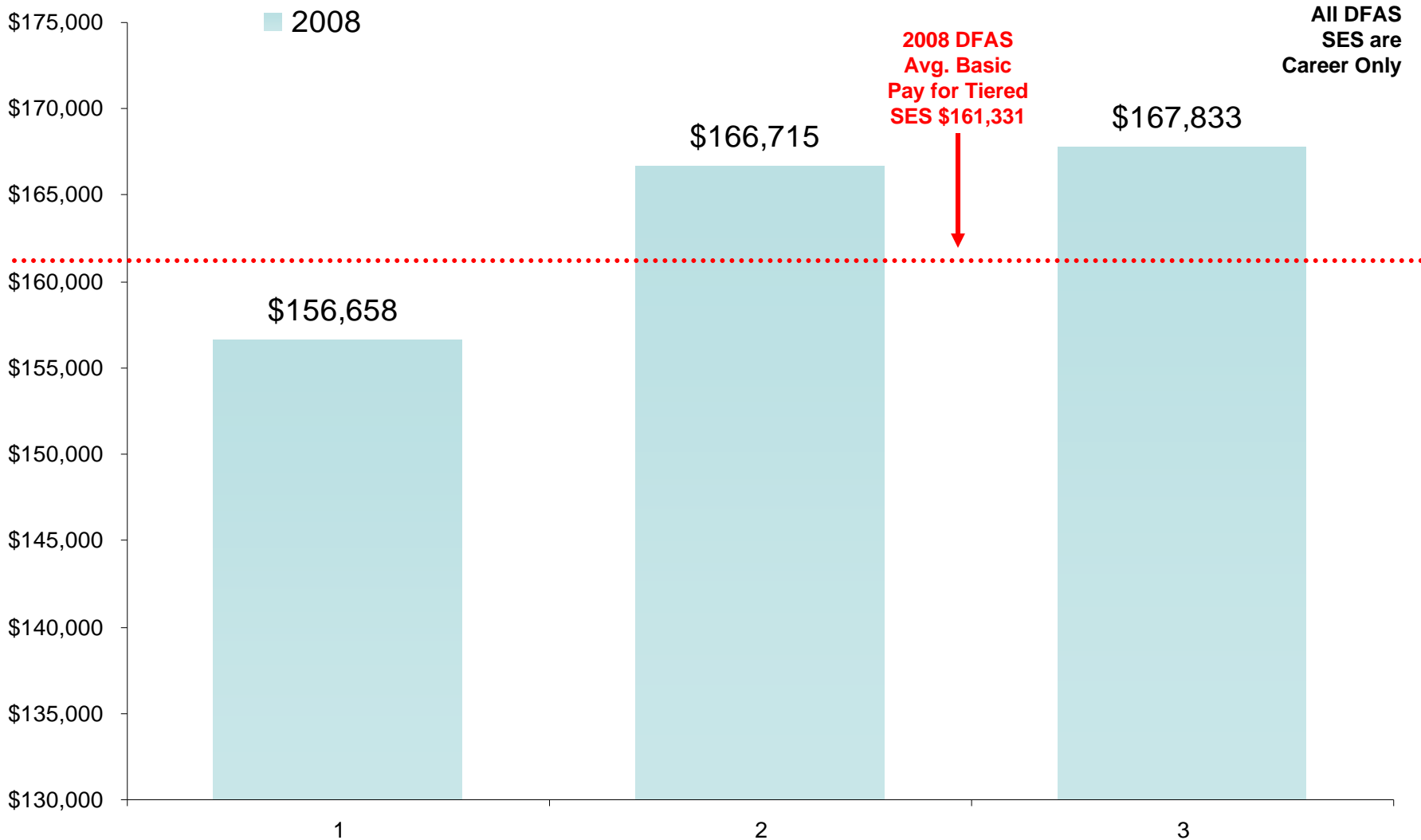


SES Average Basic Pay (2007-2008) DFAS





SES Average Basic Pay (2008) DFAS by Tier

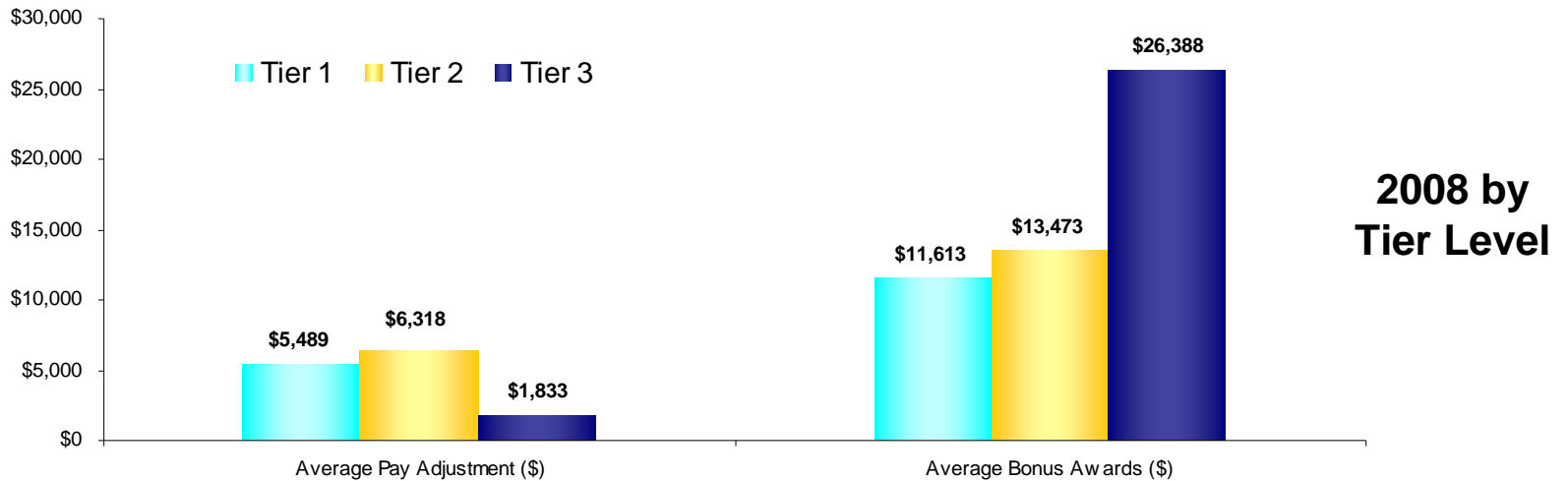
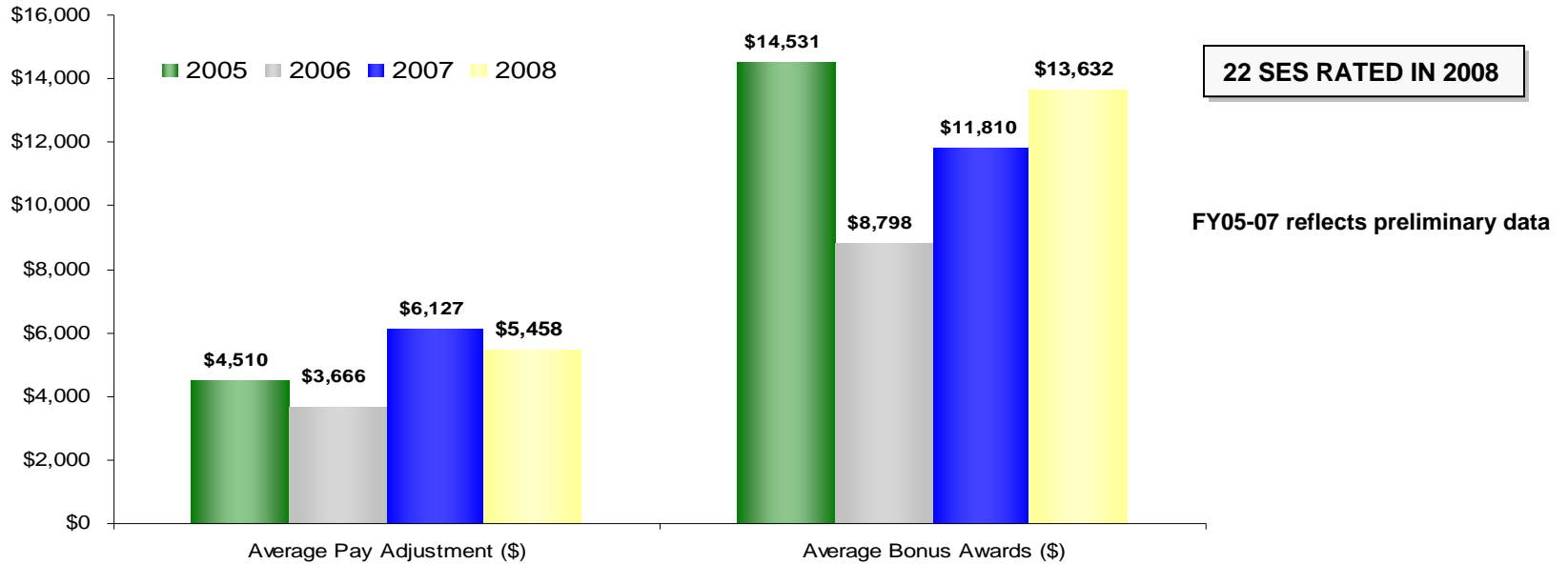


22 Rated SES were in Tiers in 2008, which was the first year for Tiers in DFAS.



SES Average Pay Adjustment and Average Bonus (2005-2008) DFAS

All DFAS
SES are
Career Only

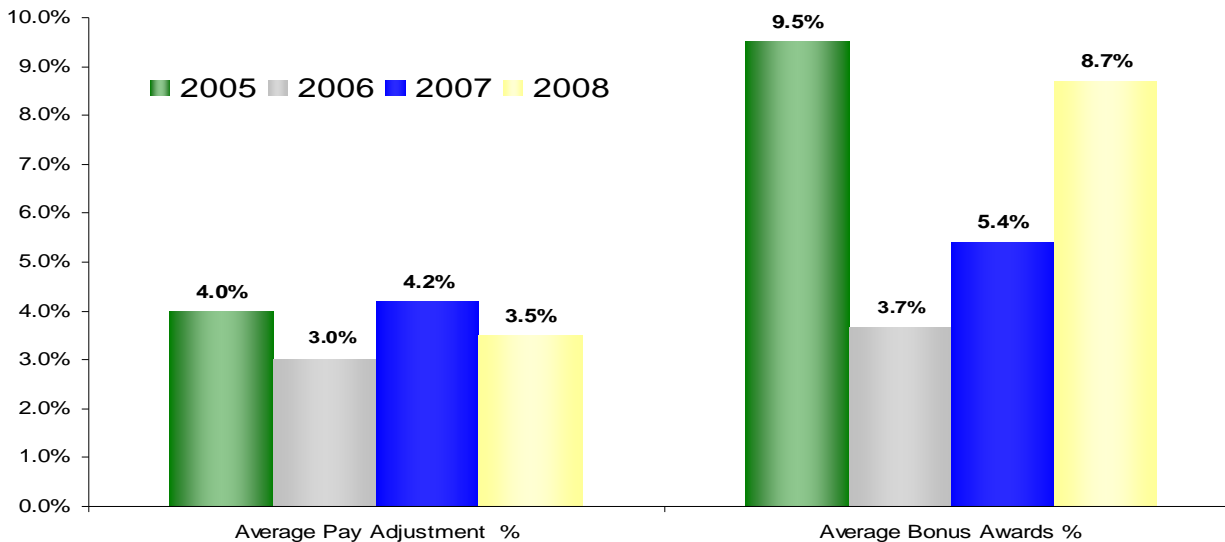




Average Performance Pay Adjustment and Average Performance Bonus Award 2005-2008

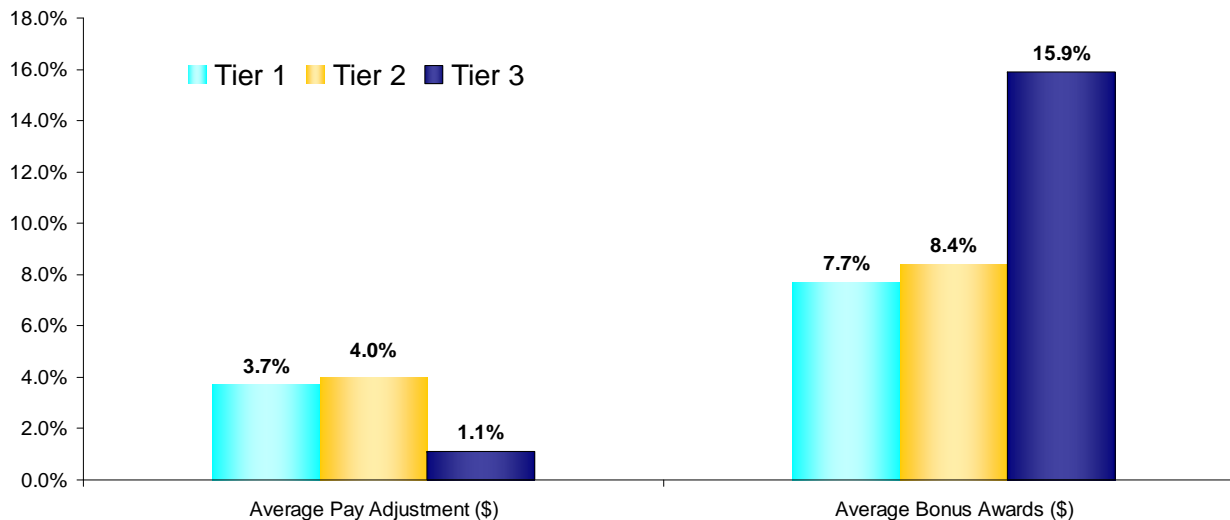
DFAS

All DFAS SES are Career Only



22 SES RATED IN 2008

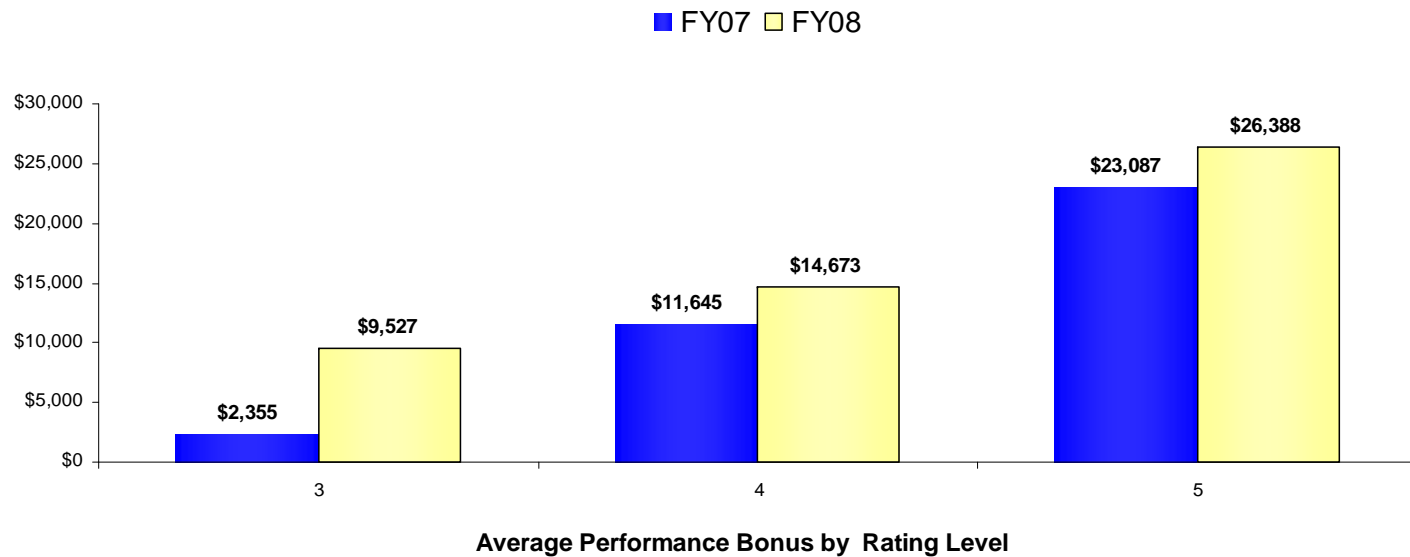
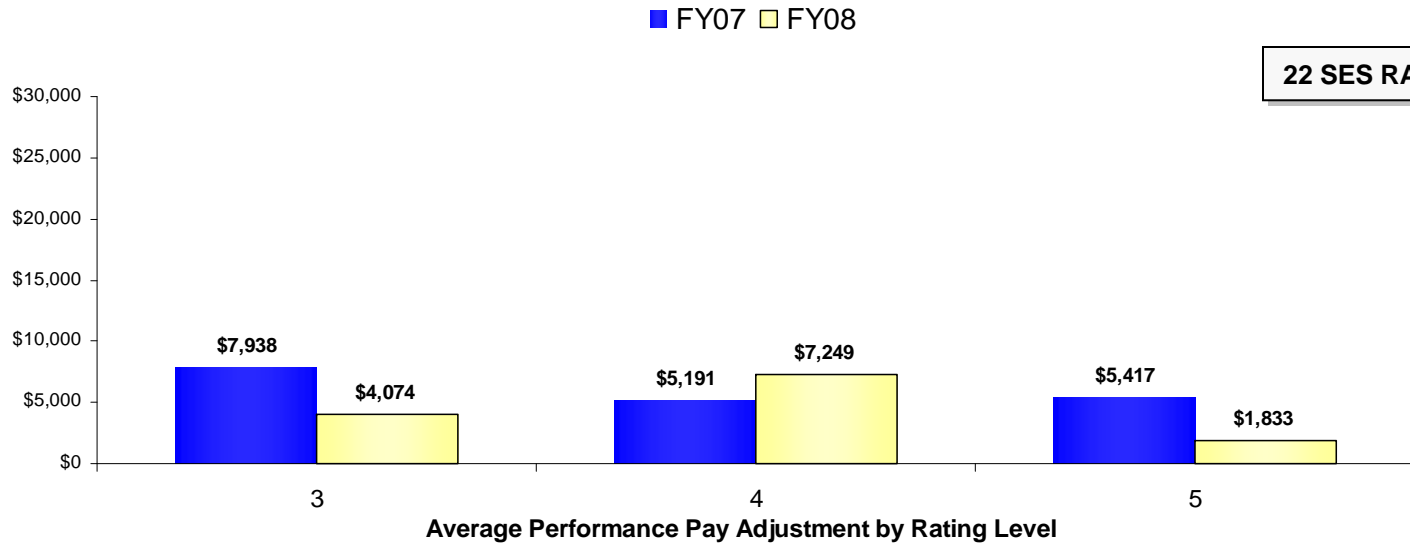
100% of rated SES received a bonus in 2008



2008 by Tier Level

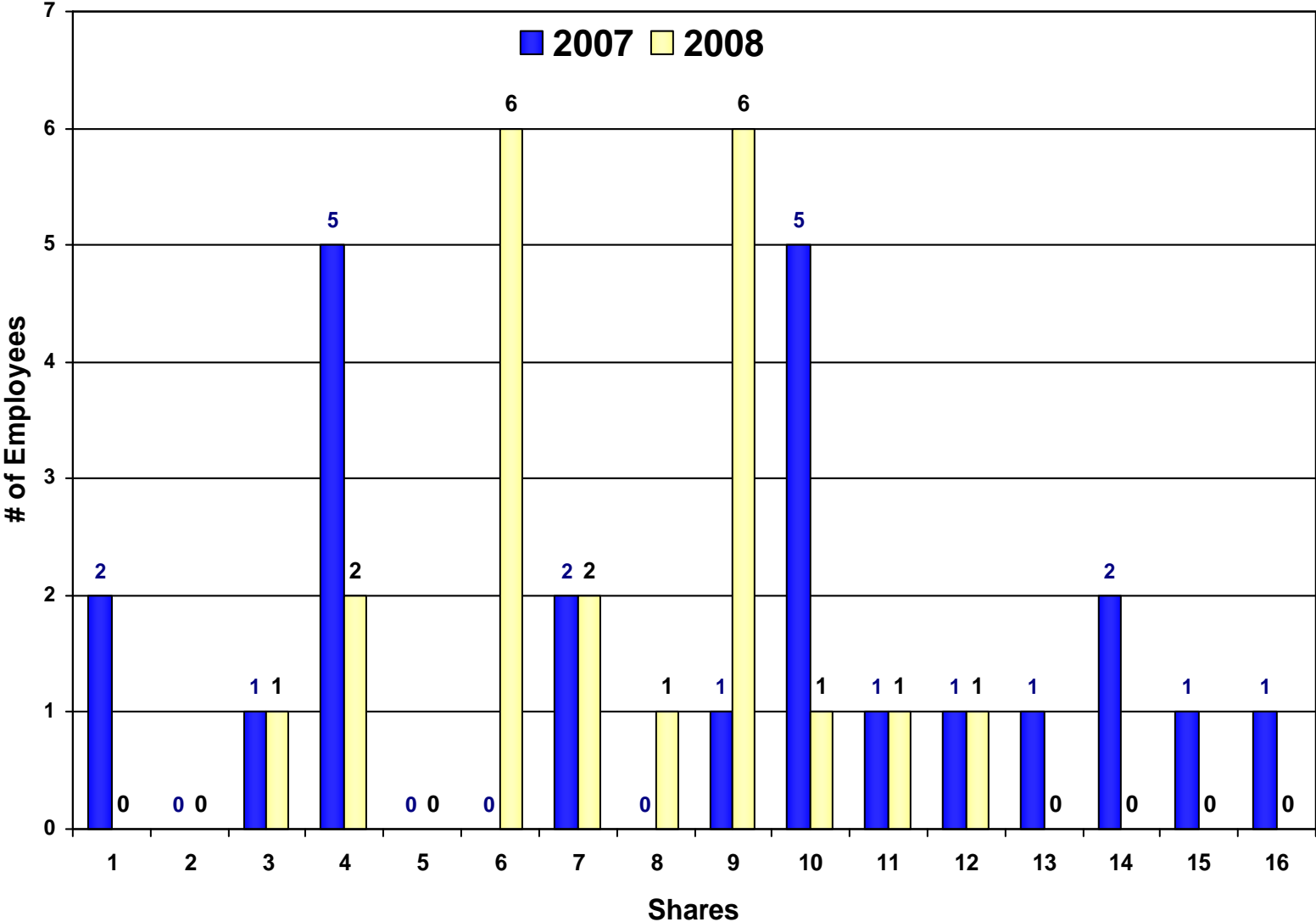


SES Average Pay Adjustment and Average Bonus (2007-2008) (by Rating Level) DFAS





SES Distribution of Shares (2007-2008) DFAS



DISA





SES Performance Payout Results (2008)

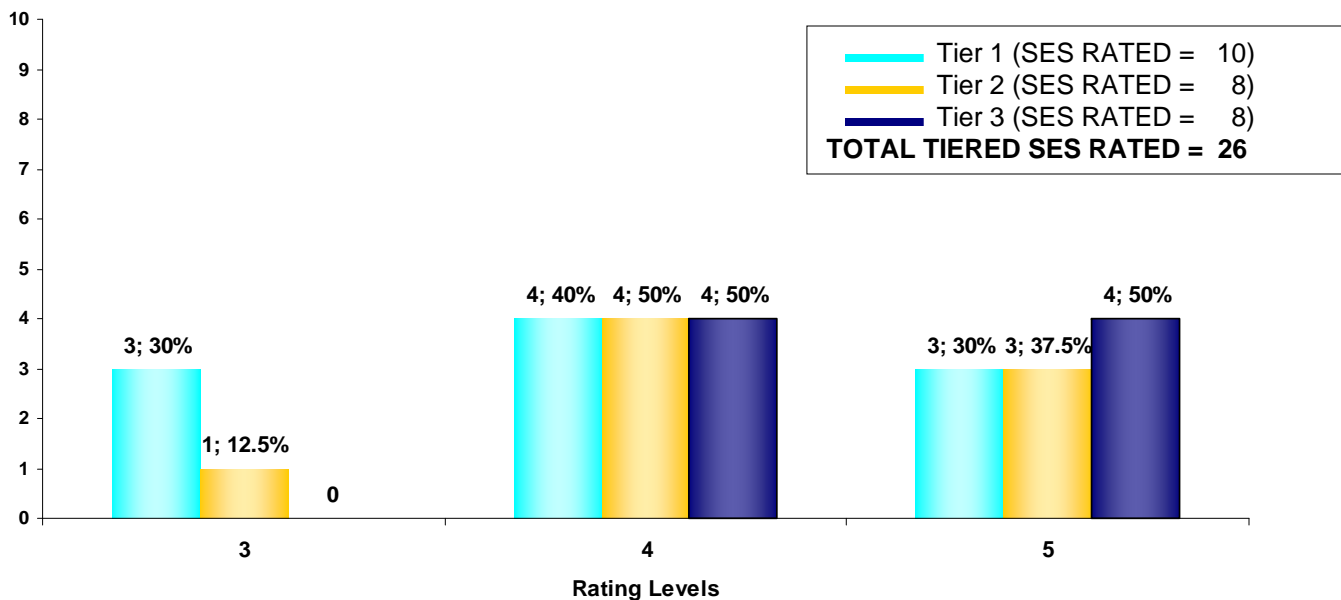
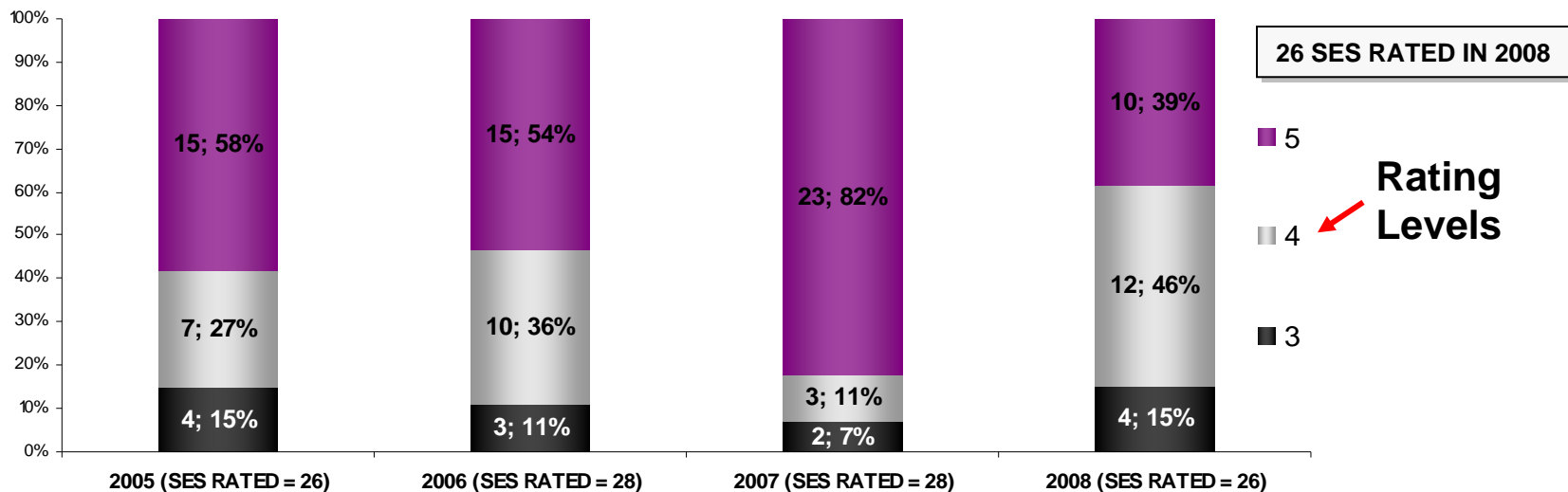
DISA

2008 Results at a Glance (For Rated SES, unless otherwise noted)	2008
Total Number (#) of SES Leaders	26
Total # Rated SES (career, non-career and limited term)	26
Total Salaries	\$4,041,113
Total Salaries of Rated SES	\$4,041,113
Pay Pool Funding Factor (Pay Progression + PAEP + Performance Budget)	Tier 1 - 11% Tier 2 - 13% Tier 3 - 17%
Pay Pool Value (Pay Pool Funding Factor X Total Salaries of all covered executives)	\$525,345
Total Performance (Basic) Pay Increase Payouts	\$154,068
Avg. Performance (Basic) Pay Increase	\$5,926
Total Performance Bonus Payouts	\$371,255
Avg. Bonus Payout	\$14,279
Unspent Pay Pool	\$21,201
Unspent Pay Pool (as % of Total Salaries)	0.53%
Total Performance (Basic) Pay Increase Payouts (as % of Total Salaries)	3.8%
Total Performance Bonus Payouts (as % of Total Salaries)	9.2%



Distribution of SES Ratings (2005-2008) DISA

All DISA
SES are
Career
Only



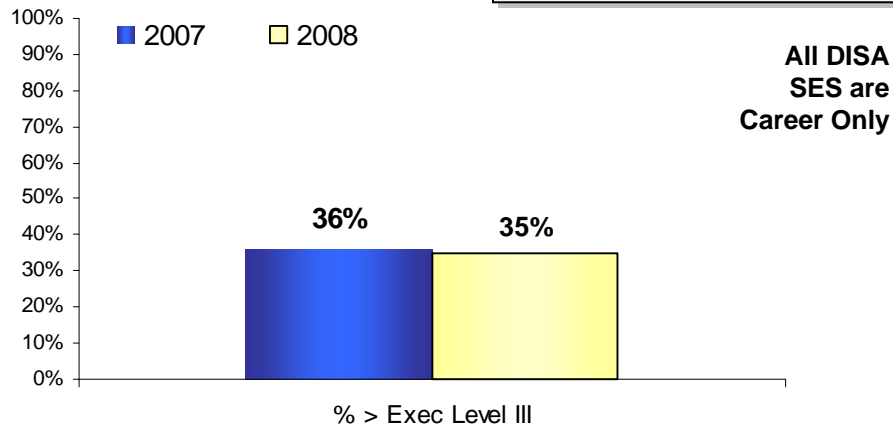
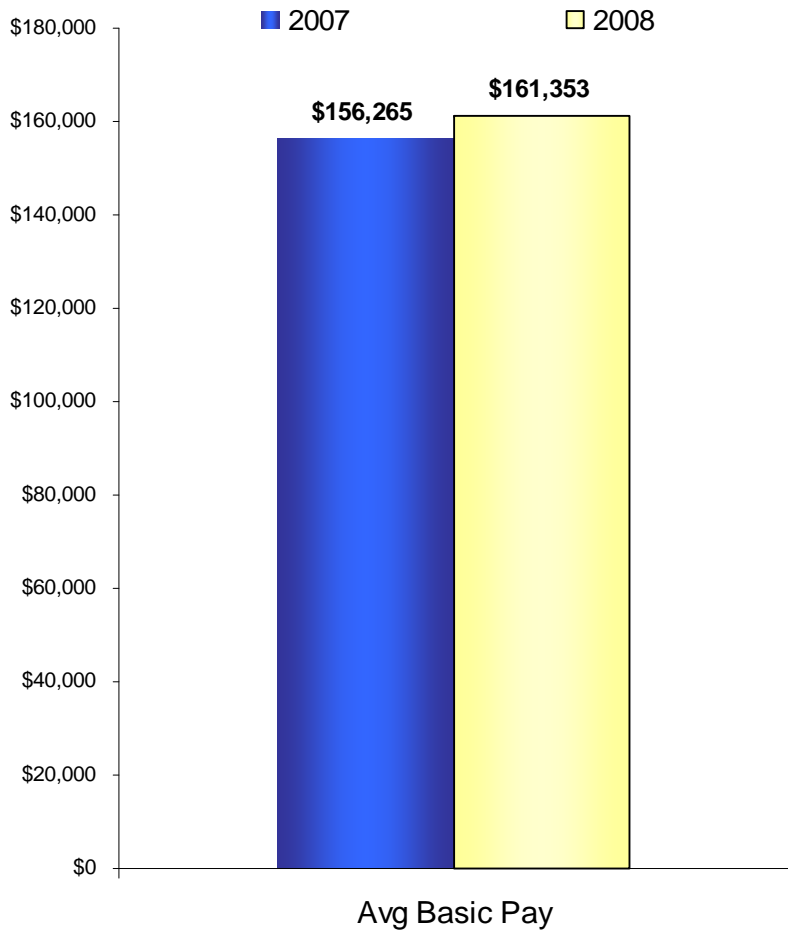
2008 by
Tier Level



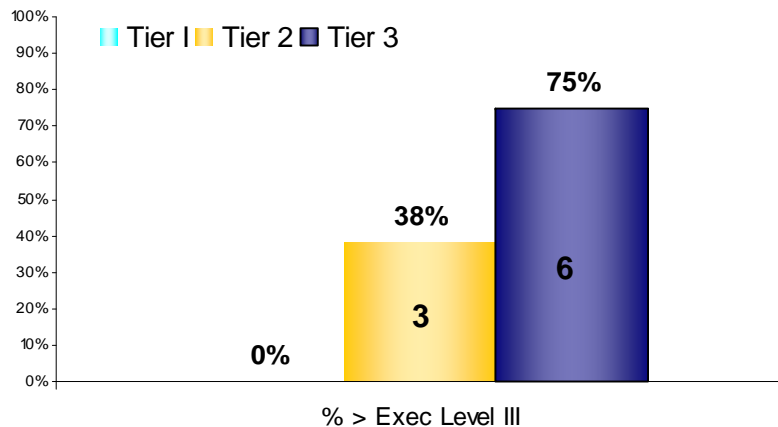
SES Average Basic Pay (2007-2008)

DISA

26 SES RATED IN 2008

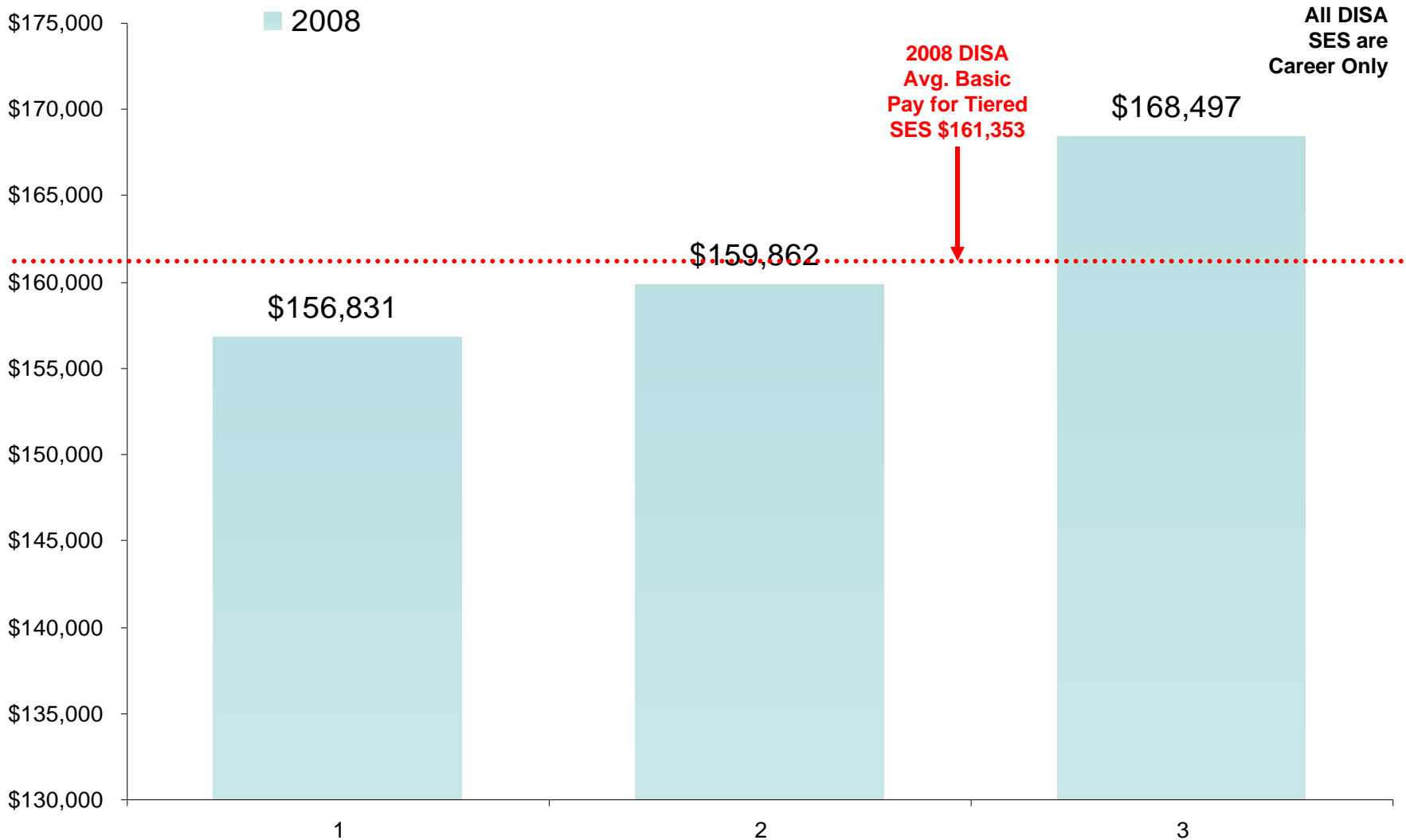


Tier Data below only contains 2008 Data. 26 Rated SES were in Tiers in 2008.





SES Average Basic Pay (2008) DISA by Tier

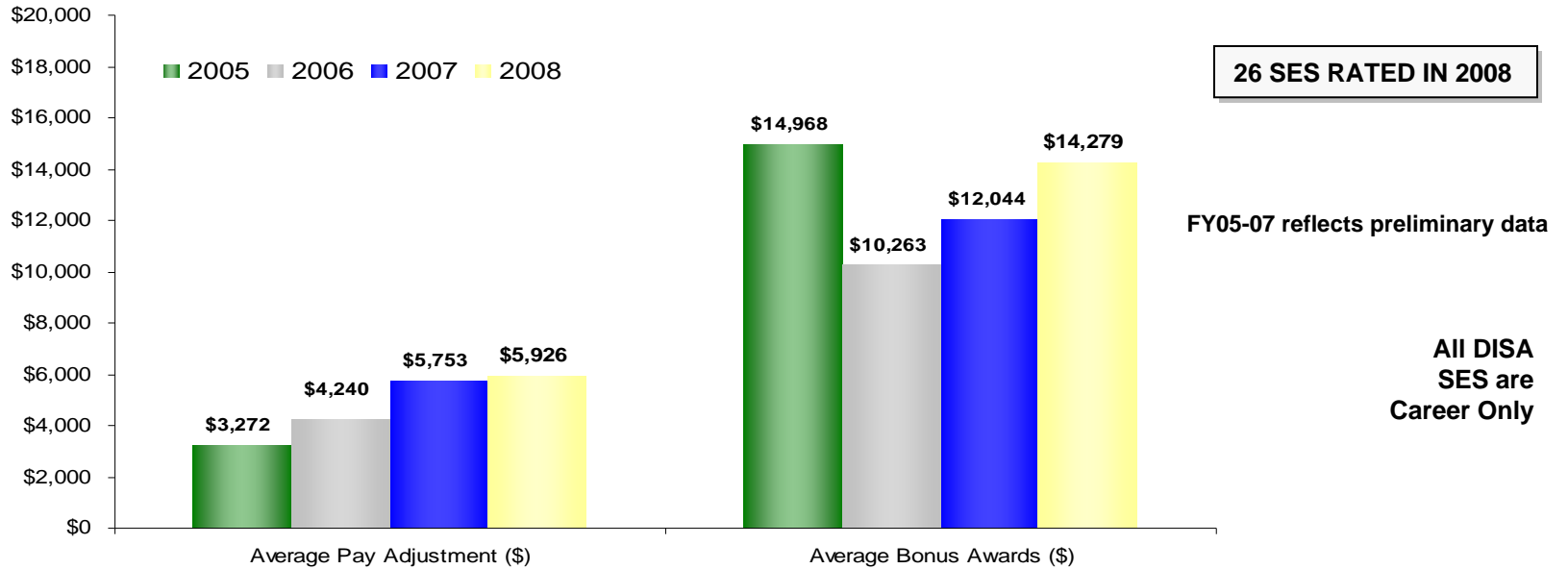


26 Rated SES were in Tiers in 2008

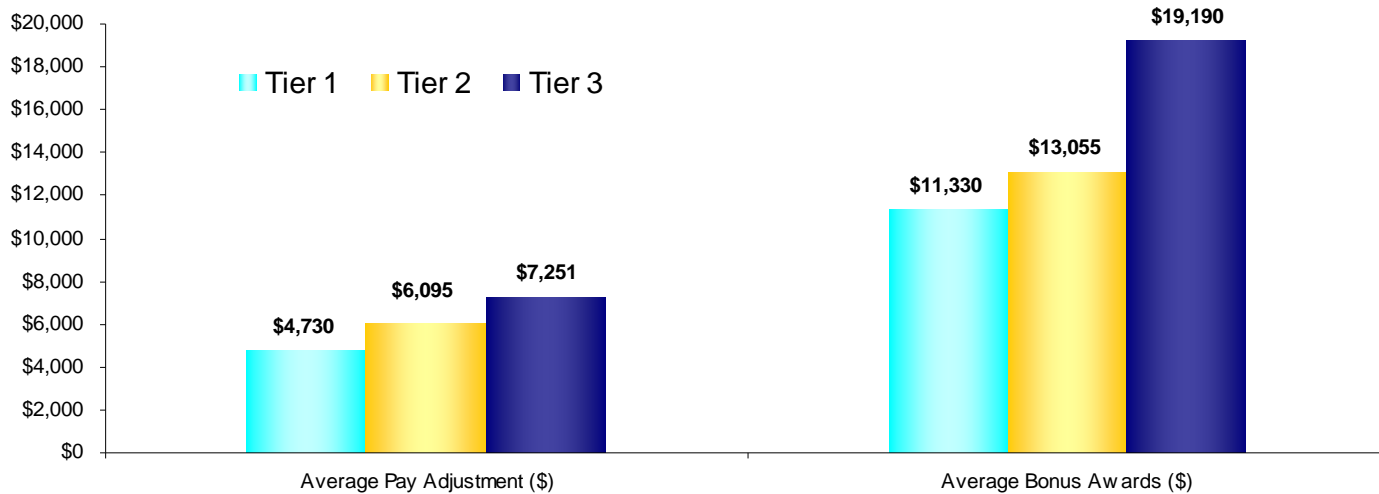


SES Average Pay Adjustment and Average Bonus (2005-2008)

DISA



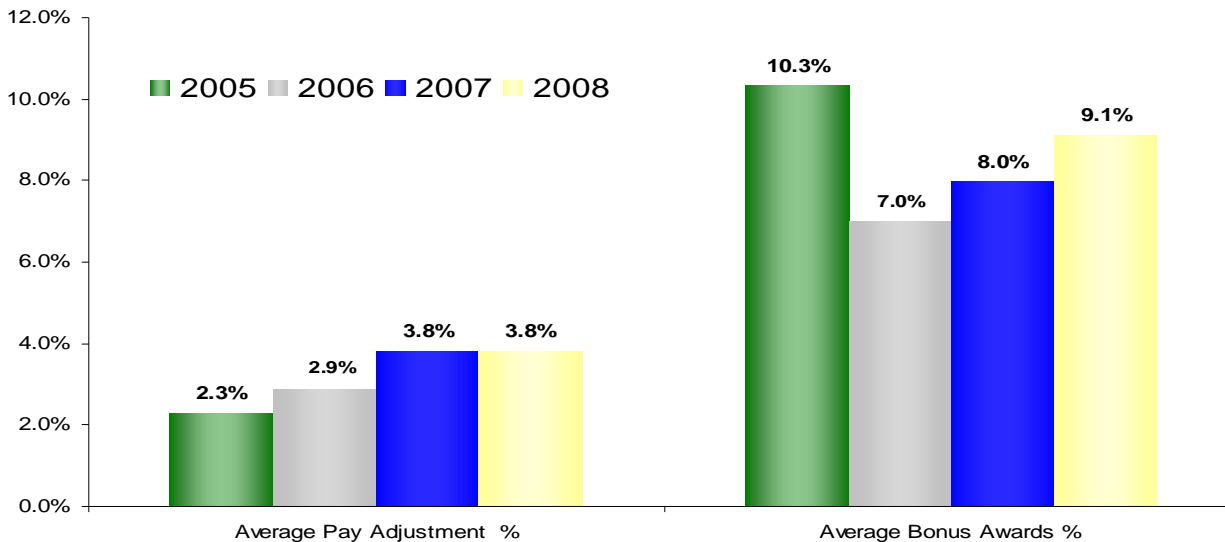
2008 by Tier Level





Average Performance Pay Adjustment and Average Performance Bonus Award 2005-2008

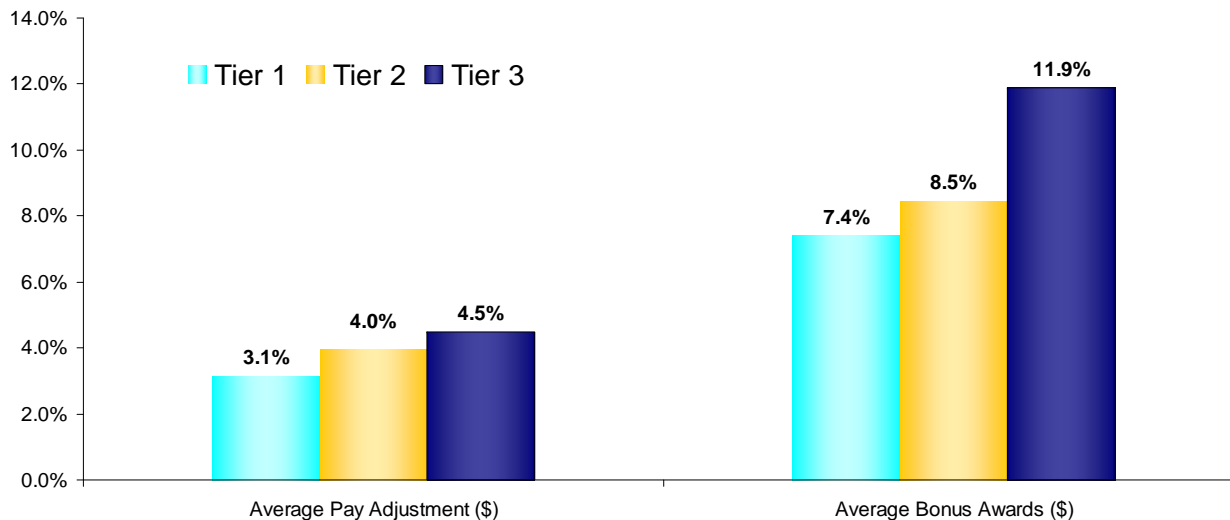
DISA



26 SES RATED IN 2008

100% of rated SES received a bonus in 2008

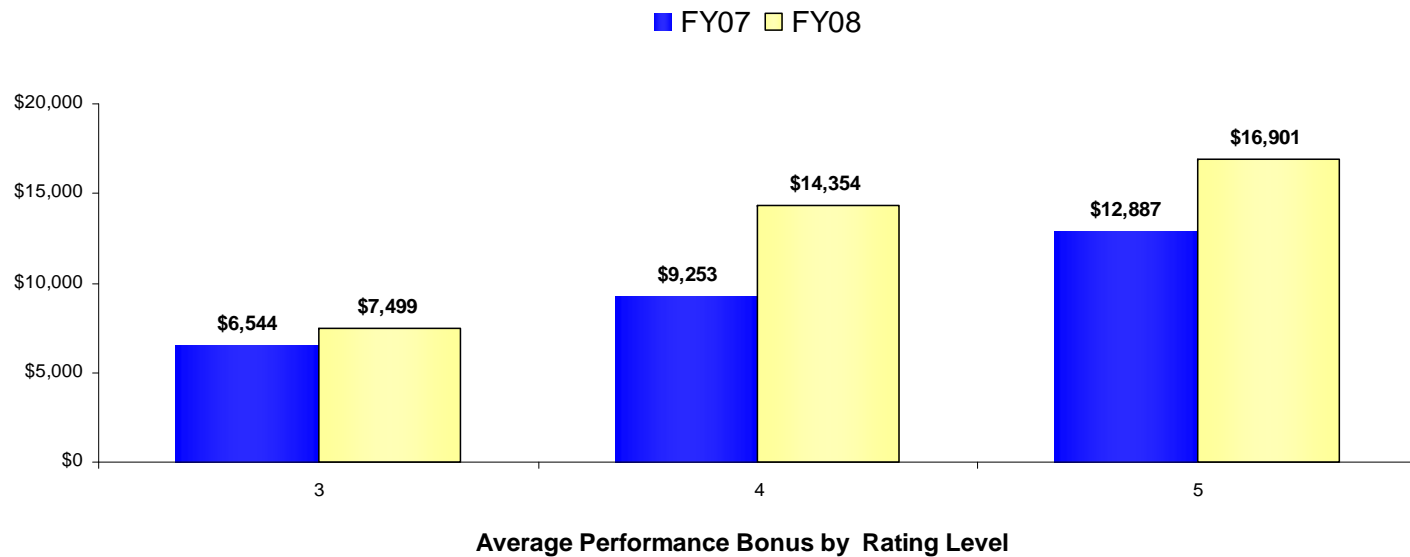
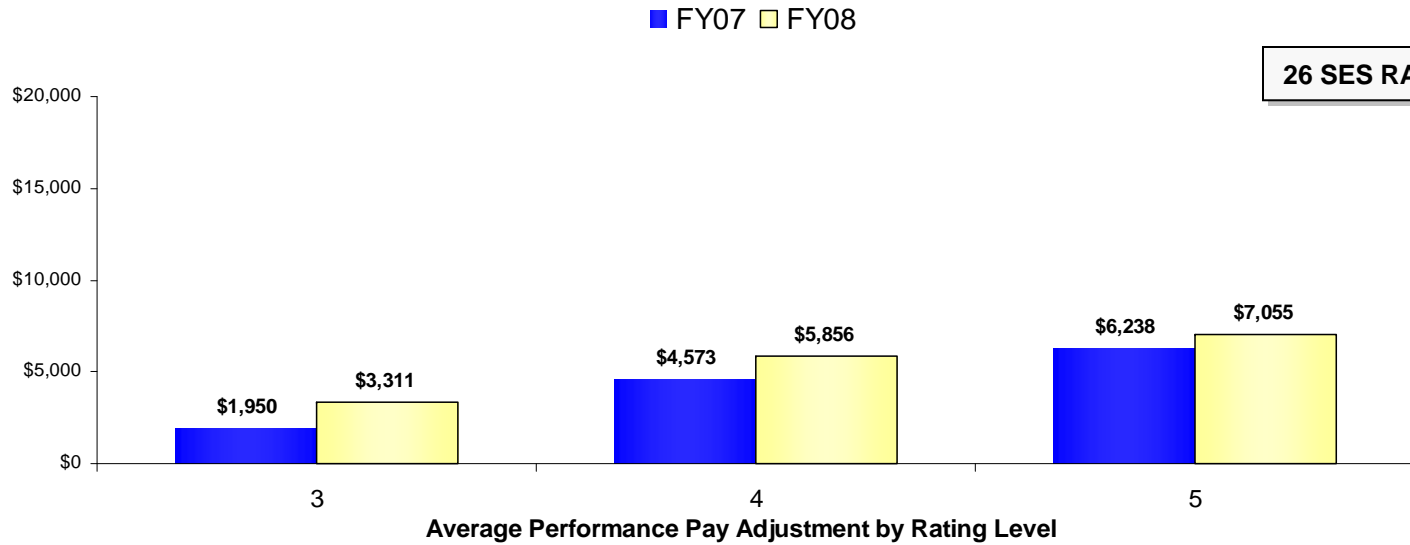
All DISA SES are Career Only



2008 by Tier Level

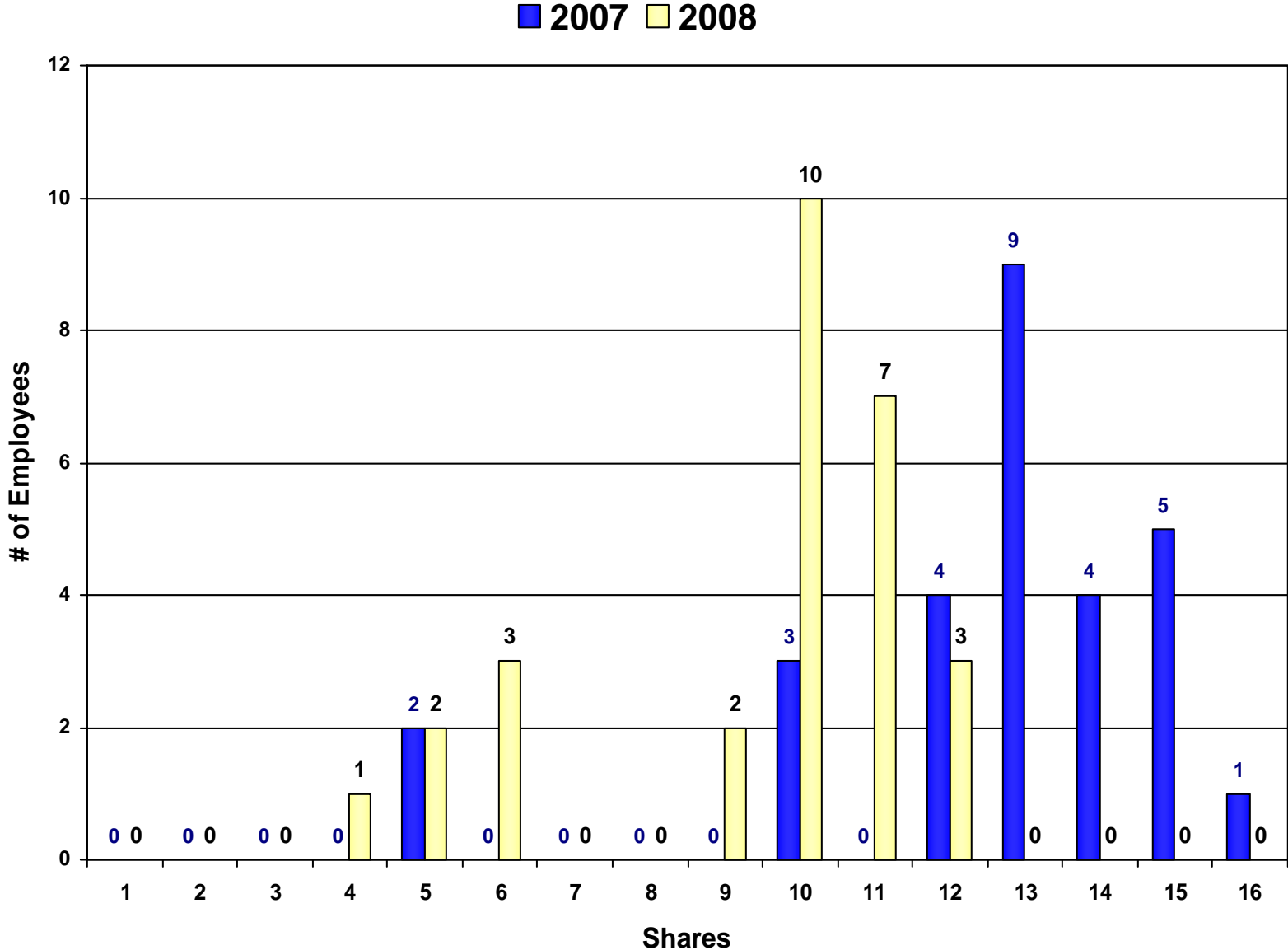


SES Average Pay Adjustment and Average Bonus (2007-2008) (by Rating Level) DISA





SES Distribution of Shares (2007-2008) DISA



DLA





SES Performance Payout Results (2008)

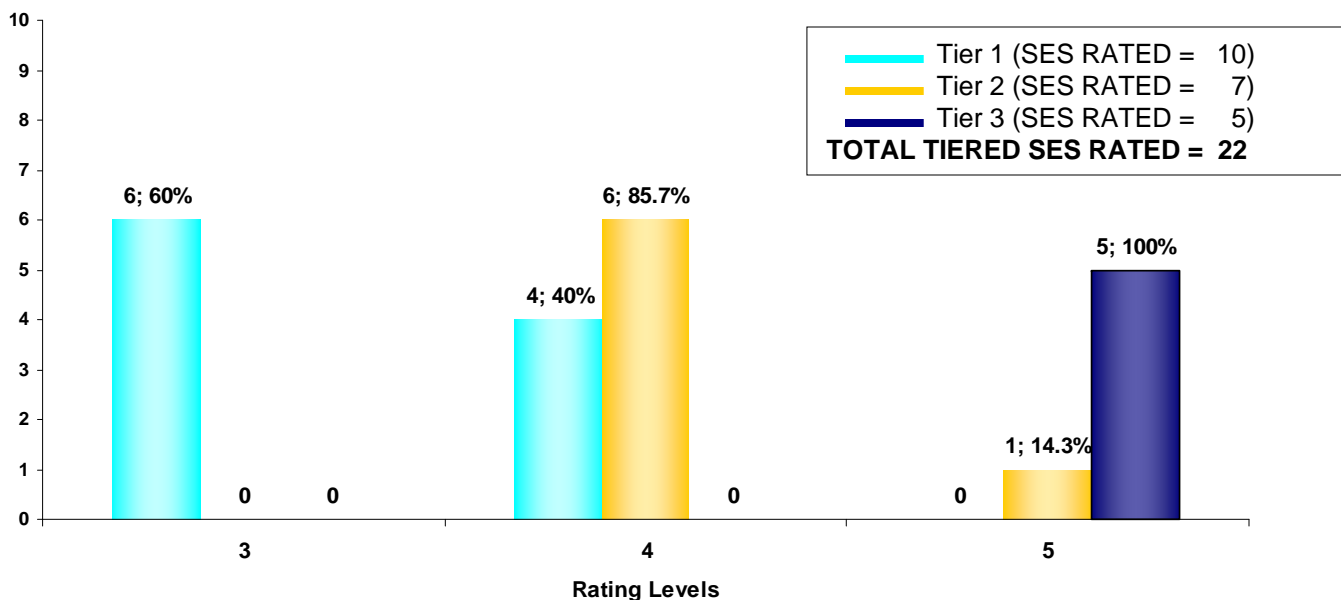
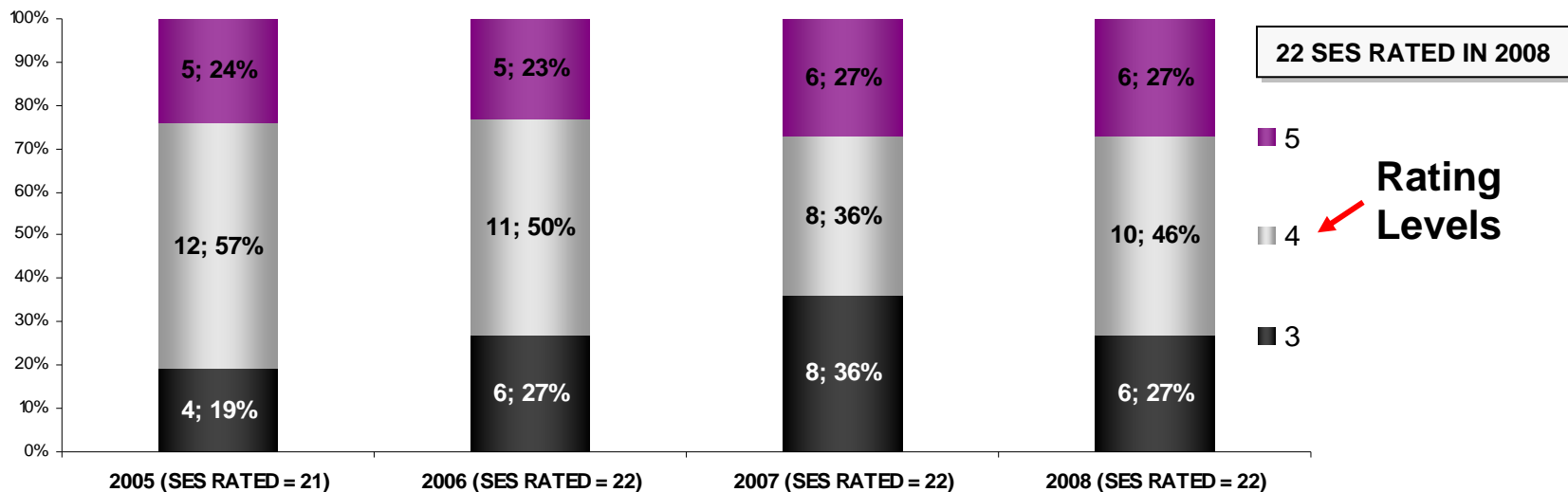
DLA

2008 Results at a Glance (For Rated SES, unless otherwise noted)	2008
Total Number (#) of SES Leaders	23
Total # Rated SES (career, non-career and limited term)	22
Total Salaries	\$3,542,000
Total Salaries of Rated SES	\$3,392,000
Pay Pool Funding Factor (Pay Progression + PAEP + Performance Budget)	Tier 1 - 11% Tier 2 - 13% Tier 3 - 17%
Pay Pool Value (Pay Pool Funding Factor X Total Salaries of all covered executives)	\$460,460
Total Performance (Basic) Pay Increase Payouts	\$115,650
Avg. Performance (Basic) Pay Increase	\$5,257
Total Performance Bonus Payouts	\$324,737
Avg. Bonus Payout	\$14,761
Unspent Pay Pool	\$20,073
Unspent Pay Pool (as % of Total Salaries)	0.57%
Total Performance (Basic) Pay Increase Payouts (as % of Total Salaries)	3.3%
Total Performance Bonus Payouts (as % of Total Salaries)	9.2%



Distribution of SES Ratings (2005-2008) DLA

All DLA
SES are
Career
Only

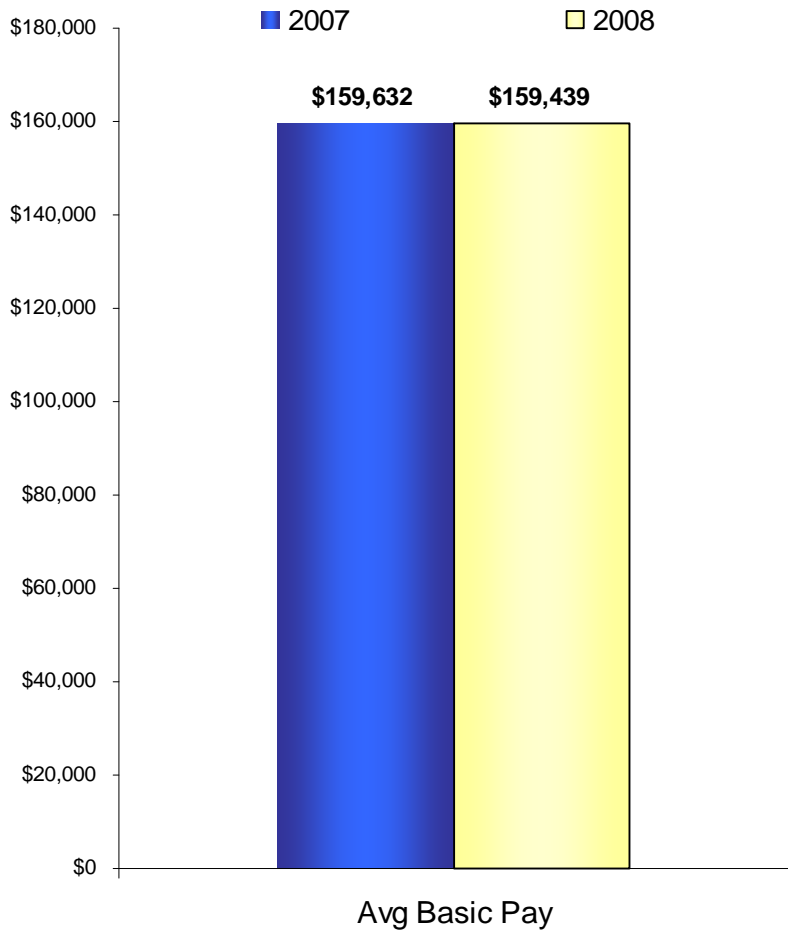


2008 by
Tier Level

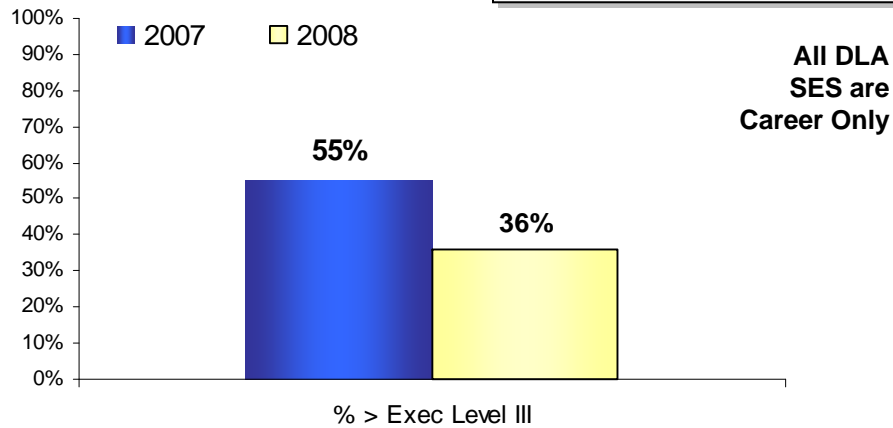


SES Average Basic Pay (2007-2008)

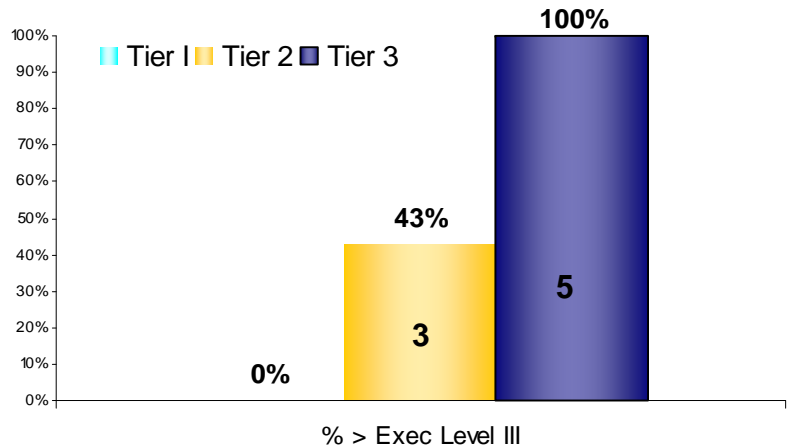
DLA



22 SES RATED IN 2008

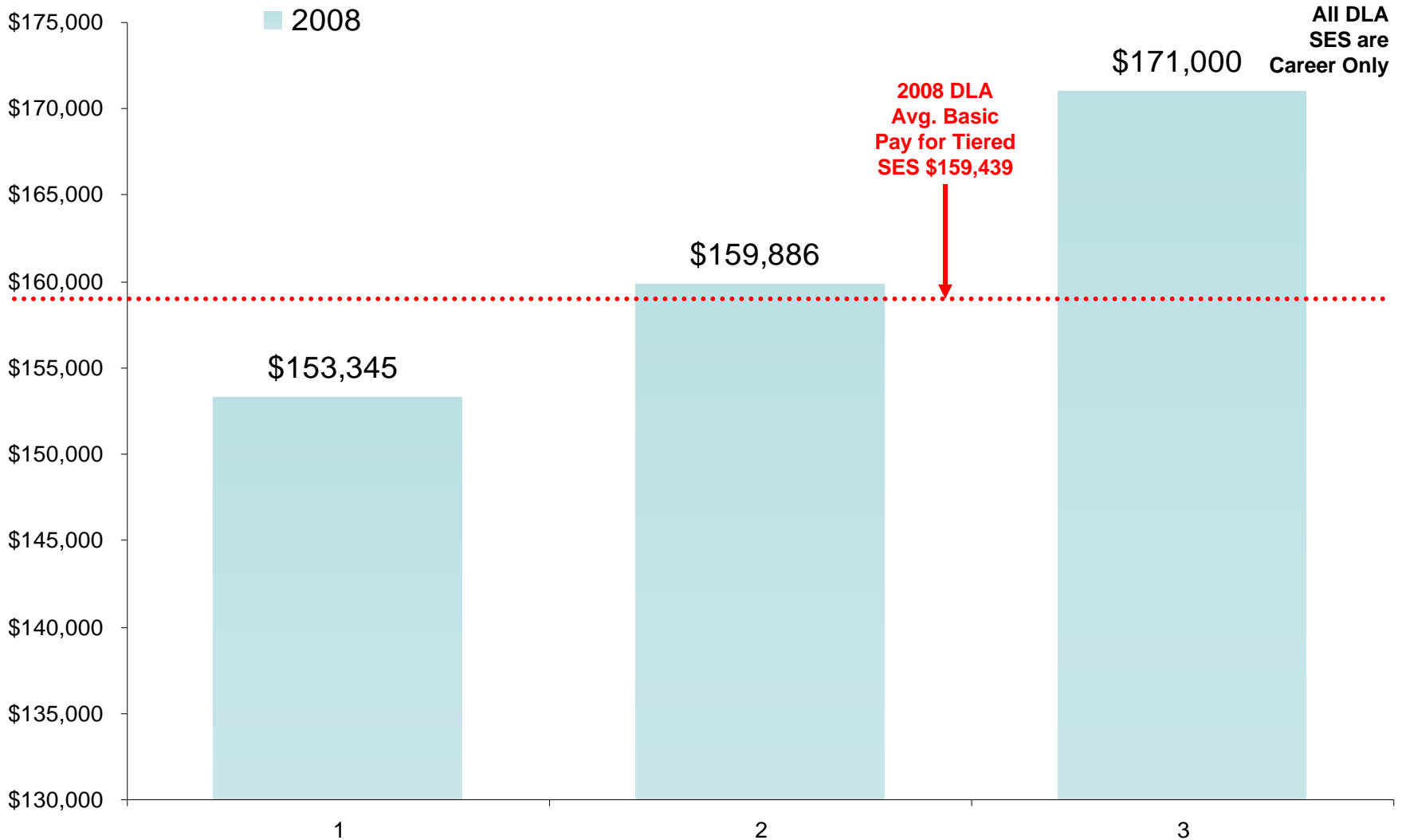


Tier Data below only contains 2008 Data. 22 Rated SES were in Tiers in 2008.





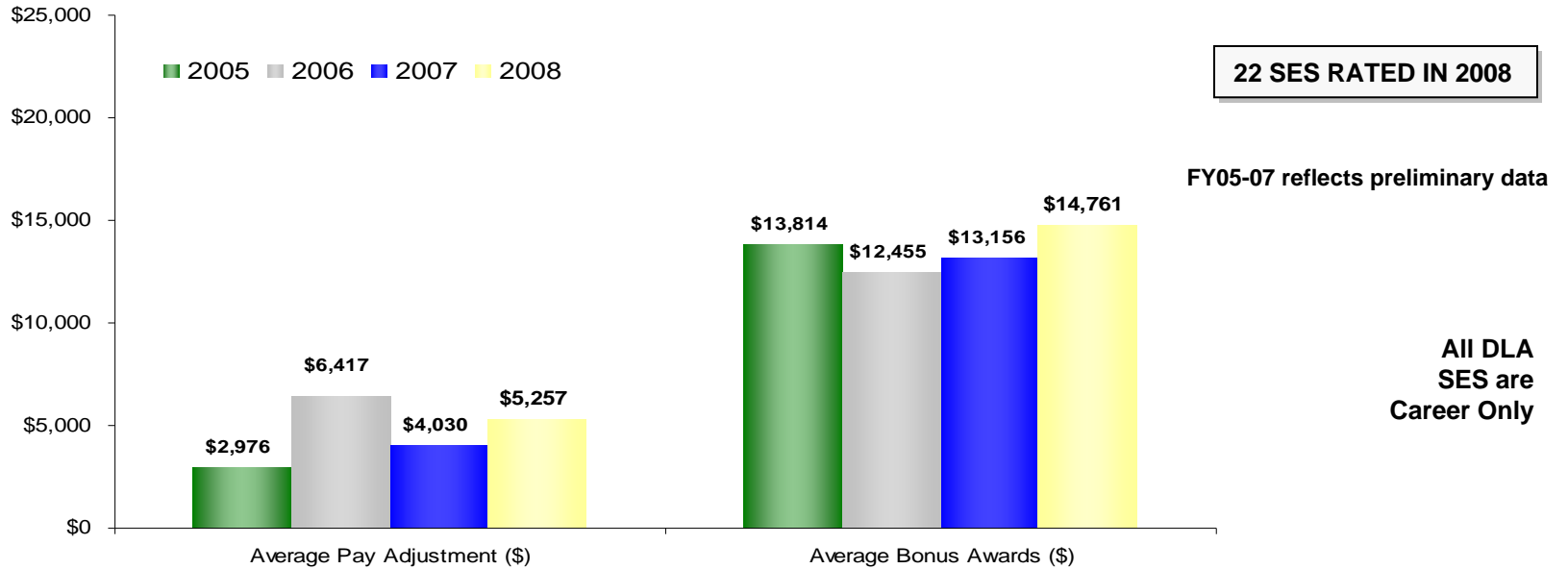
SES Average Basic Pay (2008) DLA by Tier



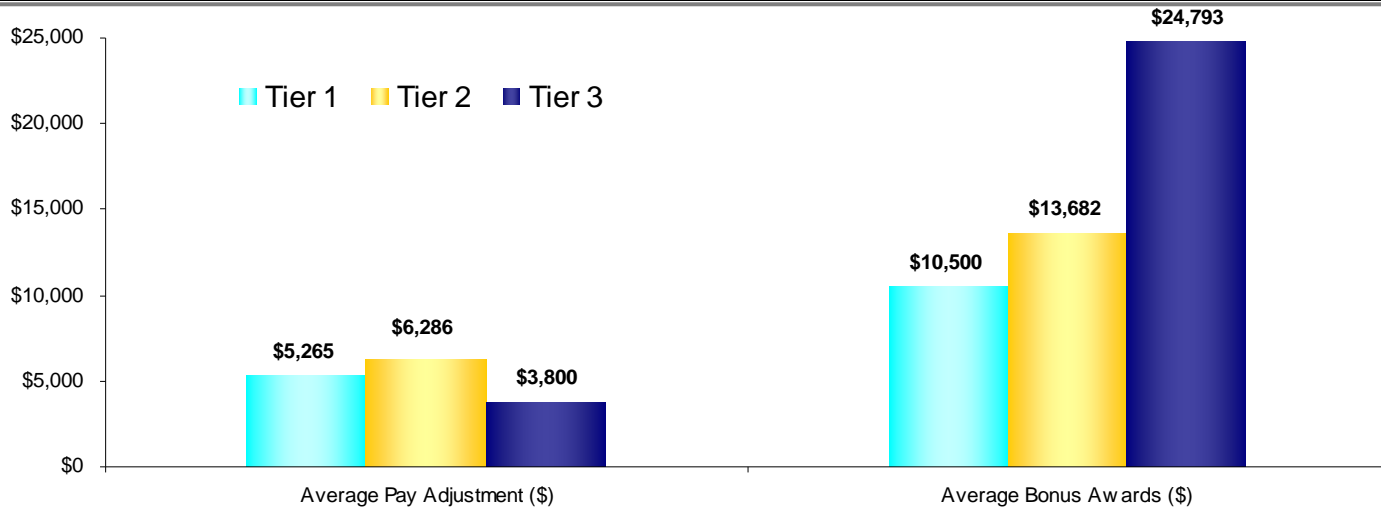
22 Rated SES were in Tiers in 2008



SES Average Pay Adjustment and Average Bonus (2005-2008) DLA



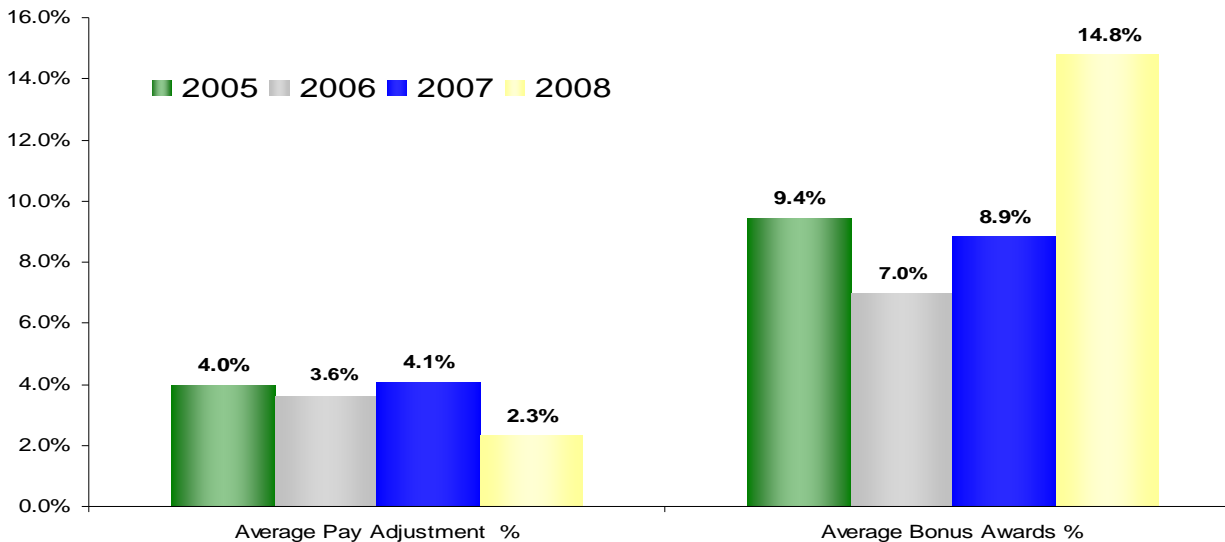
2008 by Tier Level





Average Performance Pay Adjustment and Average Performance Bonus Award 2005-2008

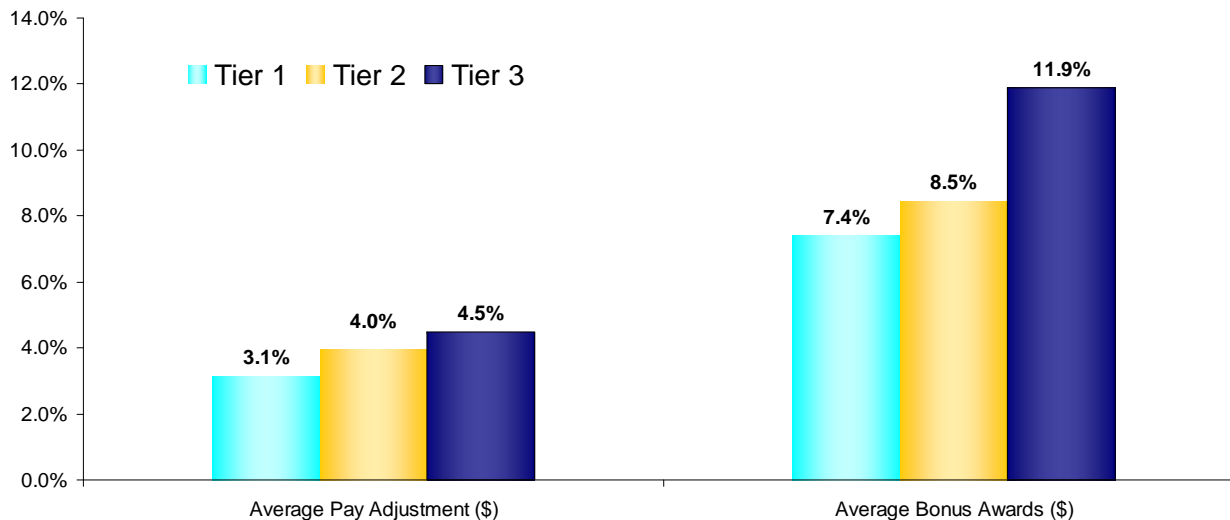
DLA



22 SES RATED IN 2008

86% of rated SES received a bonus in 2008

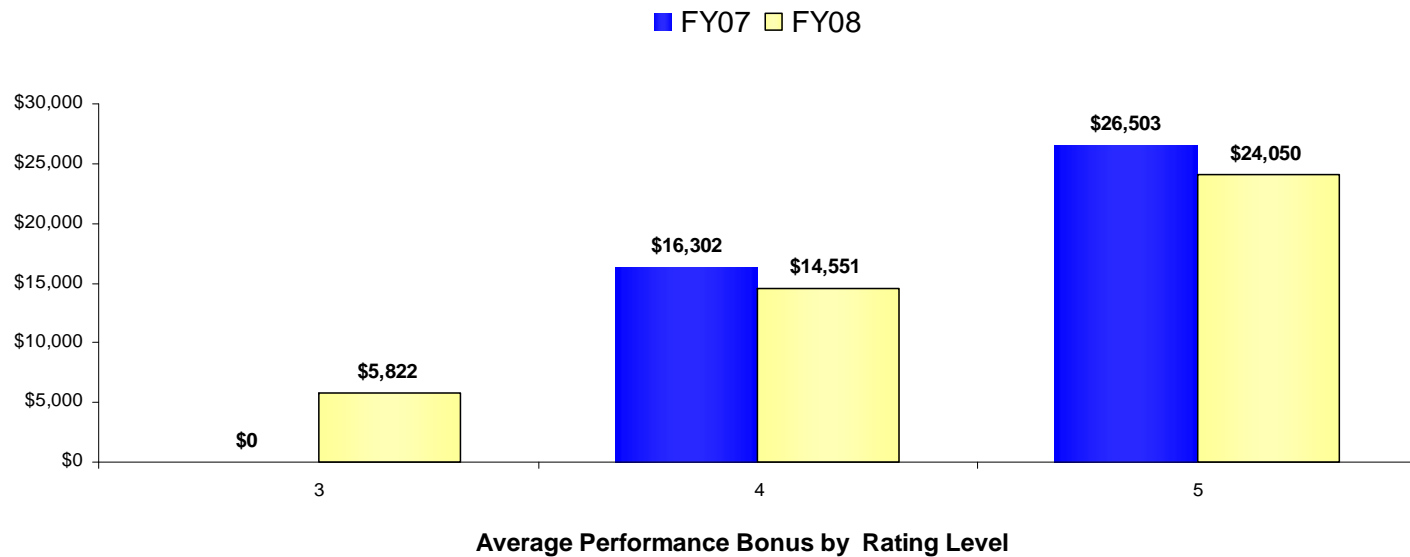
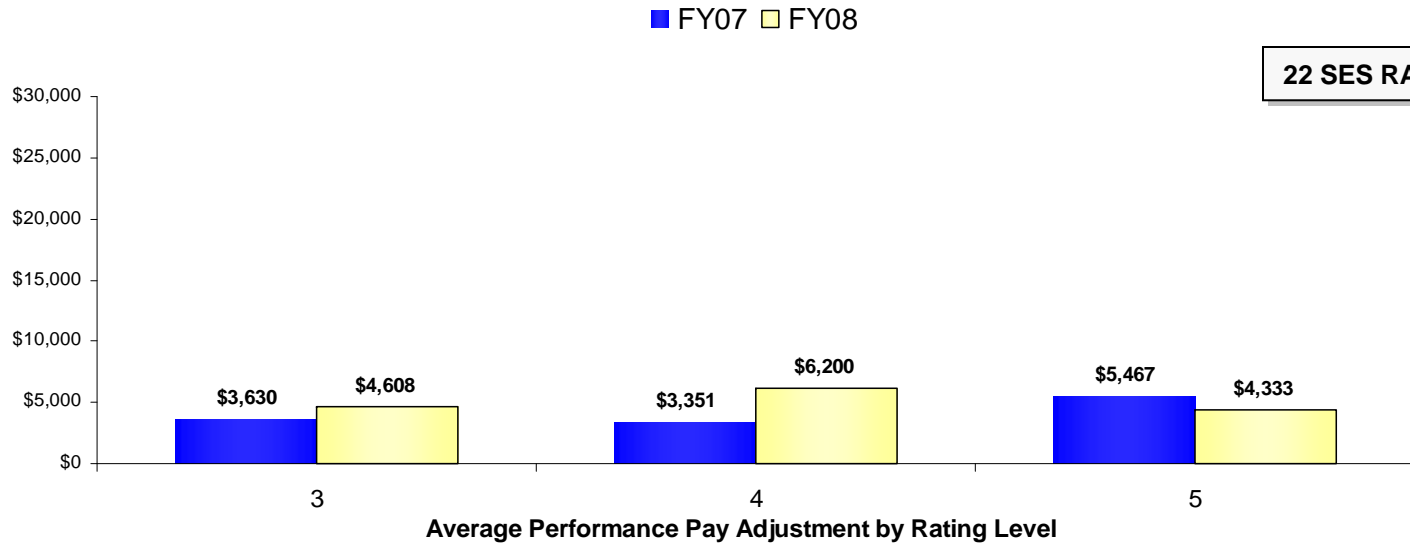
All DLA SES are Career Only



2008 by Tier Level

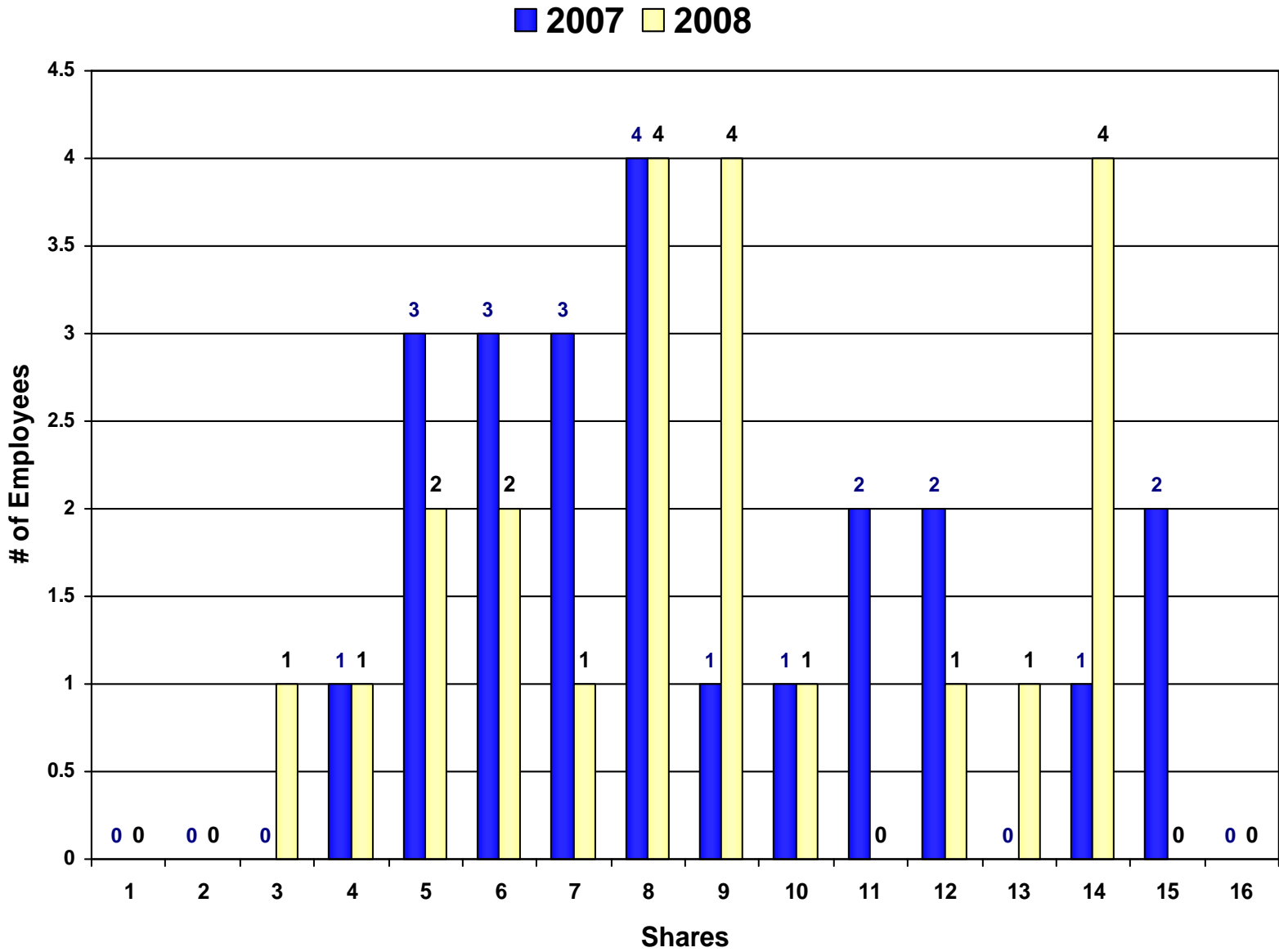


SES Average Pay Adjustment and Average Bonus (2007-2008) (by Rating Level) DLA





SES Distribution of Shares (2007-2008) DLA



DTRA





SES Performance Payout Results (2008)

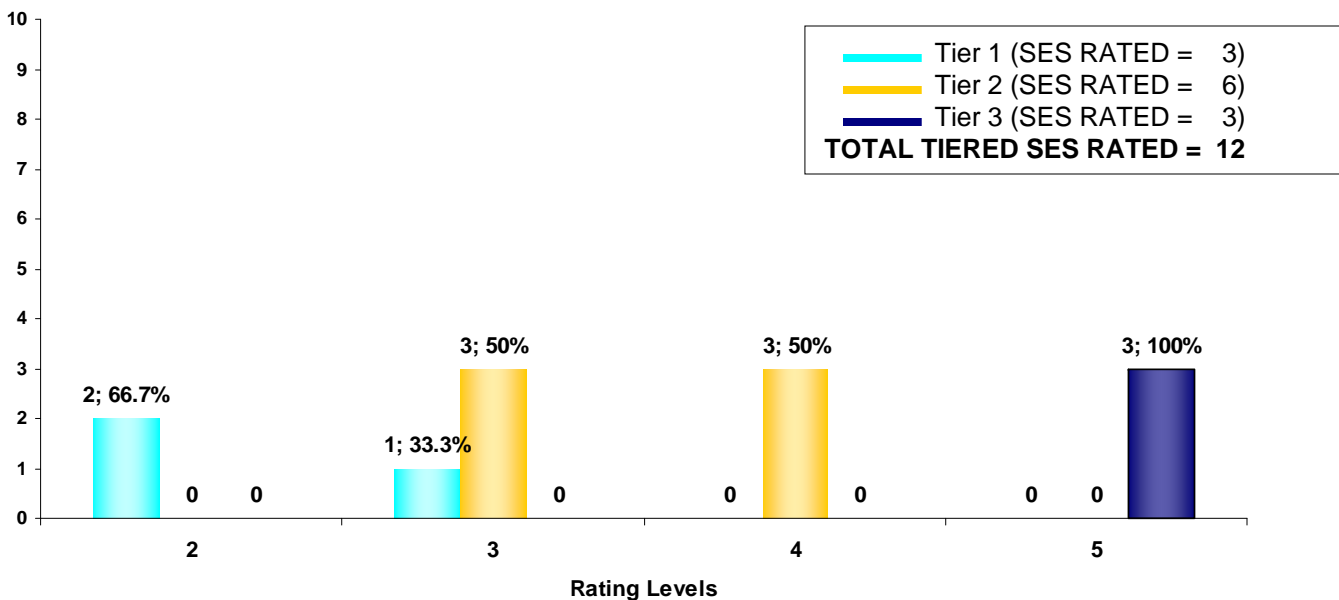
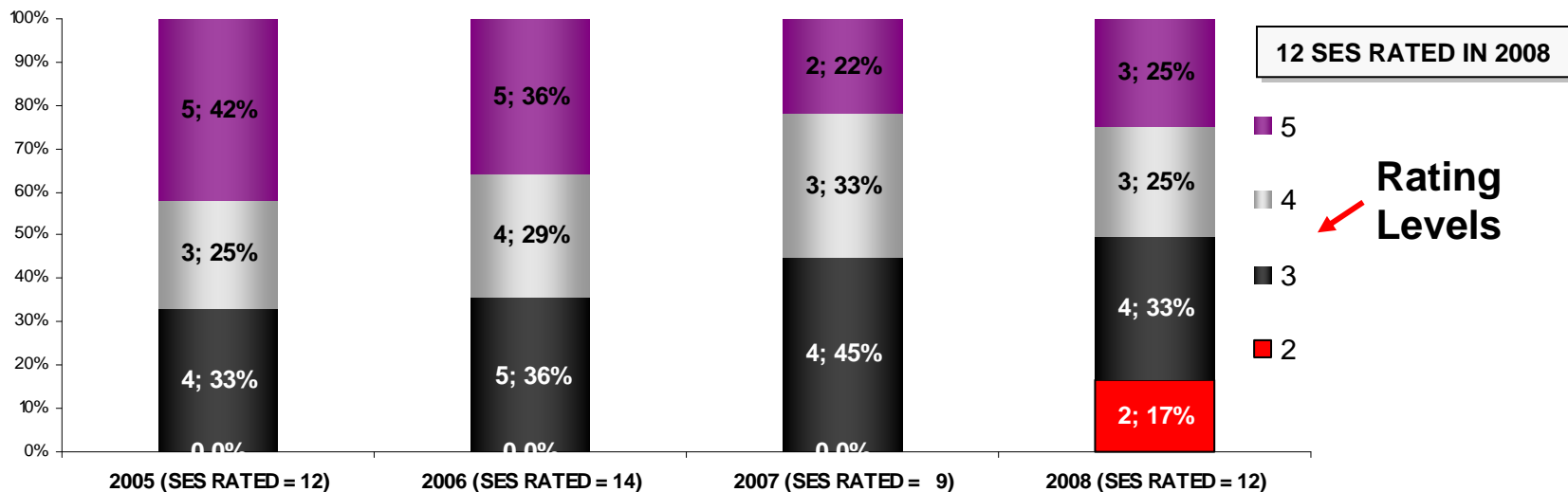
DTRA

2008 Results at a Glance (For Rated SES, unless otherwise noted)	2008
Total Number (#) of SES Leaders	12
Total # Rated SES (career, non-career and limited term)	12
Total Salaries	\$1,918,623
Total Salaries of Rated SES	\$1,918,623
Pay Pool Funding Factor (Pay Progression + PAEP + Performance Budget)	Tier 1 - 11% Tier 2 - 13% Tier 3 - 17%
Pay Pool Value (Pay Pool Funding Factor X Total Salaries of all covered executives)	\$249,420
Total Performance (Basic) Pay Increase Payouts	\$60,583
Avg. Performance (Basic) Pay Increase	\$5,049
Total Performance Bonus Payouts	\$124,907
Avg. Bonus Payout	\$10,409
Unspent Pay Pool	\$63,930
Unspent Pay Pool (as % of Total Salaries)	3.33%
Total Performance (Basic) Pay Increase Payouts (as % of Total Salaries)	3.2%
Total Performance Bonus Payouts (as % of Total Salaries)	6.5%



Distribution of SES Ratings (2005-2008) DTRA

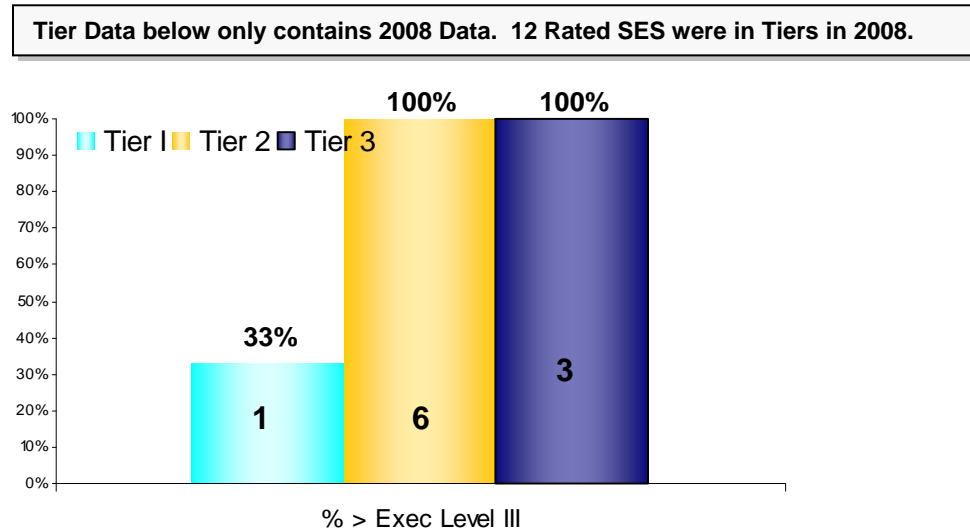
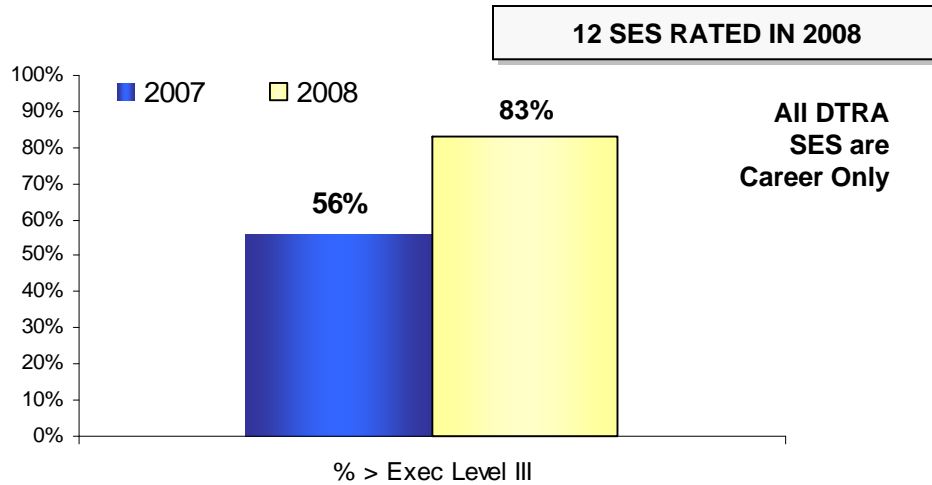
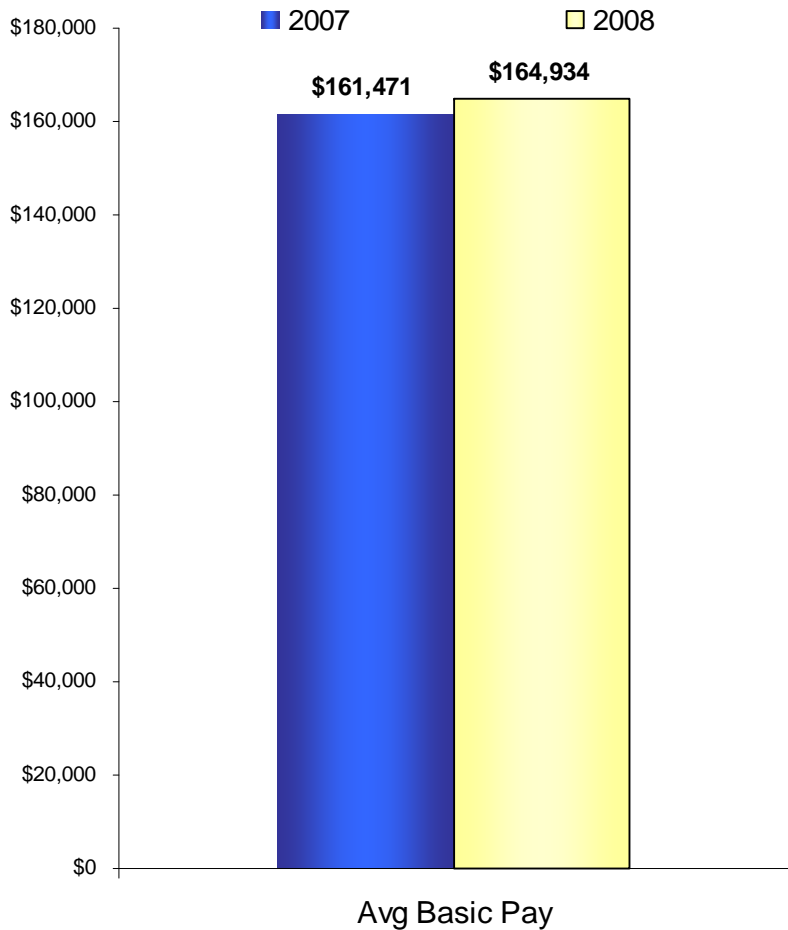
All DTRA
SES are
Career
Only



2008 by
Tier Level

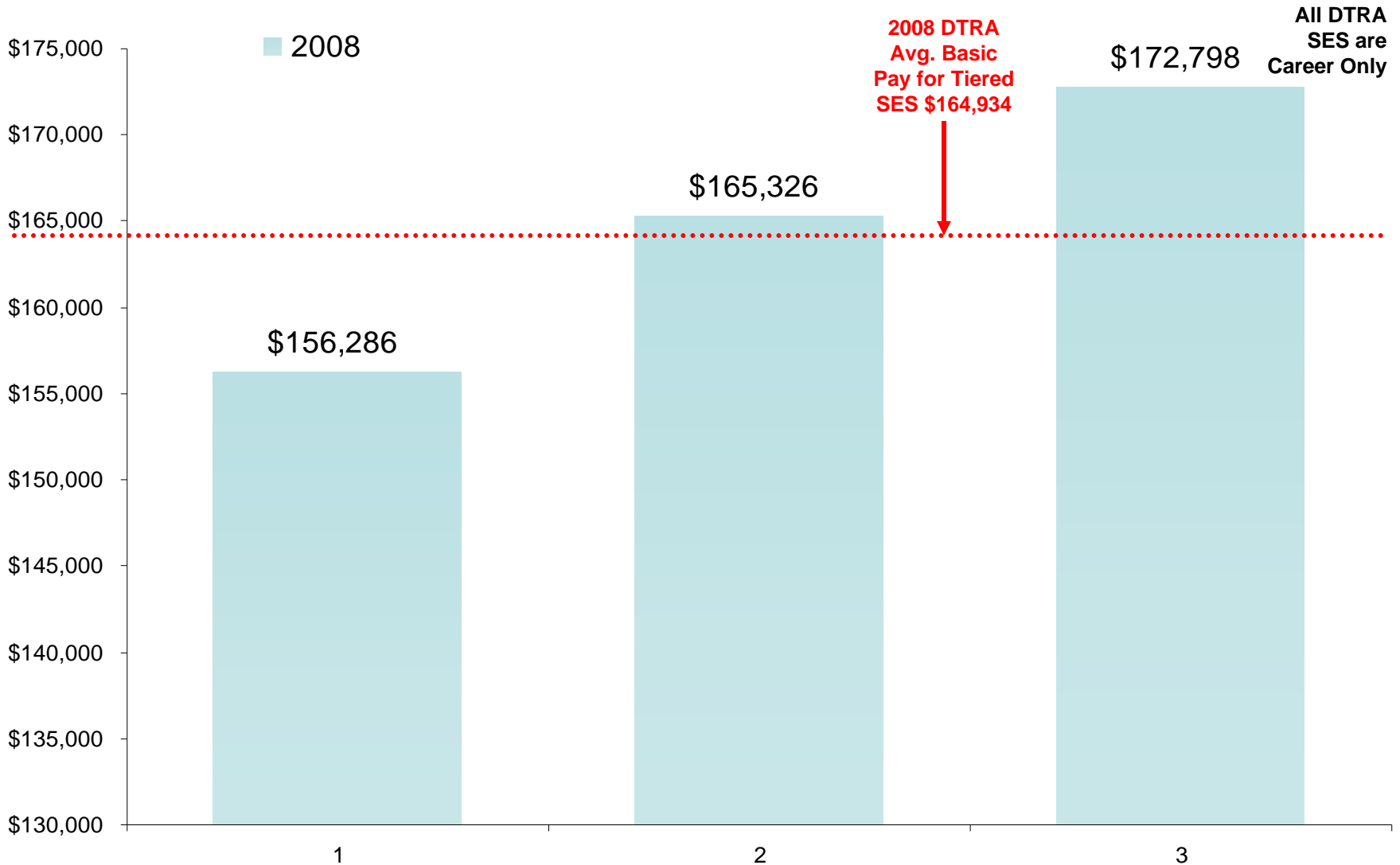


SES Average Basic Pay (2007-2008) DTRA





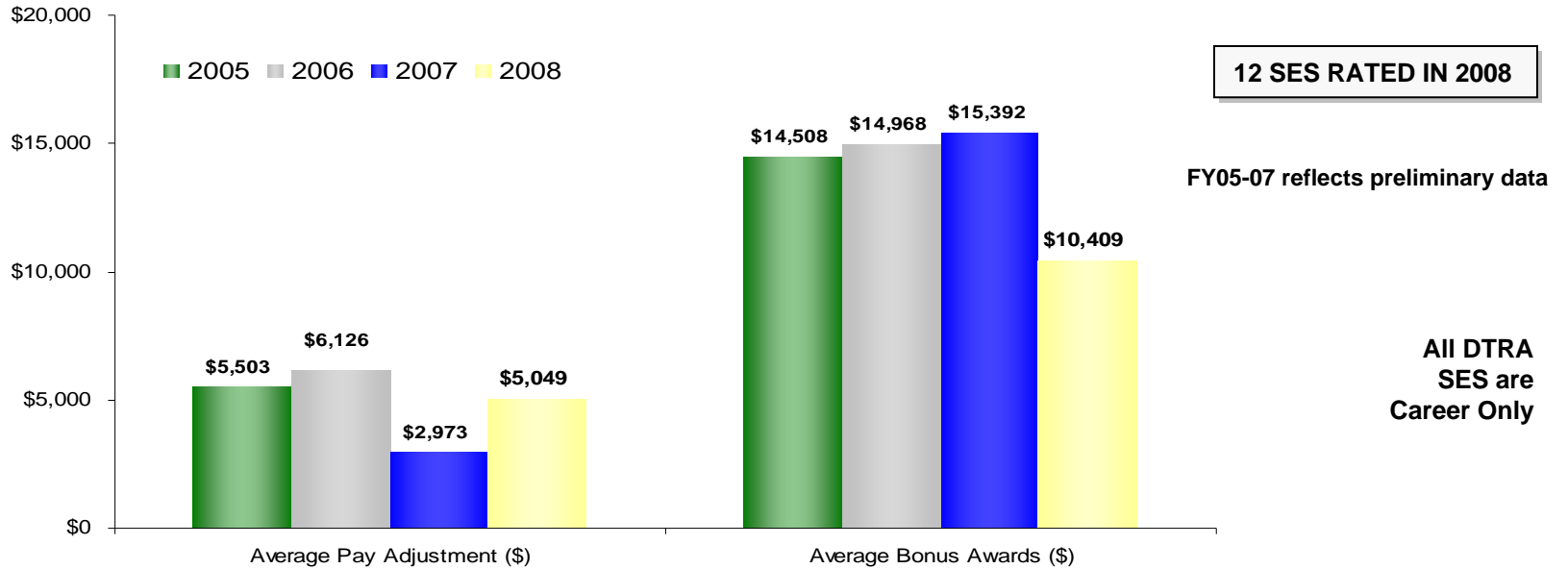
SES Average Basic Pay (2008) DTRA by Tier



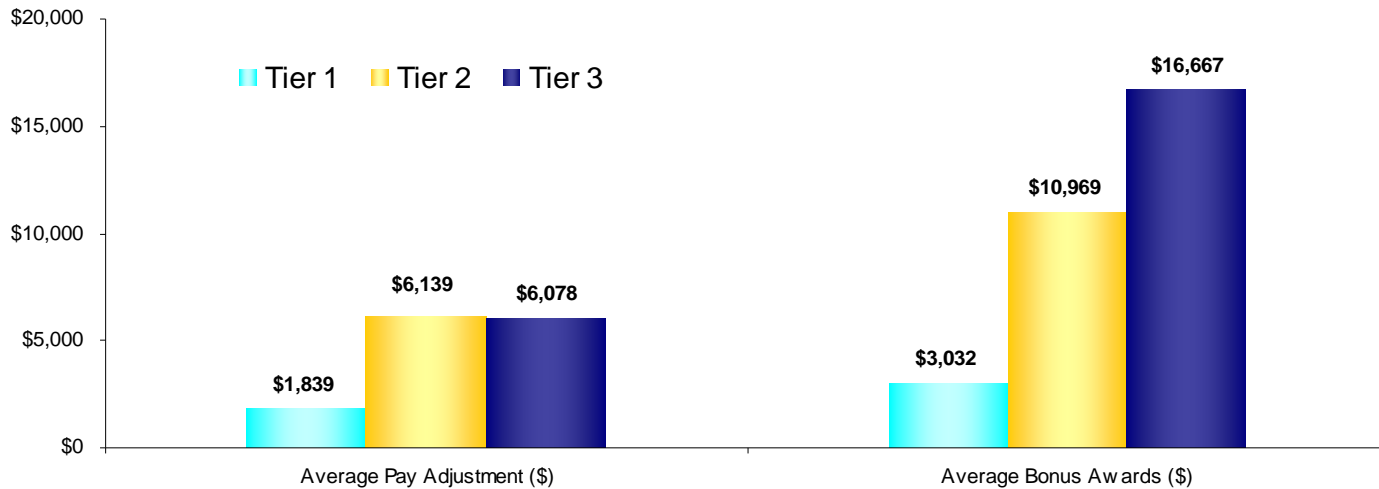
12 Rated SES were in Tiers in 2008



SES Average Pay Adjustment and Average Bonus (2005-2008) DTRA



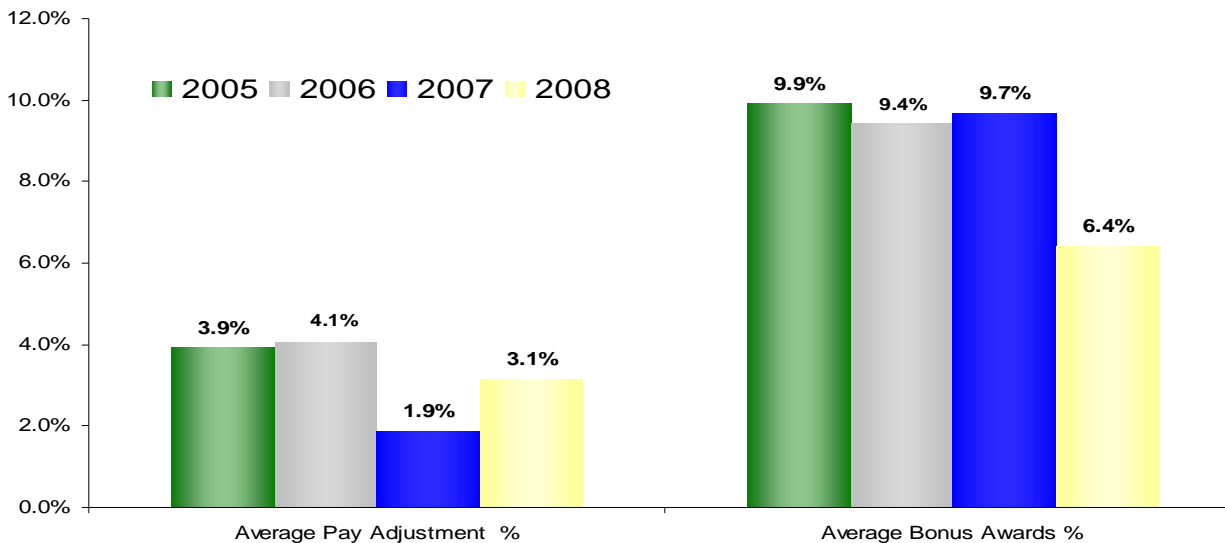
2008 by Tier Level





Average Performance Pay Adjustment and Average Performance Bonus Award 2005-2008

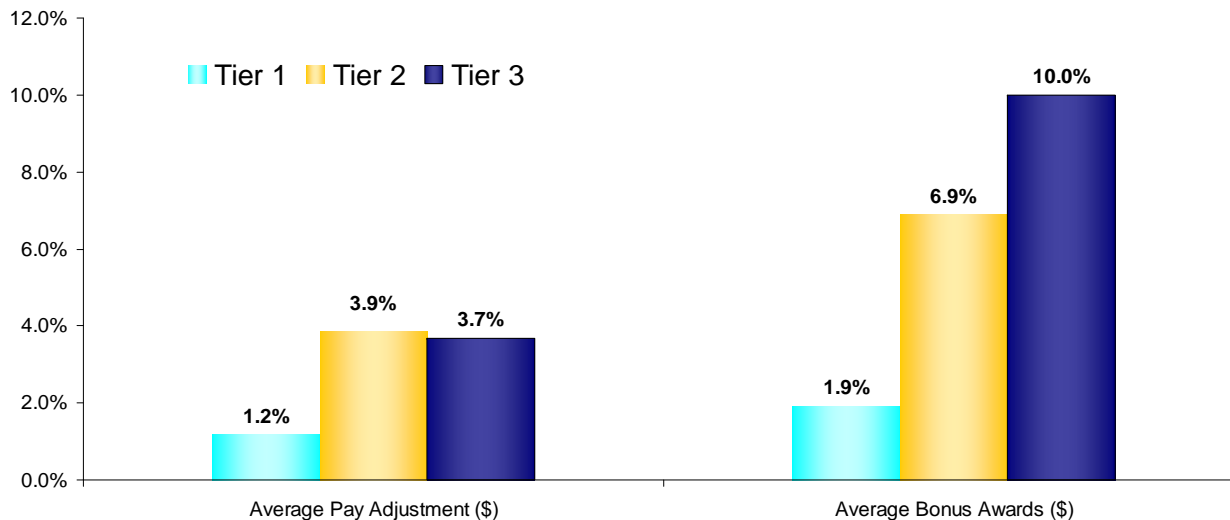
DTRA



12 SES RATED IN 2008

83% of rated SES received a bonus in 2008

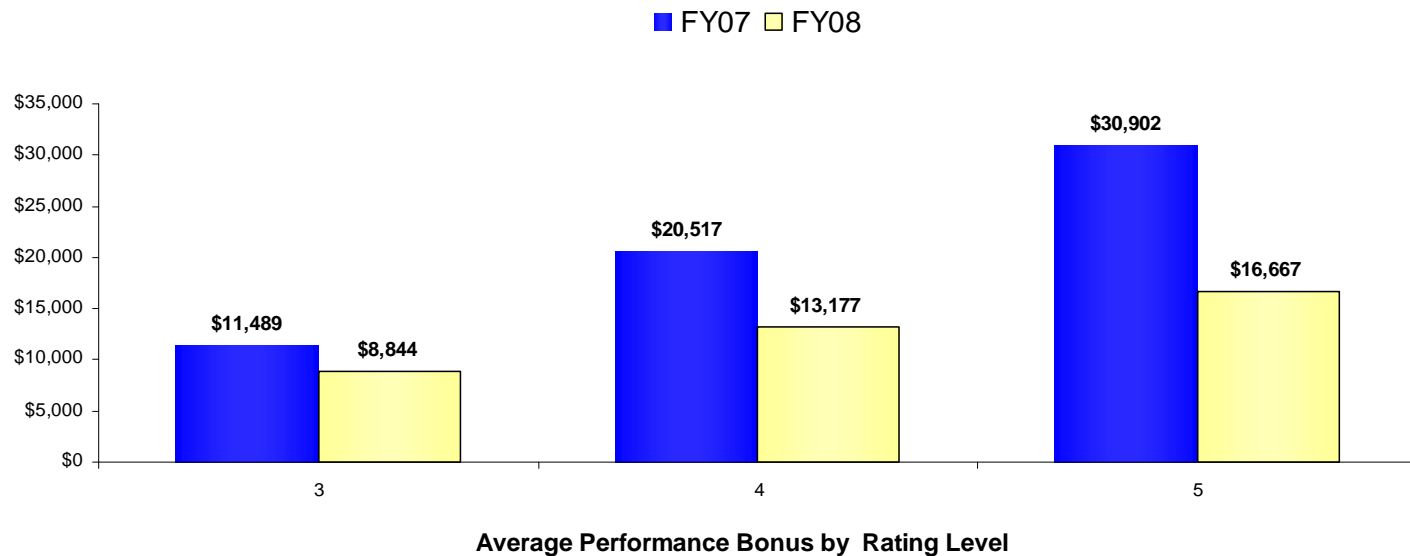
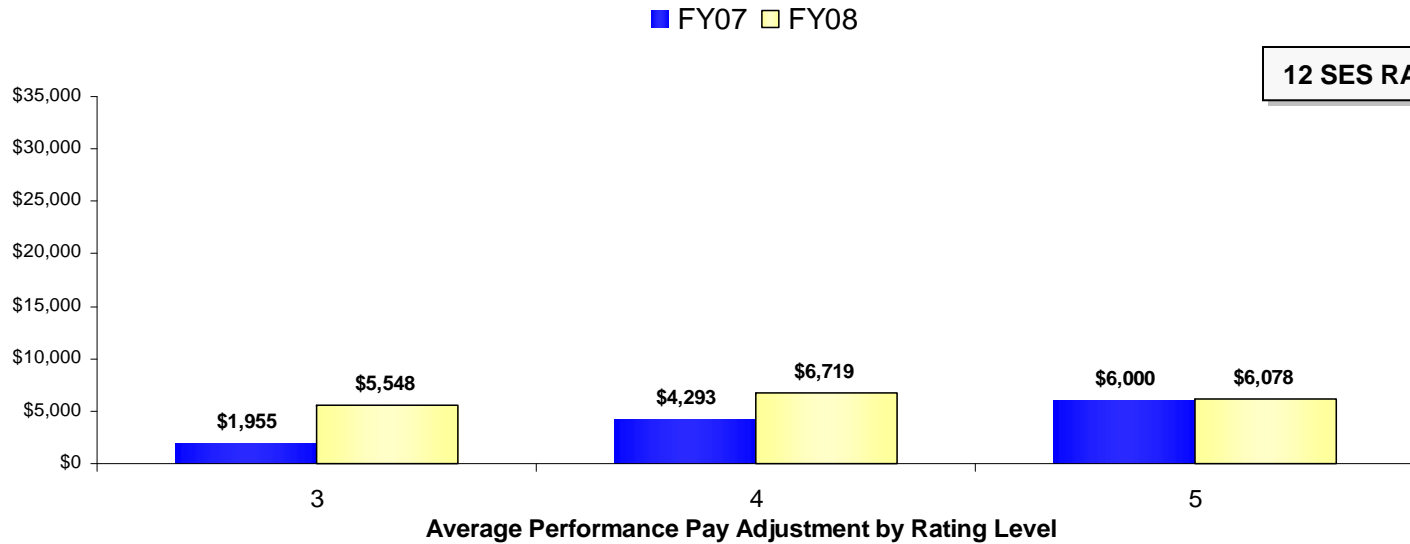
All DTRA SES are Career Only



2008 by Tier Level

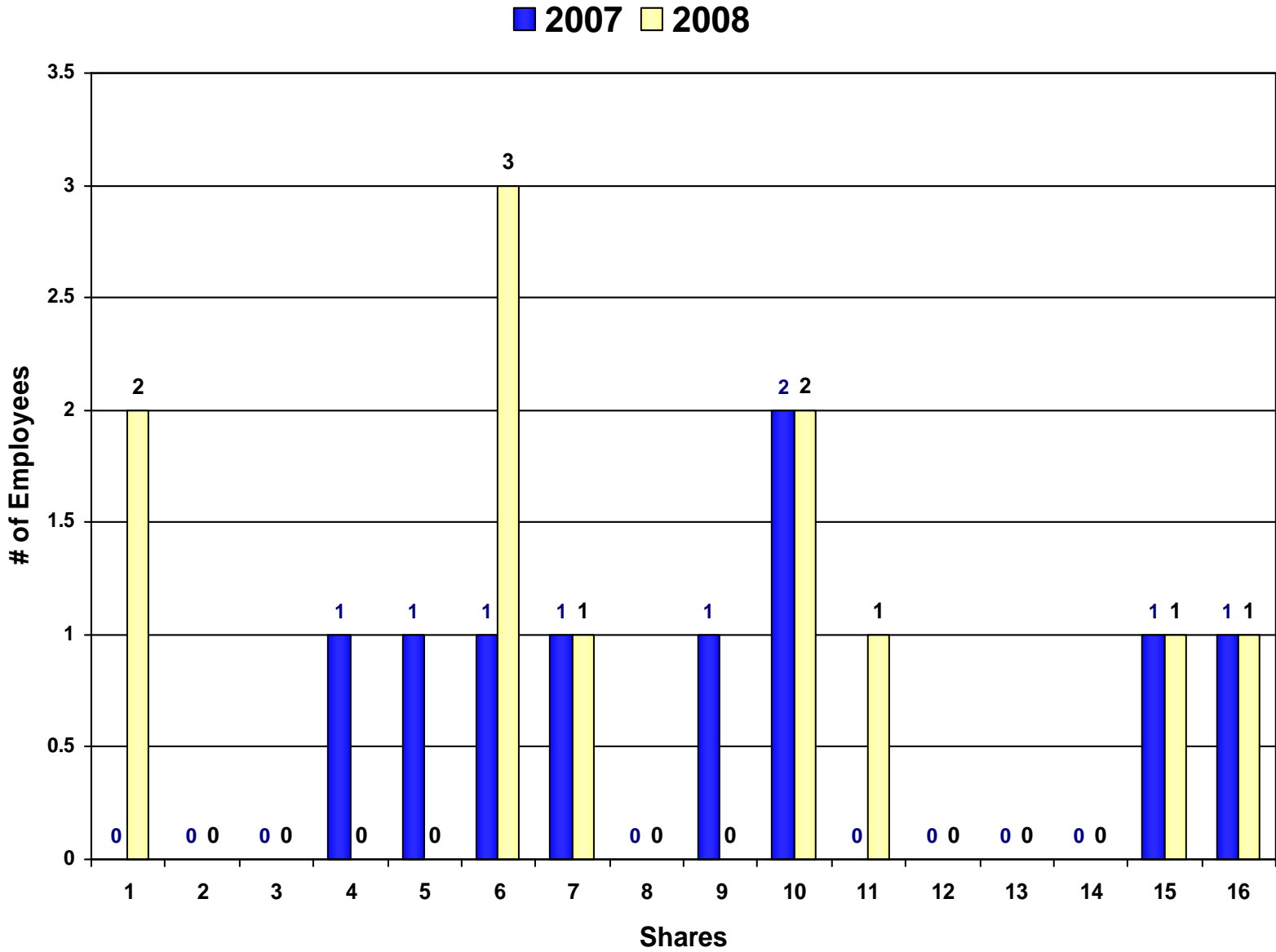


SES Average Pay Adjustment and Average Bonus (2007-2008) (by Rating Level) DTRA





SES Distribution of Shares (2007-2008) DTRA



MDA





SES Performance Payout Results (2008)

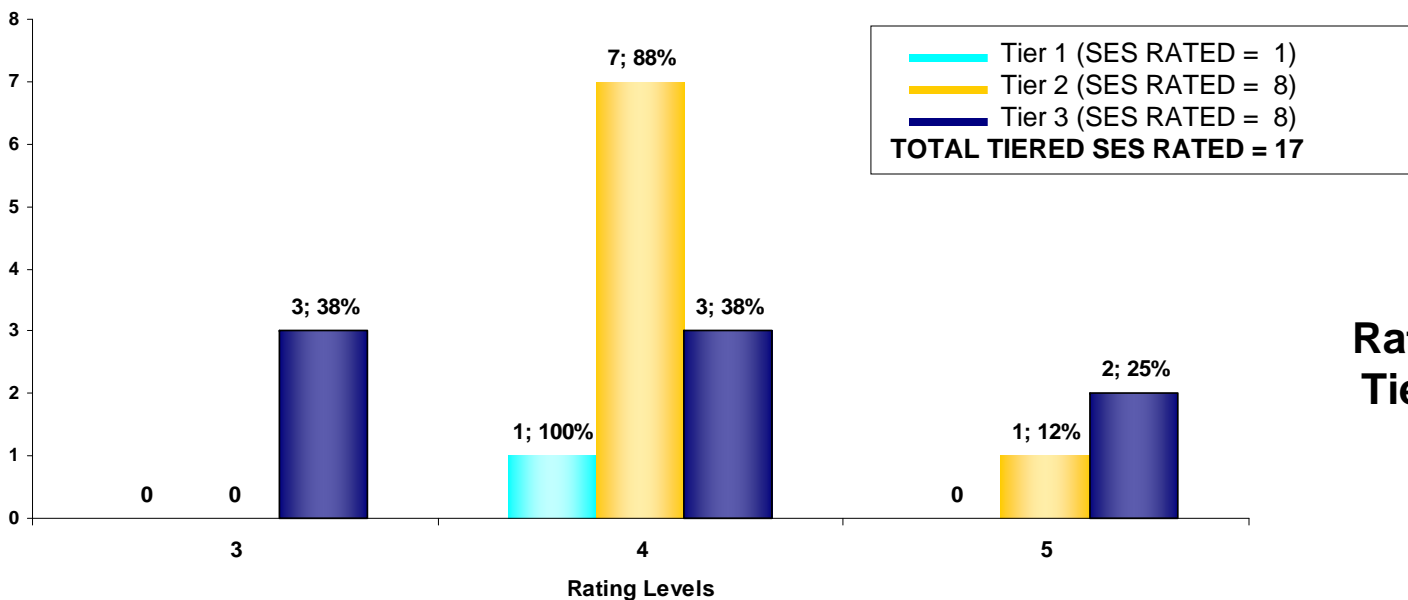
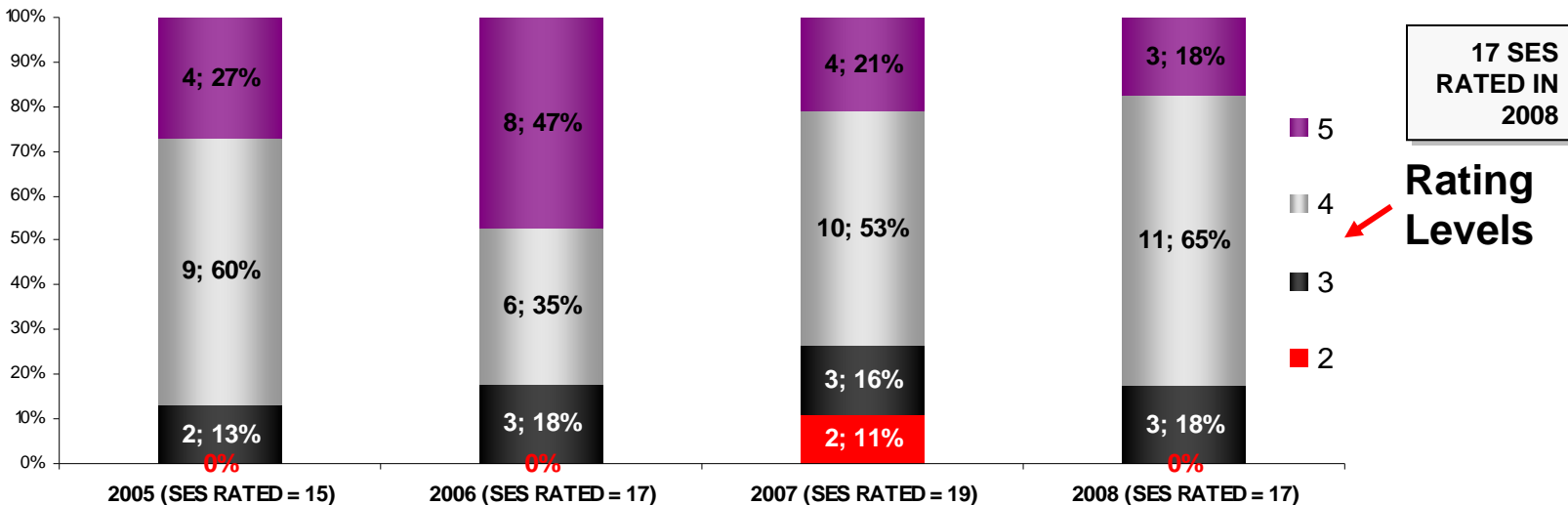
MDA

2008 Results at a Glance (For Rated SES, unless otherwise noted)	2008
Total Number (#) of SES Leaders	17
Total # Rated SES (career, non-career and limited term)	17
Total Salaries	\$2,667,170
Total Salaries of Rated SES	\$2,667,170
Pay Pool Funding Factor (Pay Progression + PAEP + Performance Budget)	Tier 1 - 11% Tier 2 - 13% Tier 3 - 17%
Pay Pool Value (Pay Pool Funding Factor X Total Salaries of all covered executives)	\$346,732
Total Performance (Basic) Pay Increase Payouts	\$96,738
Avg. Performance (Basic) Pay Increase	\$5,690
Total Performance Bonus Payouts	\$249,994
Avg. Bonus Payout	\$14,706
Unspent Pay Pool	\$0
Unspent Pay Pool (as % of Total Salaries)	0.00%
Total Performance (Basic) Pay Increase Payouts (as % of Total Salaries)	3.6%
Total Performance Bonus Payouts (as % of Total Salaries)	9.4%



Distribution of SES Ratings (2005-2008)

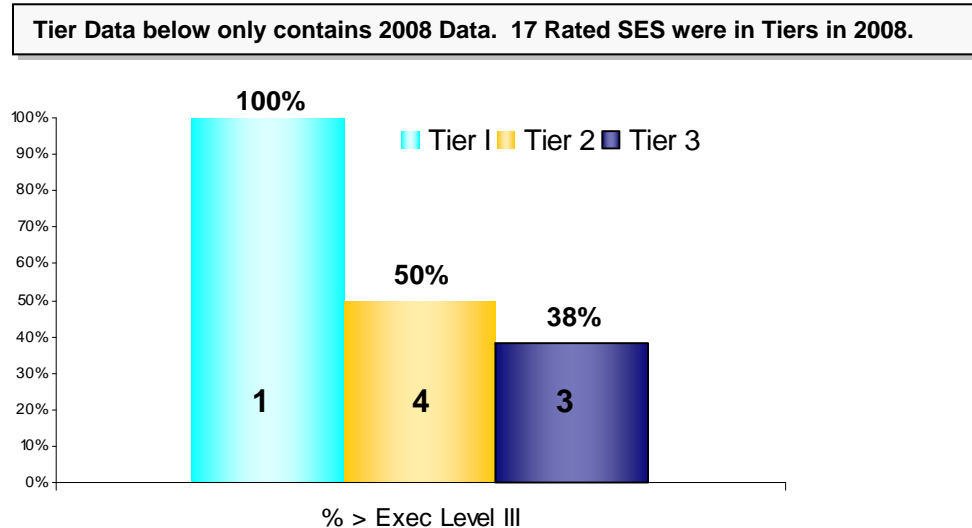
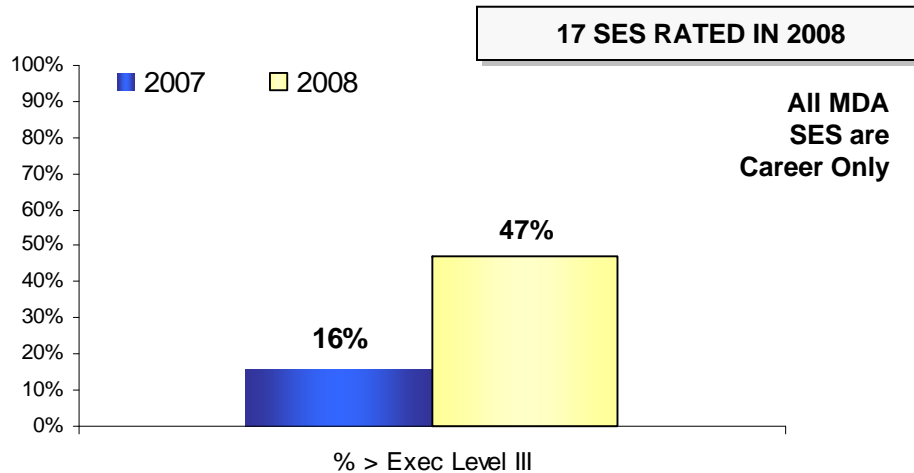
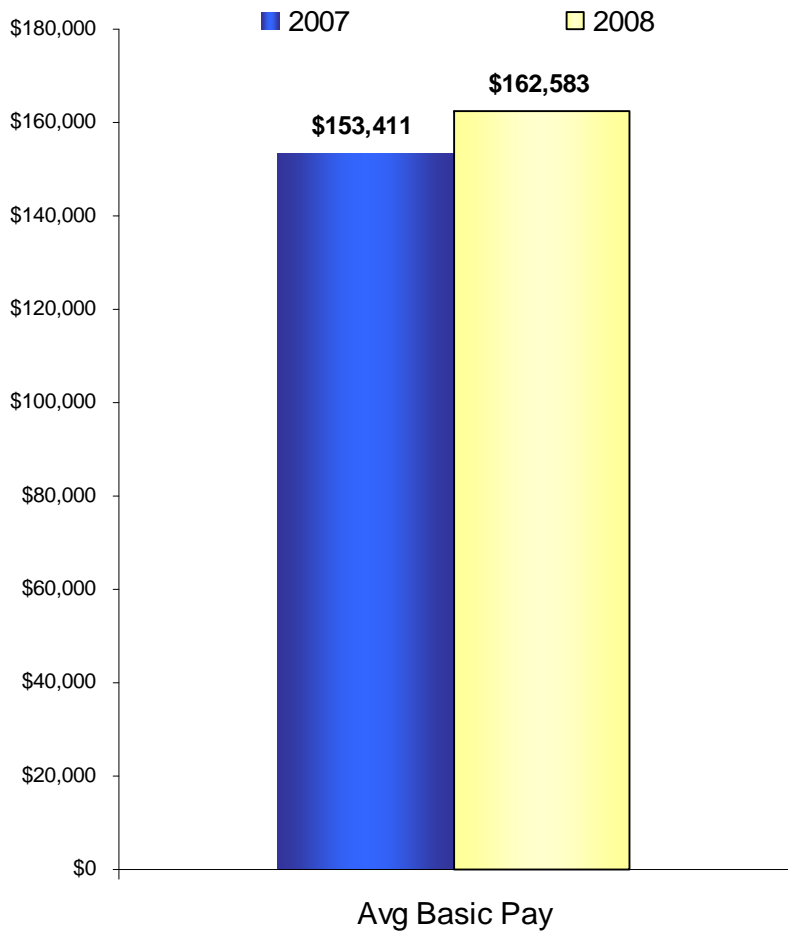
MDA





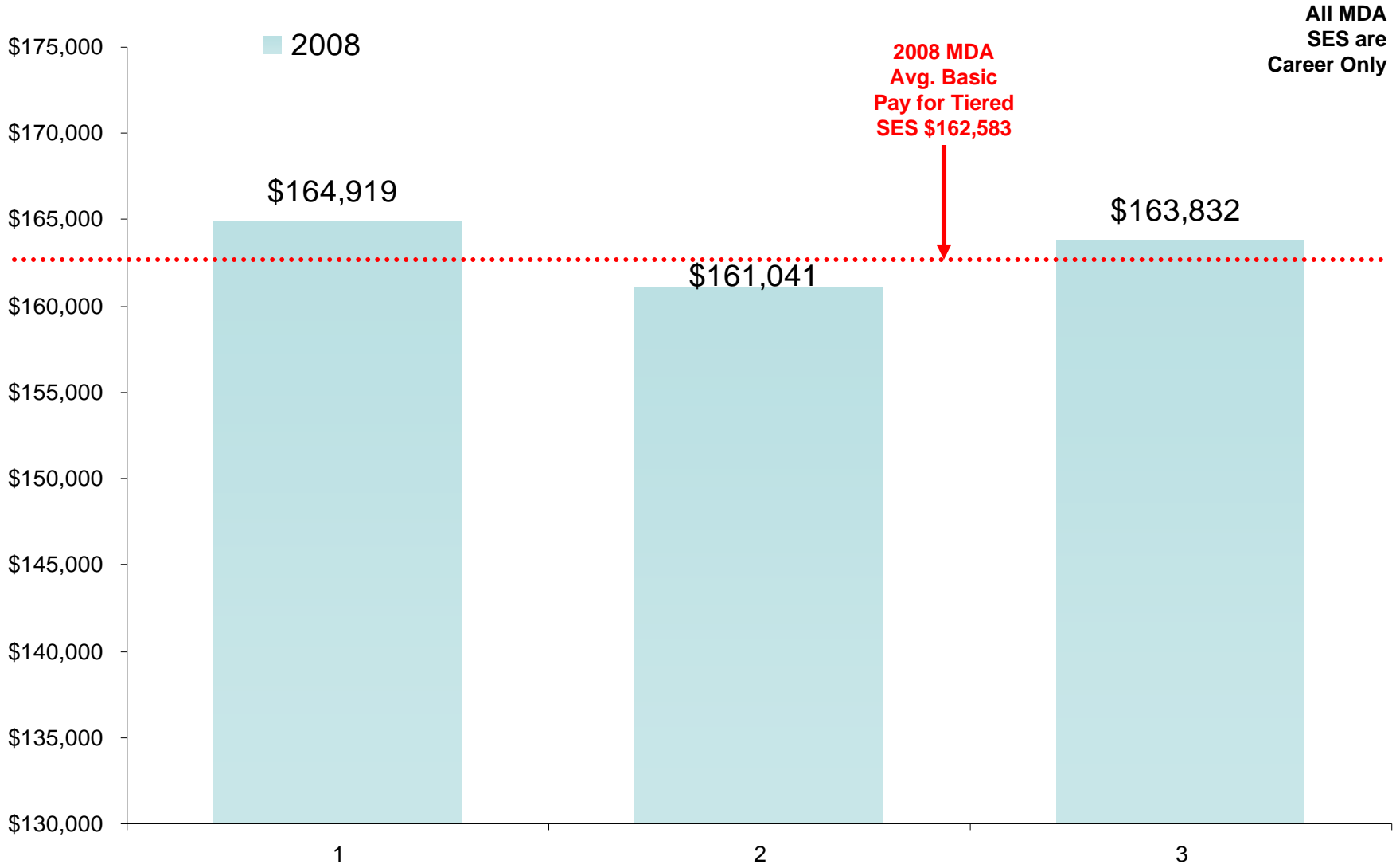
SES Average Basic Pay (2007-2008)

MDA





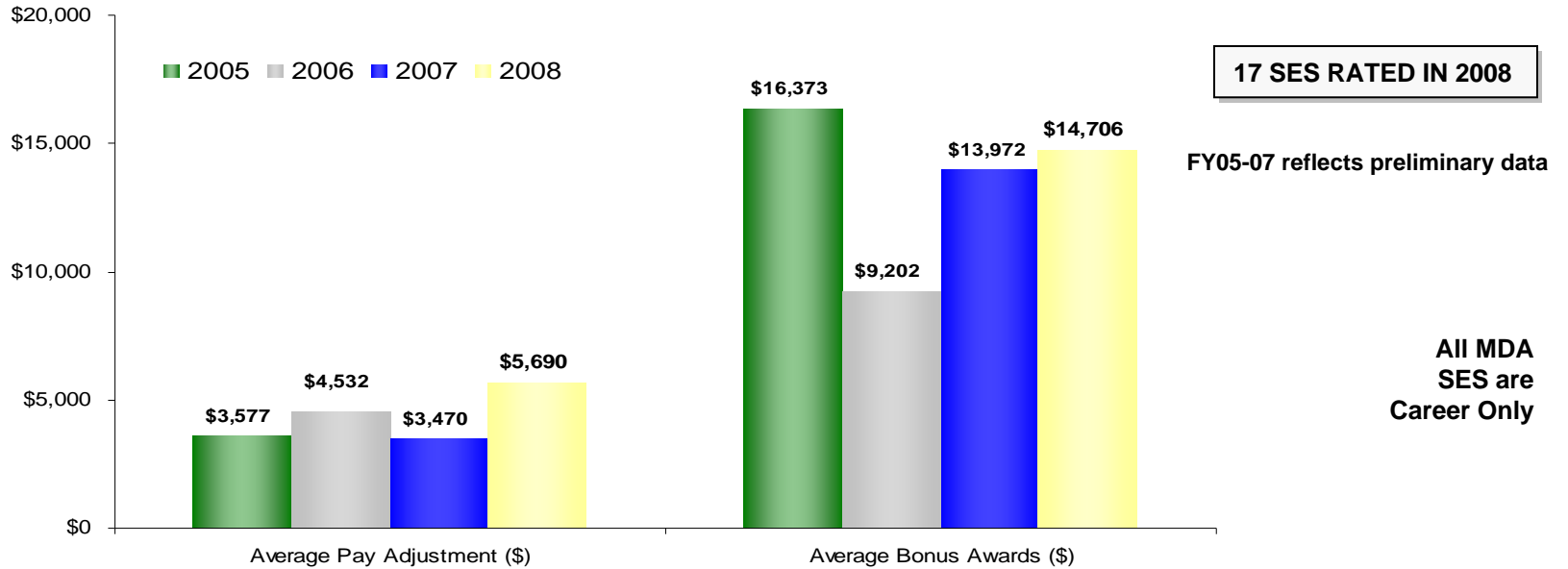
SES Average Basic Pay (2008) MDA by Tier



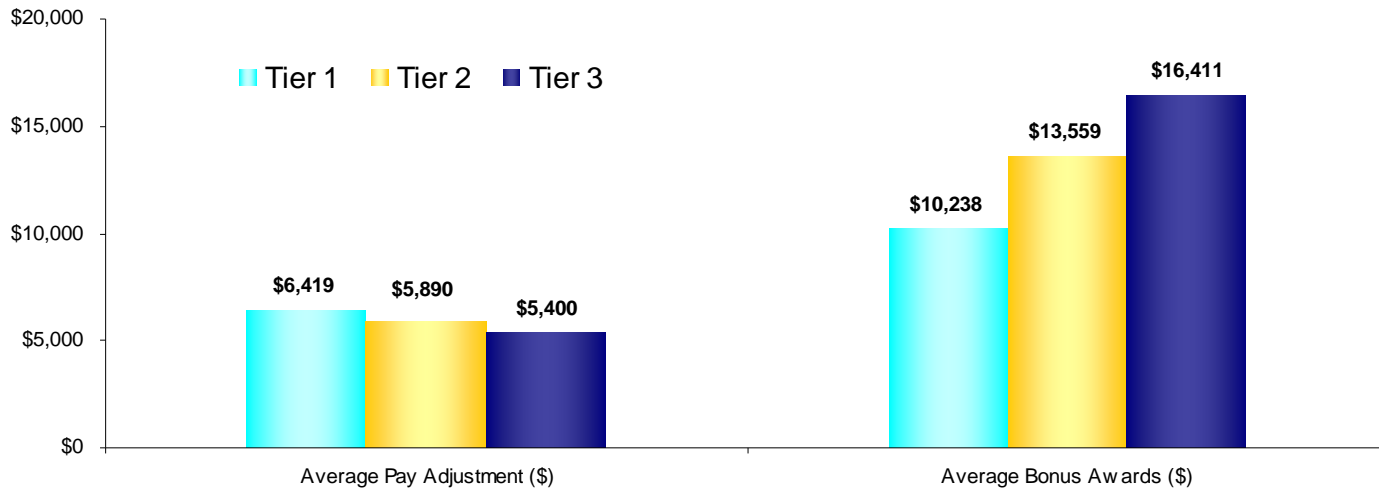
17 Rated SES were in Tiers in 2008



SES Average Pay Adjustment and Average Bonus (2005-2008) MDA

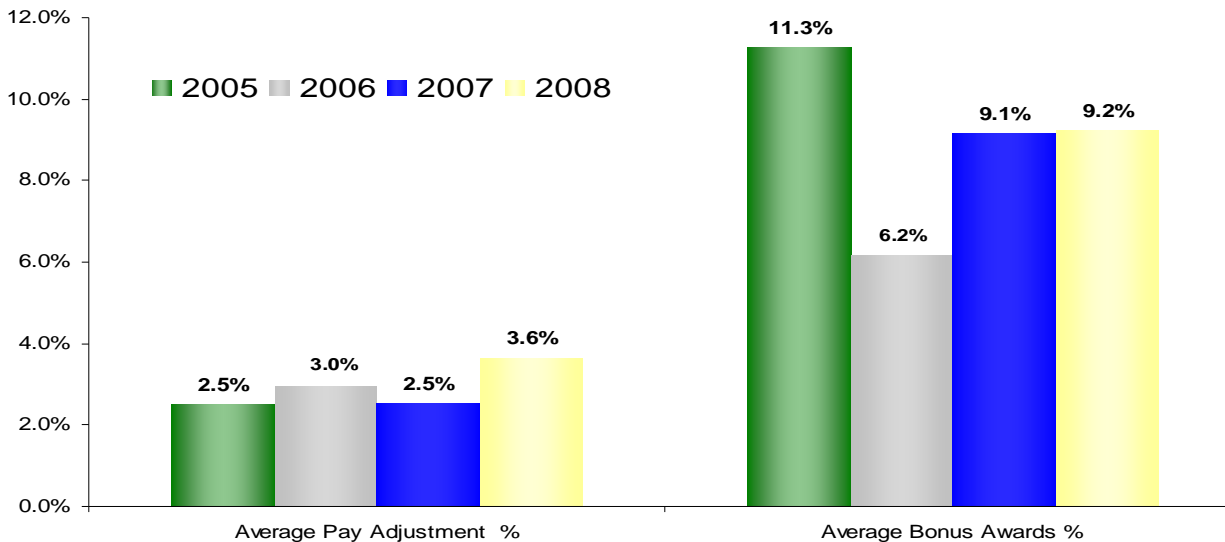


2008 by Tier Level





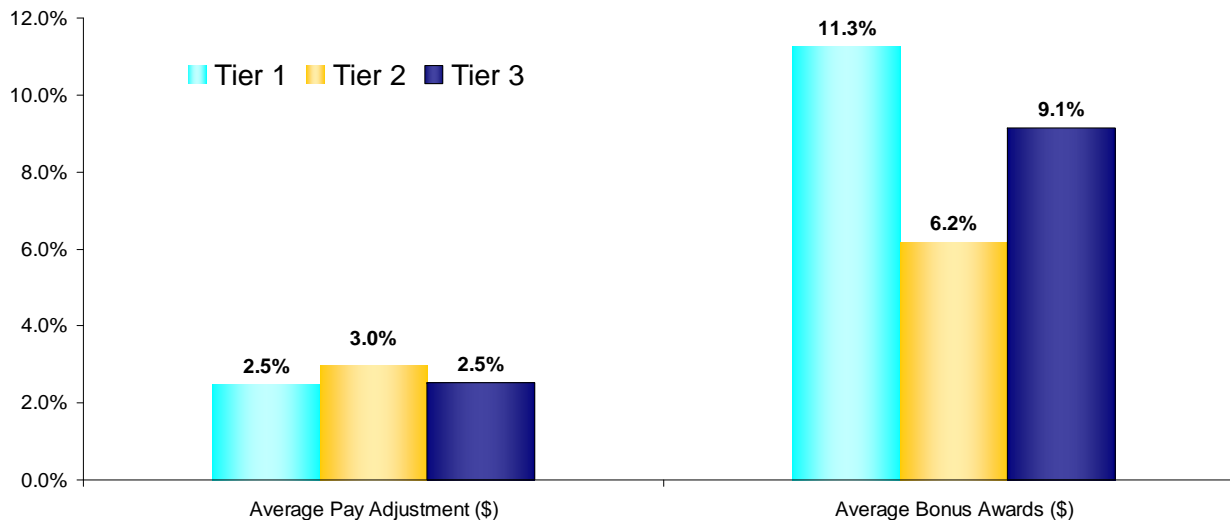
Average Performance Pay Adjustment and Average Performance Bonus Award 2005-2008 MDA



17 SES RATED IN 2008

94% of rated SES received a bonus in 2008

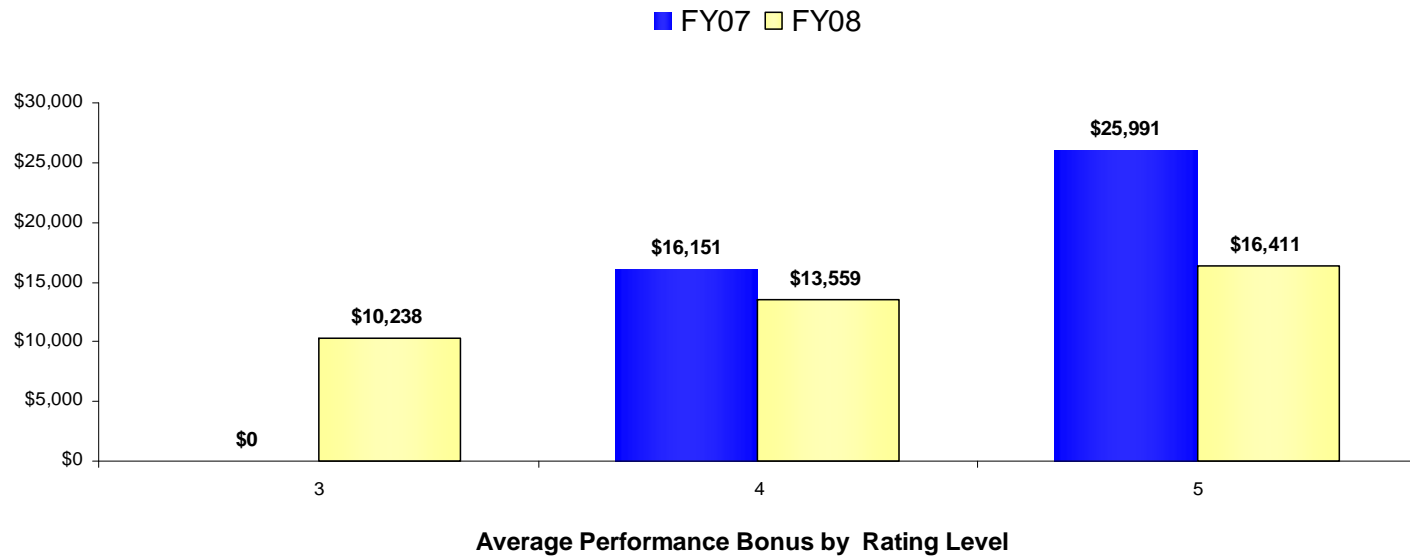
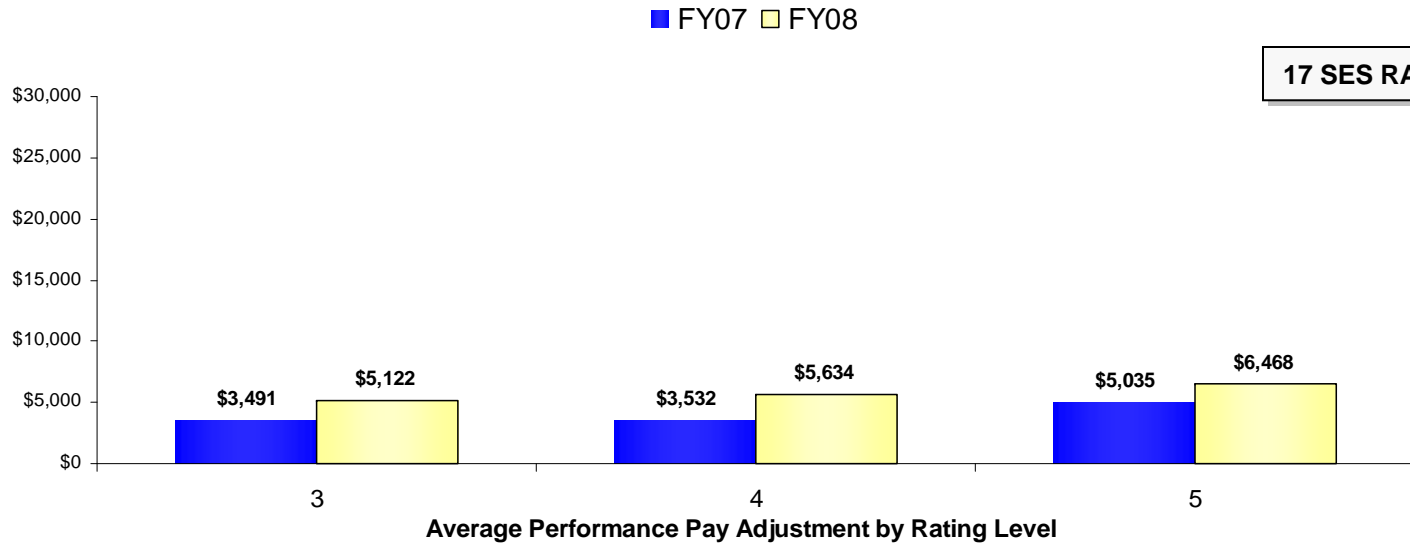
All MDA SES are Career Only



2008 by Tier Level

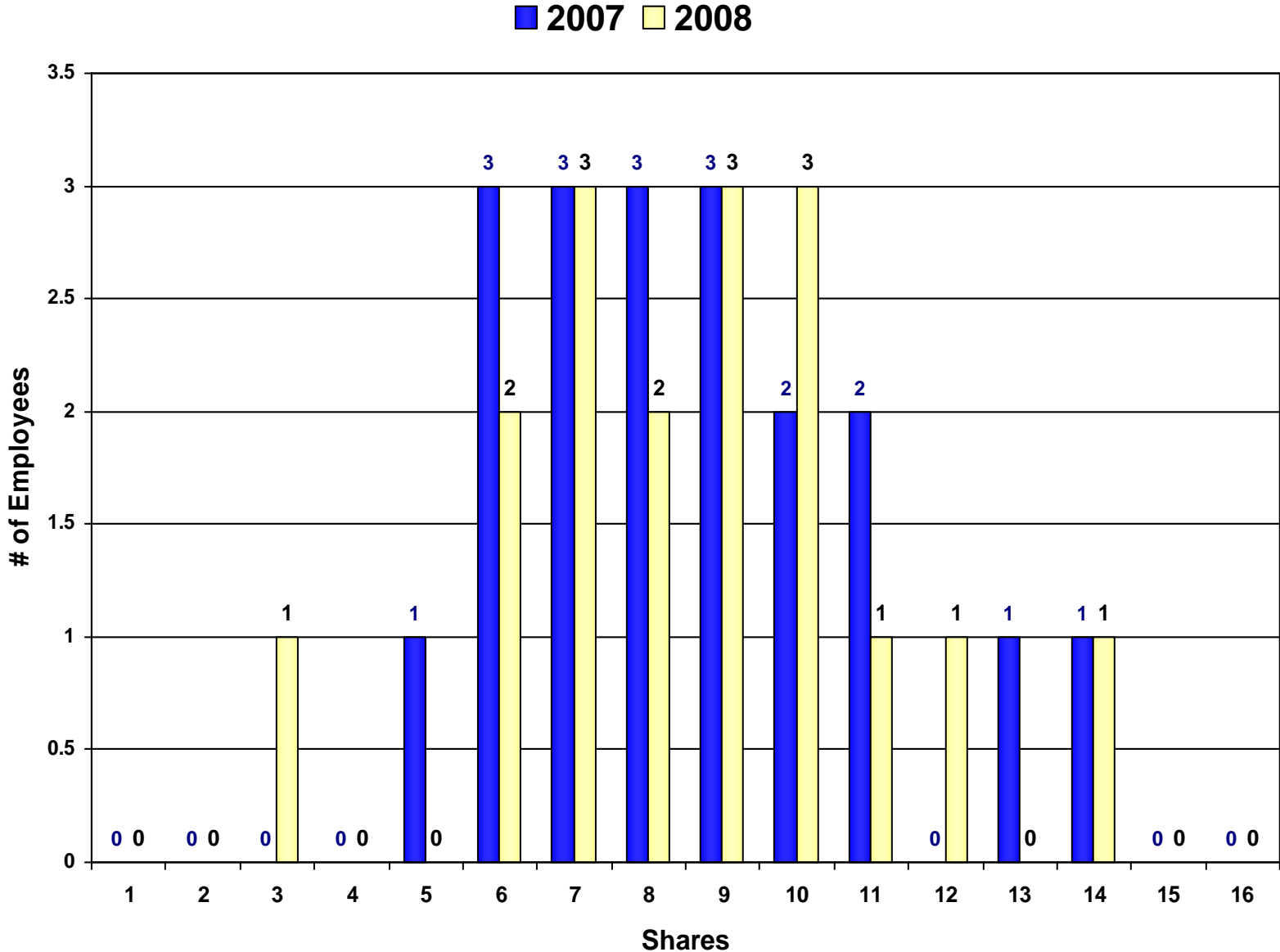


SES Average Pay Adjustment and Average Bonus (2007-2008) (by Rating Level) MDA





SES Distribution of Shares (2007-2008) MDA



DoDOIG





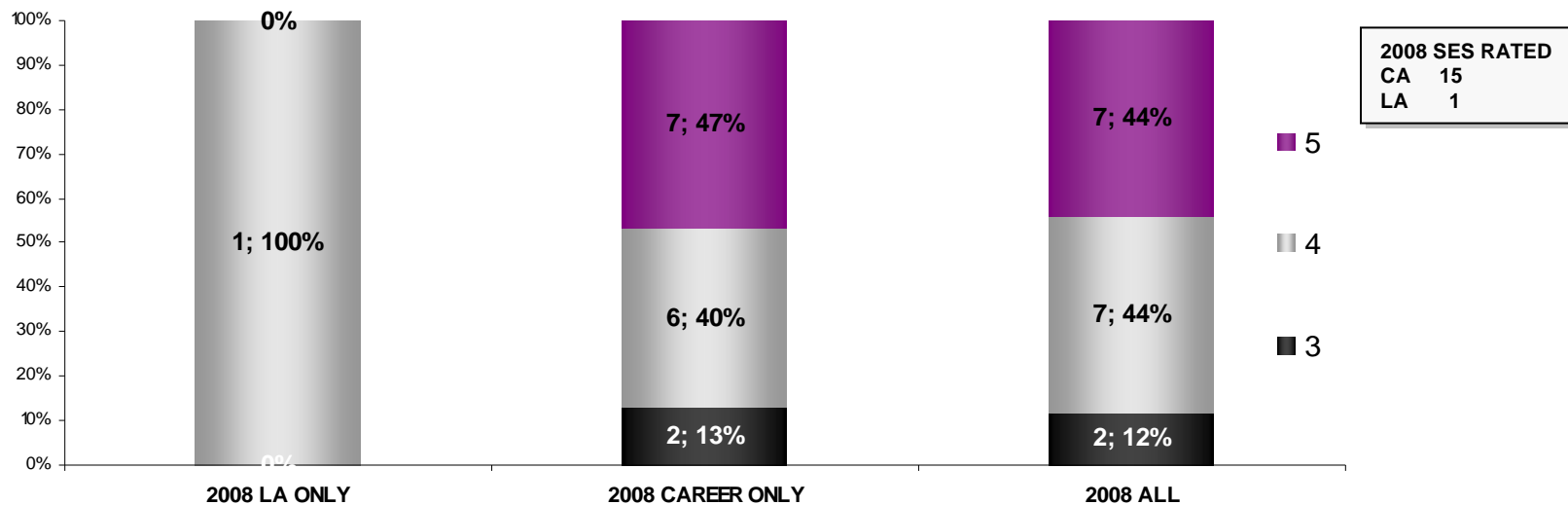
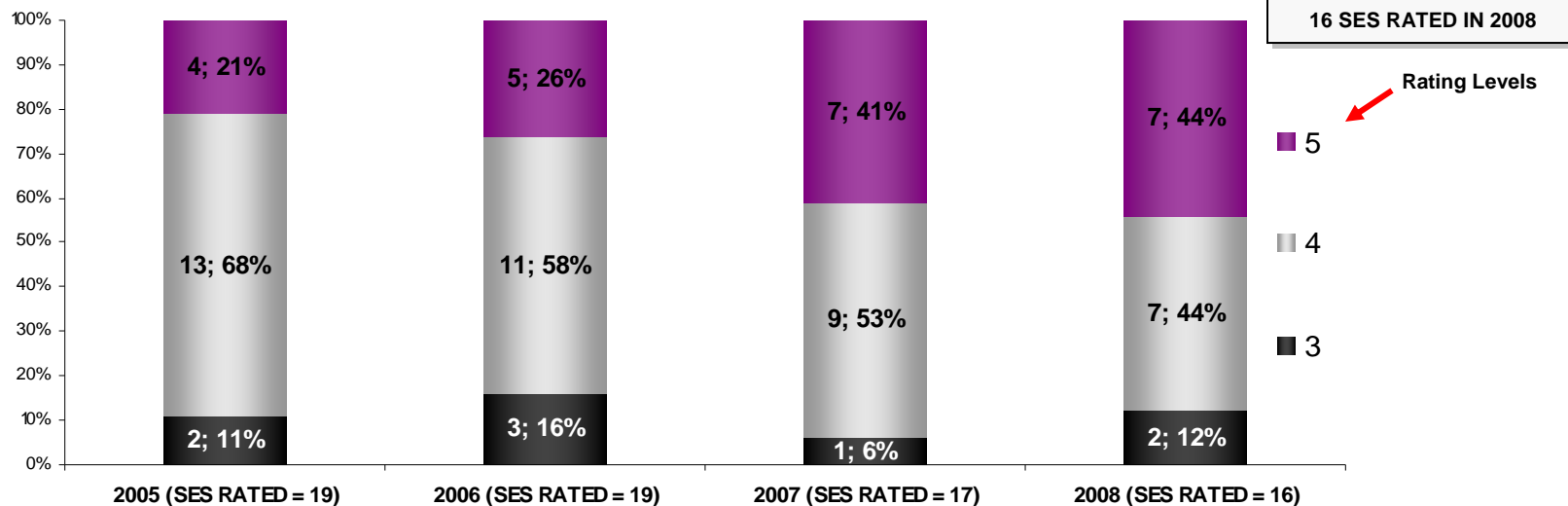
SES Performance Payout Results (2008)

OIG

2008 Results at a Glance (For Rated SES, unless otherwise noted)	2008
Total Number (#) of SES Leaders	19
Total # Rated SES (career, non-career and limited term)	16
Total Salaries//Total Salaries of Rated SES	\$2,996,235 \$2,531,235
Pay Pool Funding Factor (Pay Progression + PAEP + Performance Budget)	Tier 1 - 11% Tier 2 - 13% Tier 3 - 17%
Pay Pool Value (Pay Pool Funding Factor X Total Salaries of all covered executives)	\$389,510
Total Performance (Basic) Pay Increase Payouts	\$105,387
Avg. Performance (Basic) Pay Increase	\$6,587
Total Performance Bonus Payouts	\$154,722
Avg. Bonus Payout	\$9,670
Unspent Pay Pool	\$129,401
Unspent Pay Pool (as % of Total Salaries)	4.32%
Total Performance (Basic) Pay Increase Payouts (as % of Total Salaries)	3.5%
Total Performance Bonus Payouts (as % of Total Salaries)	5.2%

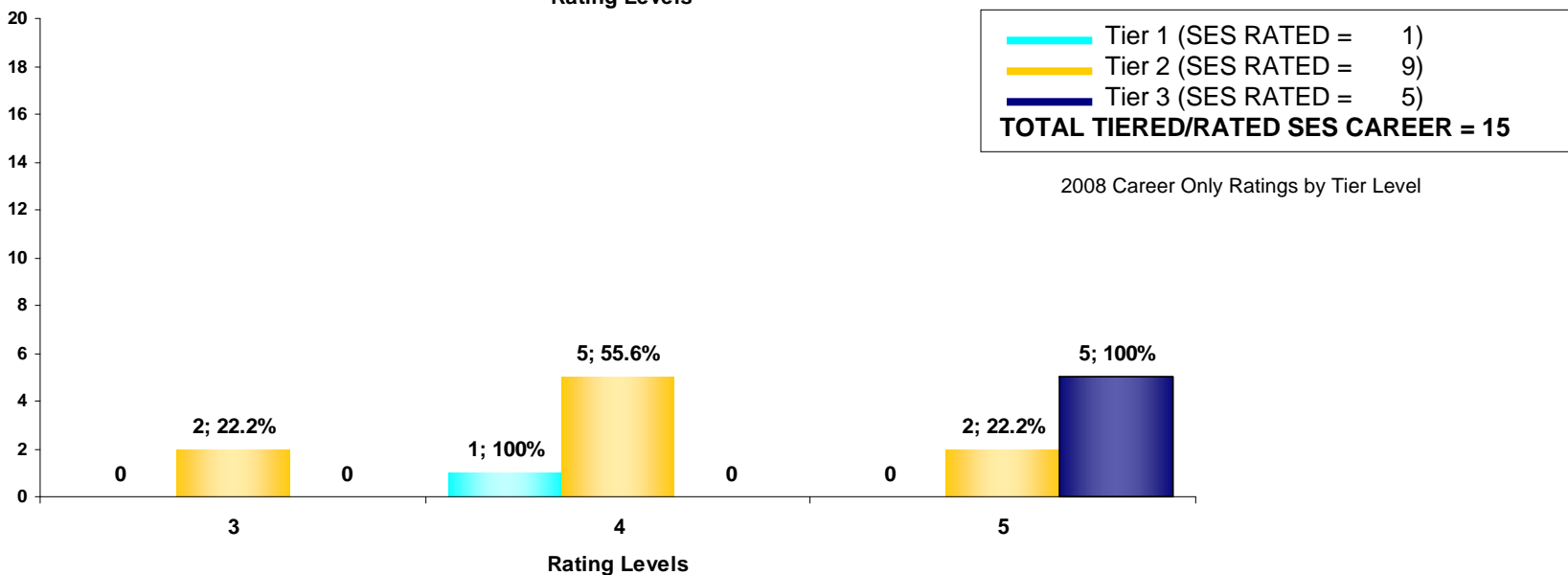
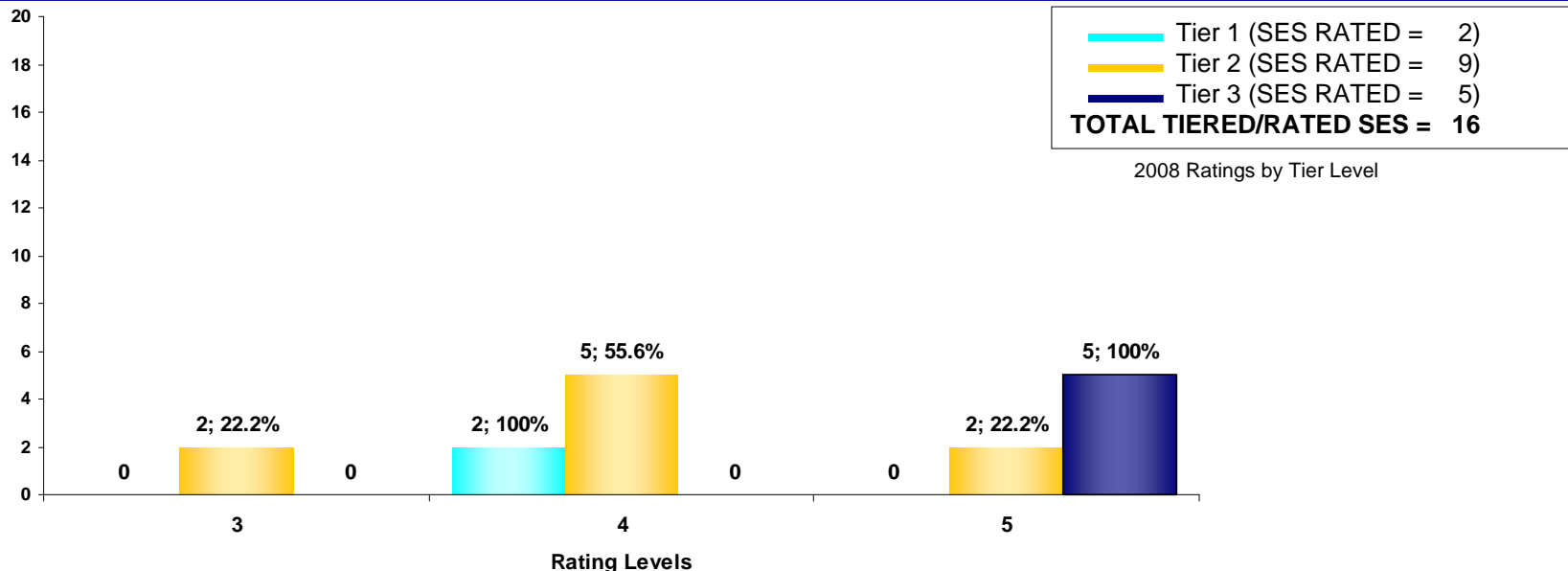


Distribution of SES Ratings (2005-2008) OIG



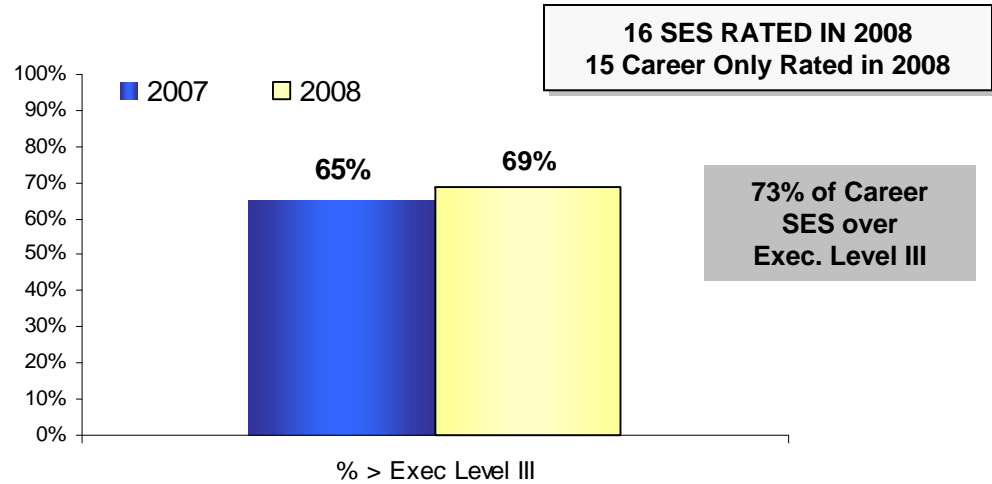
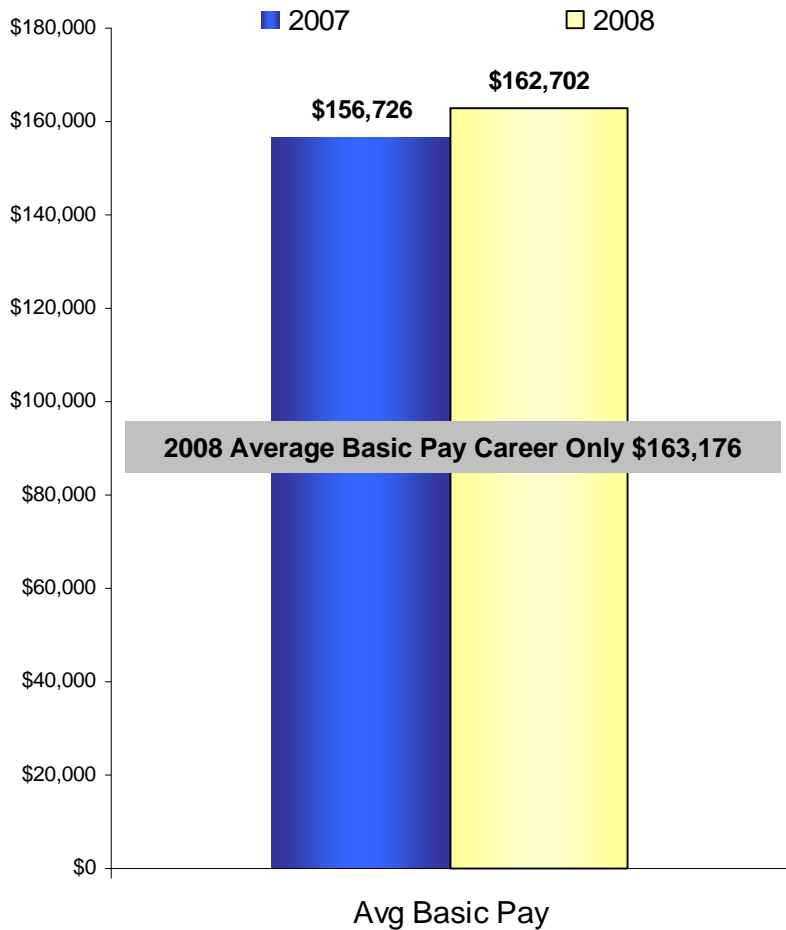


Distribution of SES Ratings (2008) OIG

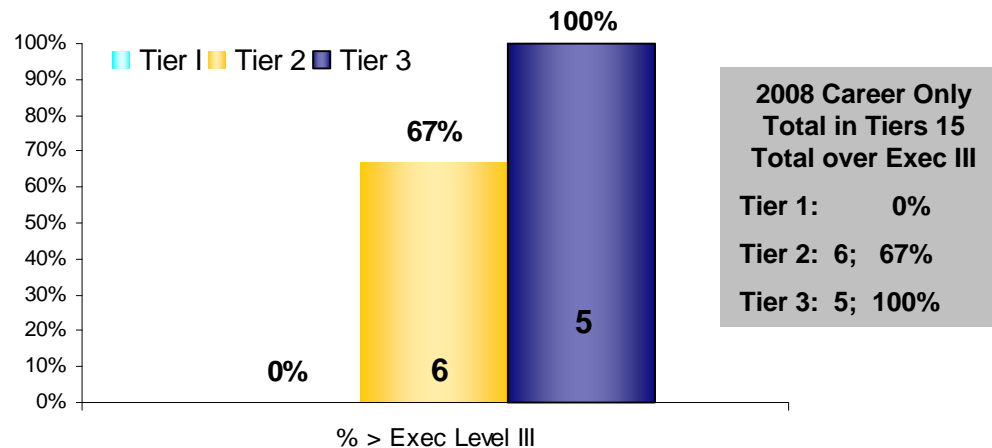




SES Average Basic Pay (2007-2008) OIG

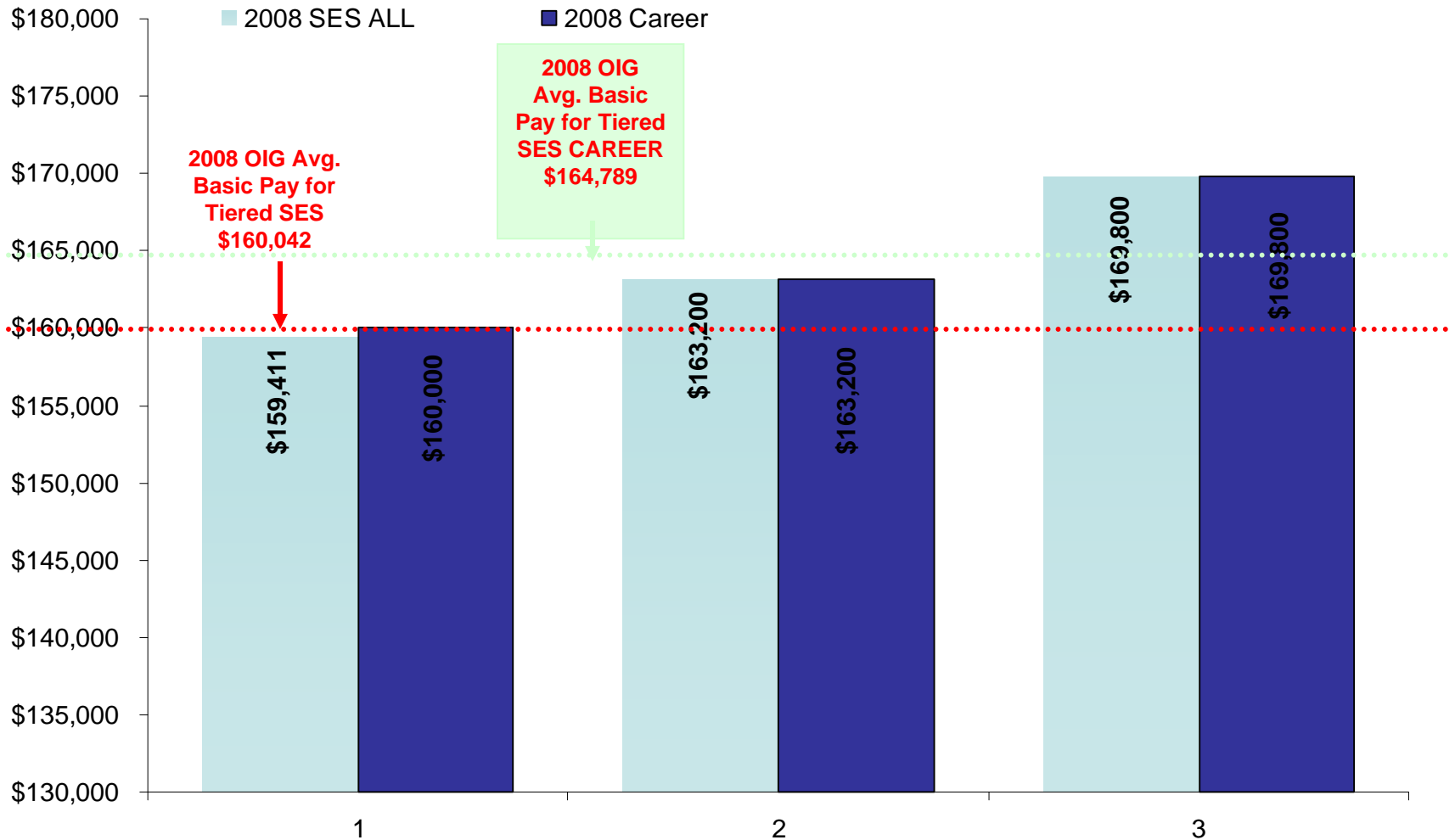


Tier Data below only contains 2008 Data. 16 Rated SES were in Tiers in 2008.





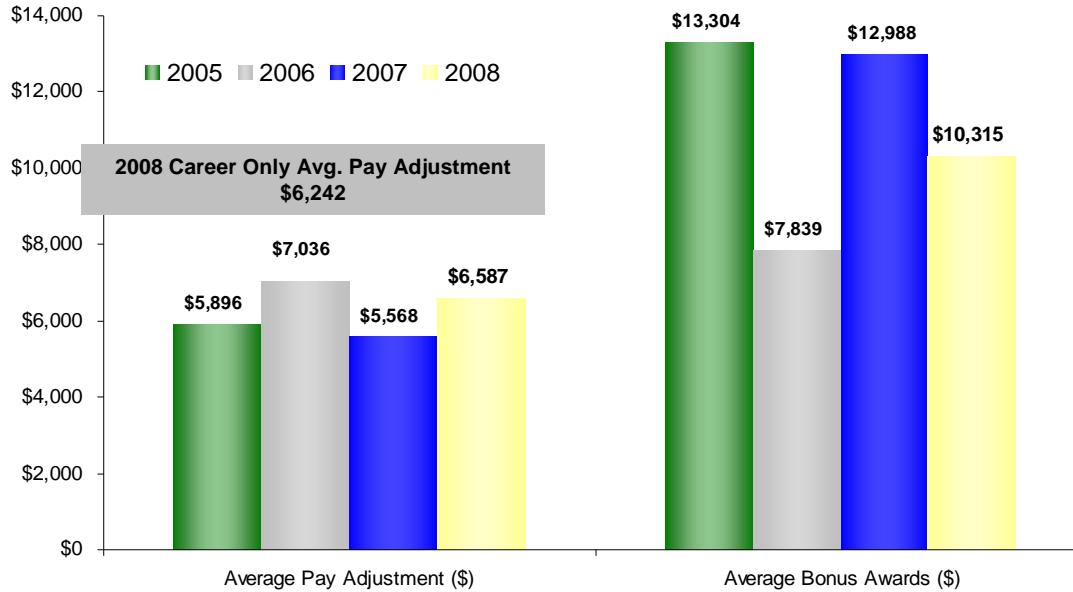
SES Average Basic Pay (2008) OIG by Tier



16 Rated SES were in Tiers in 2008.



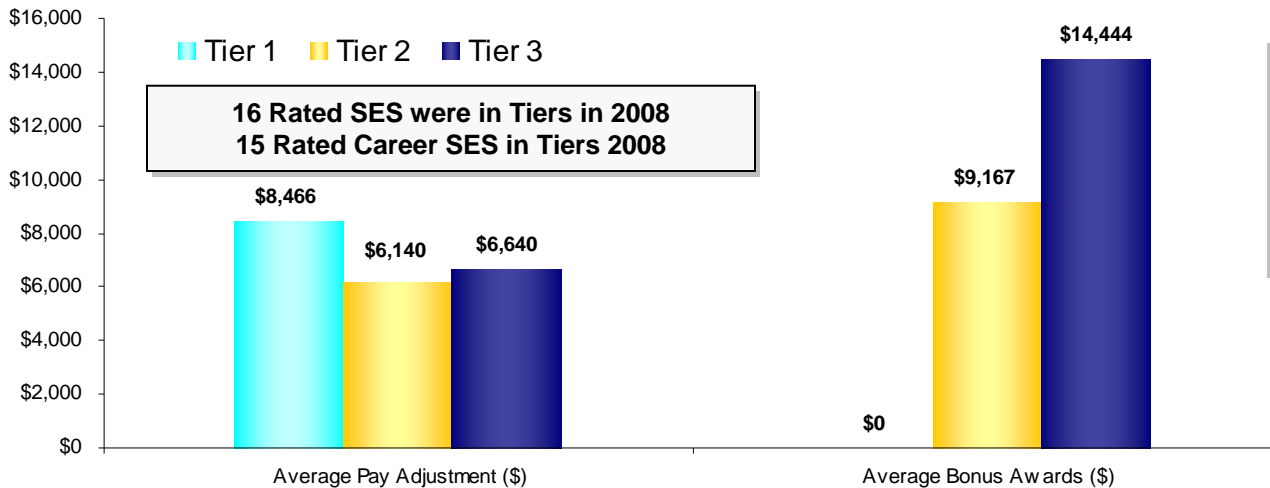
SES Average Pay Adjustment and Average Bonus (2005-2008) (by Dollars) OIG



16 SES RATED IN 2008
15 Career Only Rated in 2008

75% of Rated SES received a bonus in 2008.
80% Career Only.

FY05-0 reflects preliminary data



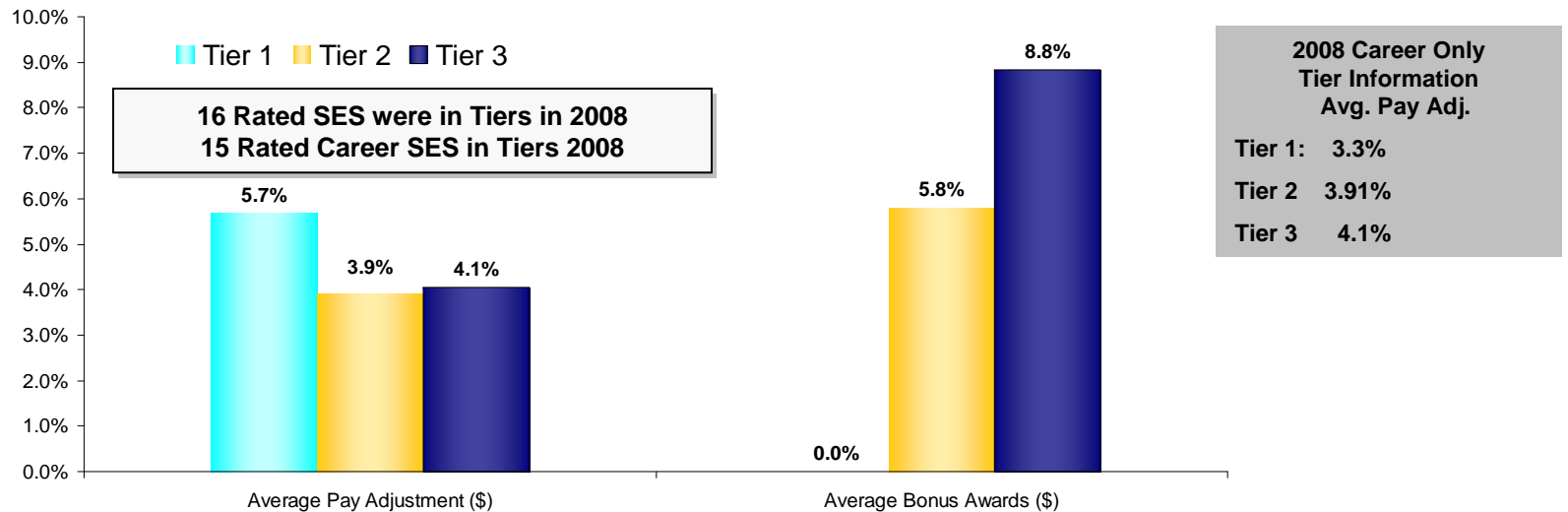
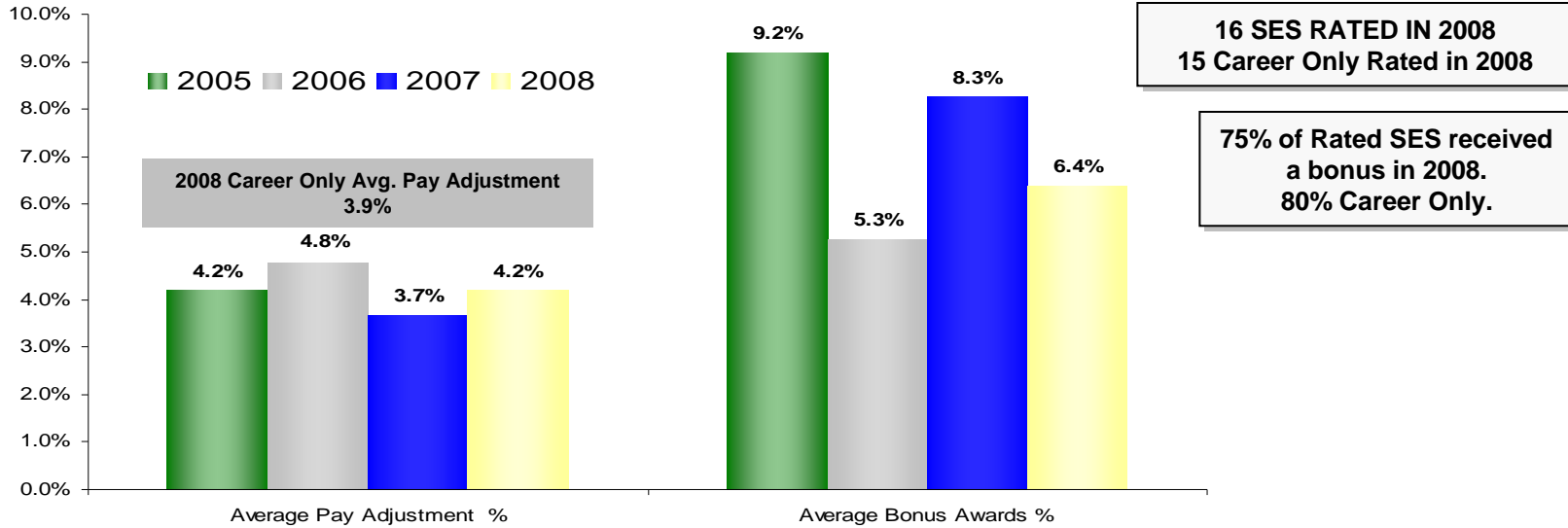
16 Rated SES were in Tiers in 2008
15 Rated Career SES in Tiers 2008

2008 Career Only Tier Information Avg. Pay Adj.
Tier 1: \$5,167
Tier 2 \$6,140
Tier 3 \$6,640

2008 by Tier Level



SES Average Pay Adjustment and Average Bonus (2005-2008) (by Percent) OIG

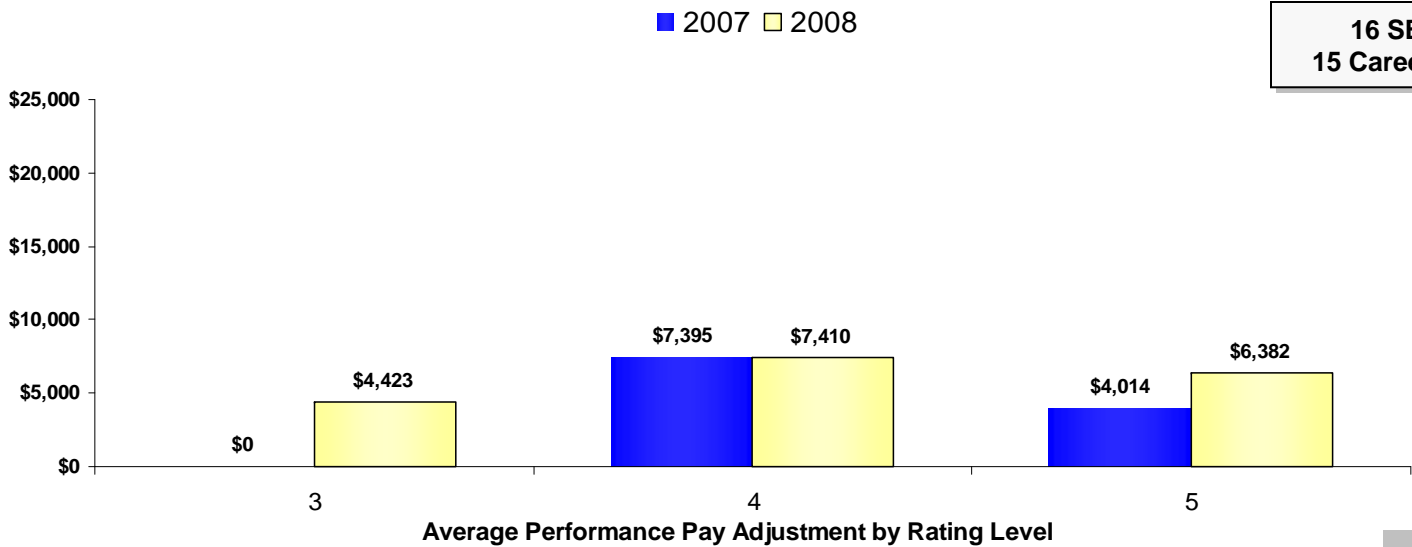


2008 by Tier Level



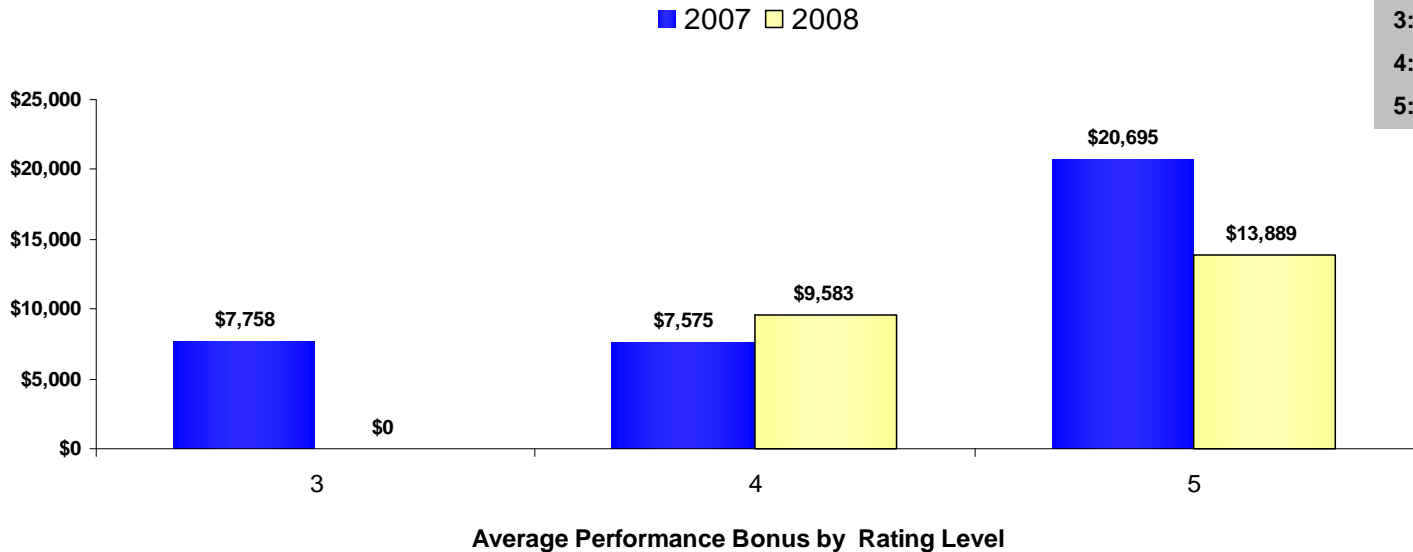
SES Average Pay Adjustment and Average Bonus (2007-2008) (by Rating Level) OIG

16 SES RATED IN 2008
15 Career Only Rated in 2008



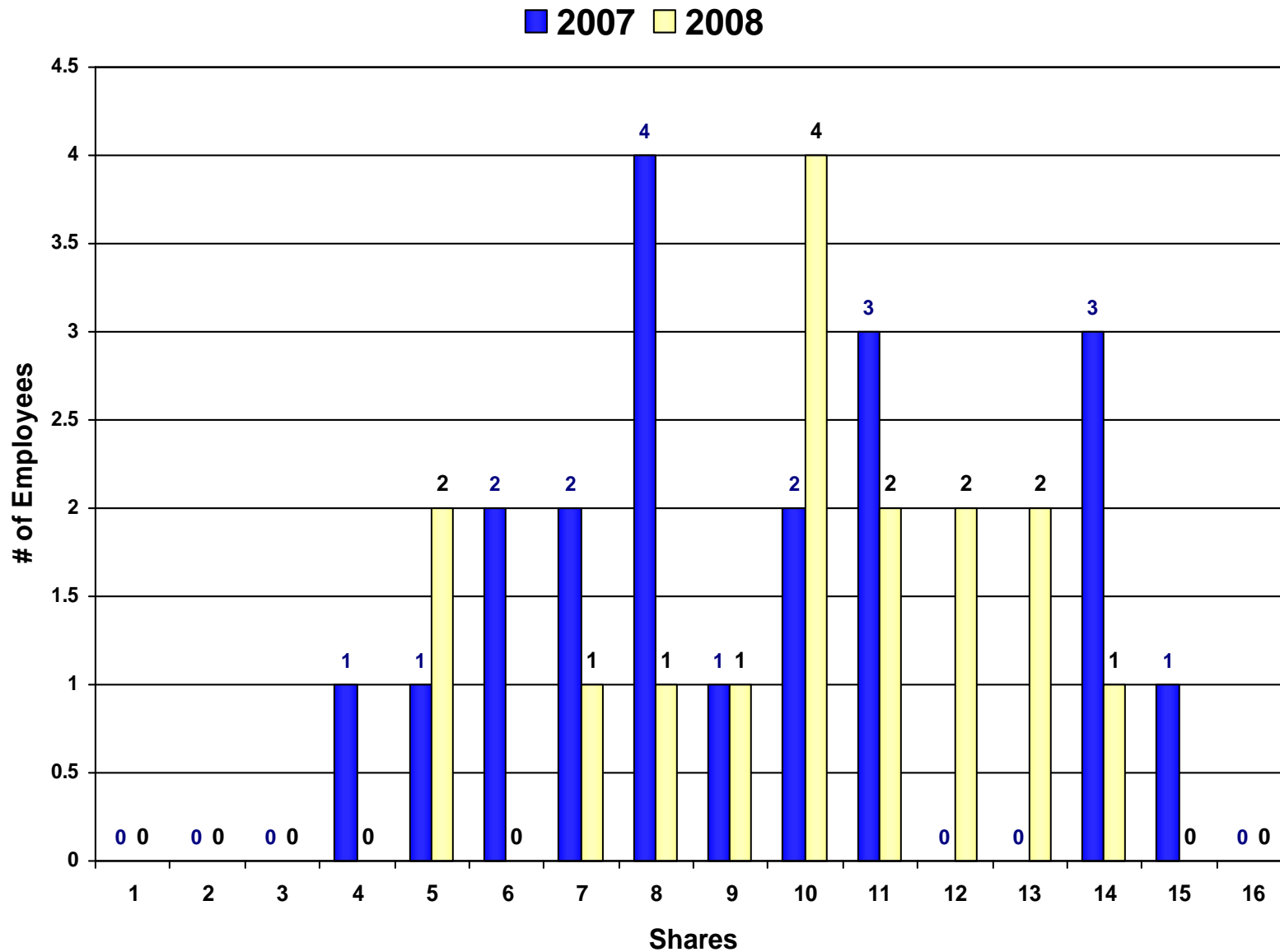
2008 Career Only
Avg. Pay Adj.

- 3: \$4,423
- 4: \$6,685
- 5: \$6,382





SES Distribution of Shares (2005-2008) DoDOIG



OSD





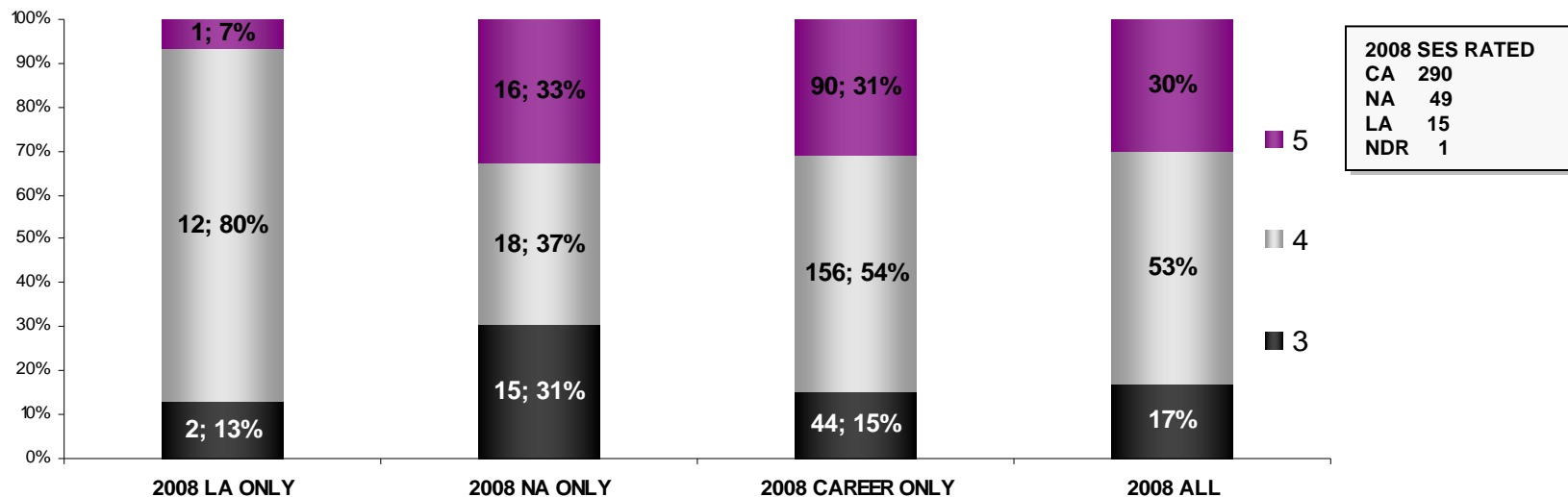
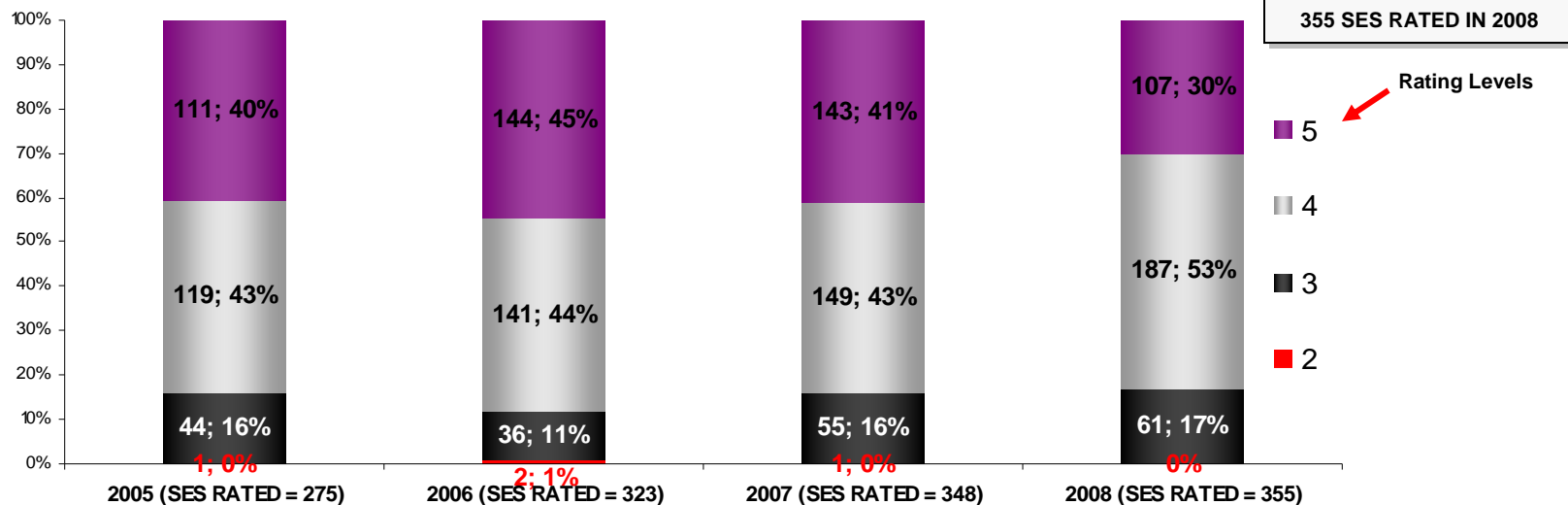
SES Performance Payout Results (2008)

OSD

2008 Results at a Glance (For Rated SES, unless otherwise noted)	2008
Total Number (#) of SES Leaders	383
Total # Rated SES (career, non-career and limited term)	355
Total Salaries	\$59,763,533
Total Salaries of Rated SES	\$55,513,740
Pay Pool Funding Factor (Pay Progression + PAEP + Performance Budget)	Tier 1 - 11% Tier 2 - 13% Tier 3 - 17%
Pay Pool Value (Pay Pool Funding Factor X Total Salaries of all covered executives)	\$7,624,564
Total Performance (Basic) Pay Increase Payouts	\$2,245,485
Avg. Performance (Basic) Pay Increase	\$6,325
Total Performance Bonus Payouts	\$4,342,302
Avg. Bonus Payout	\$12,232
Unspent Pay Pool	\$118,147
Unspent Pay Pool (as % of Total Salaries)	0.20%
Total Performance (Basic) Pay Increase Payouts (as % of Total Salaries)	3.8%
Total Performance Bonus Payouts (as % of Total Salaries)	7.3%

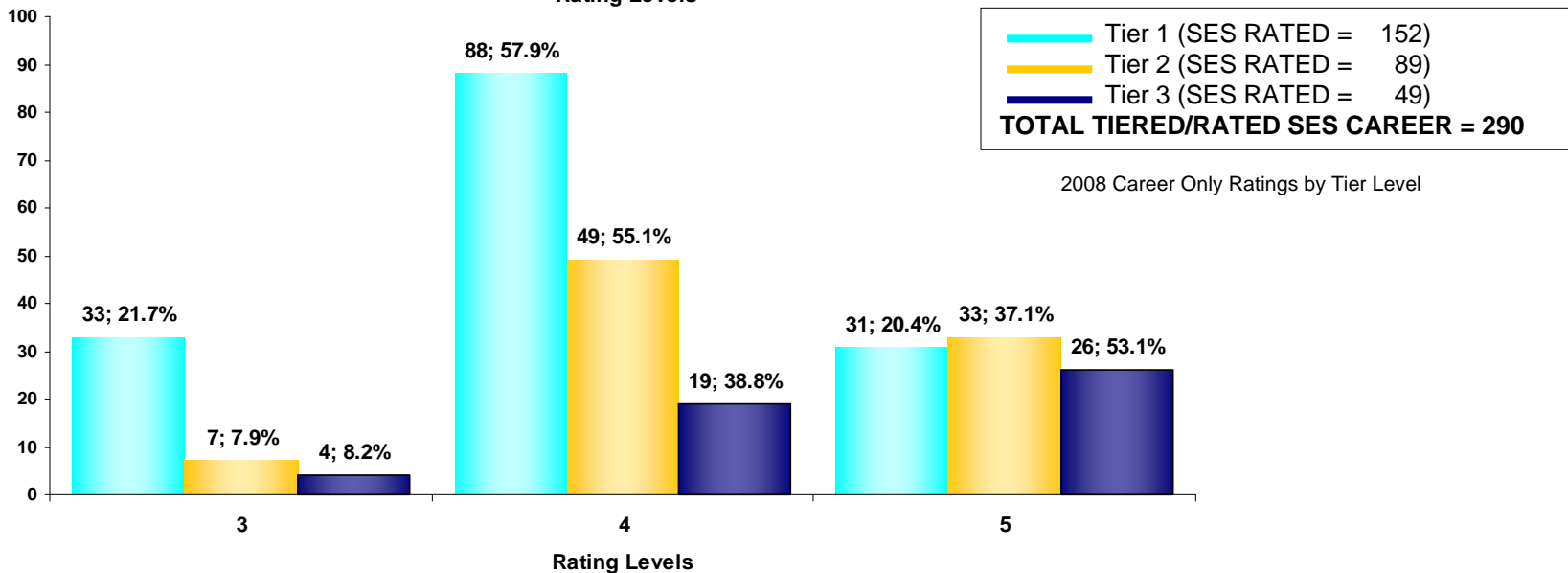
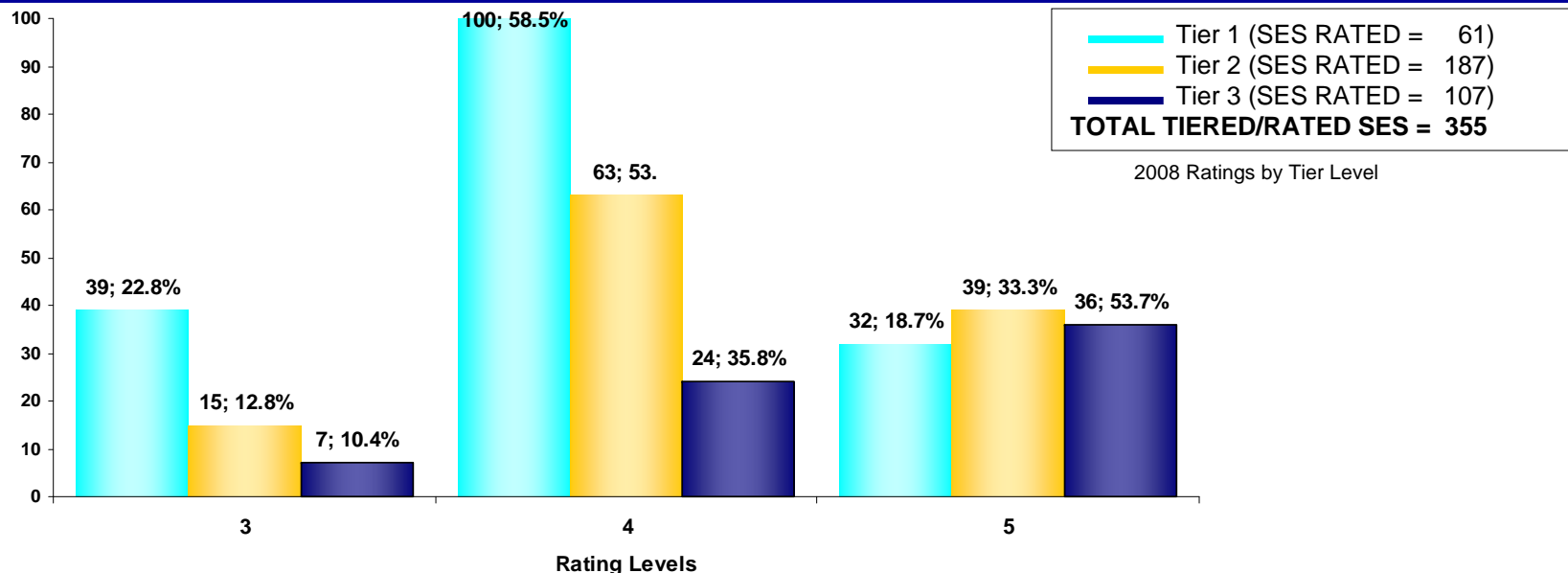


Distribution of SES Ratings (2005-2008) OSD



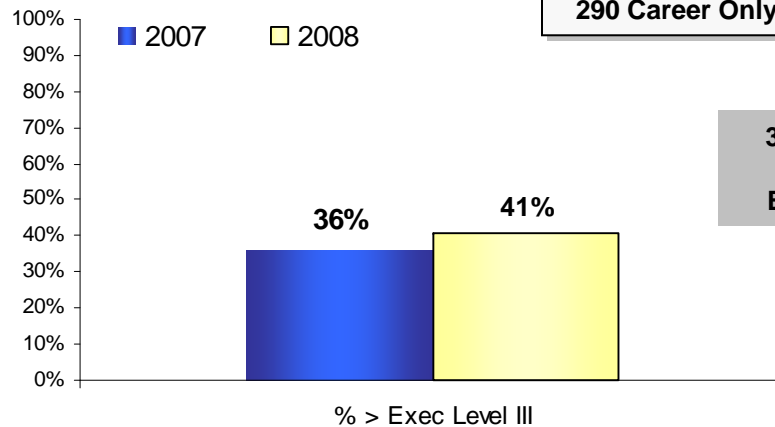
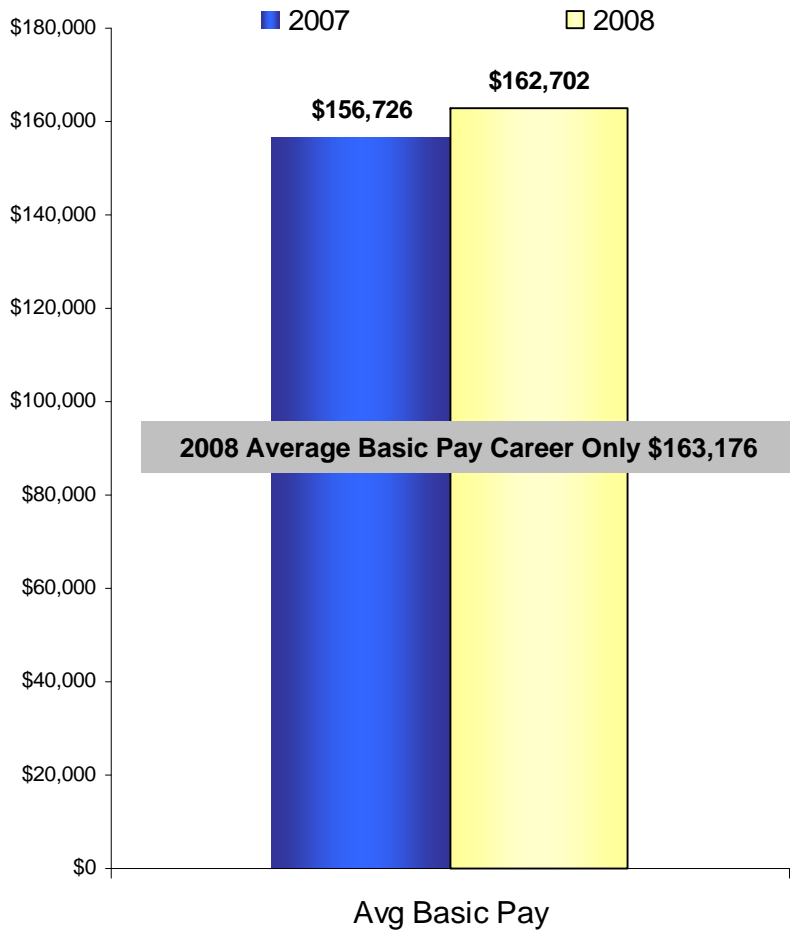


Distribution of SES Ratings (2008) OSD





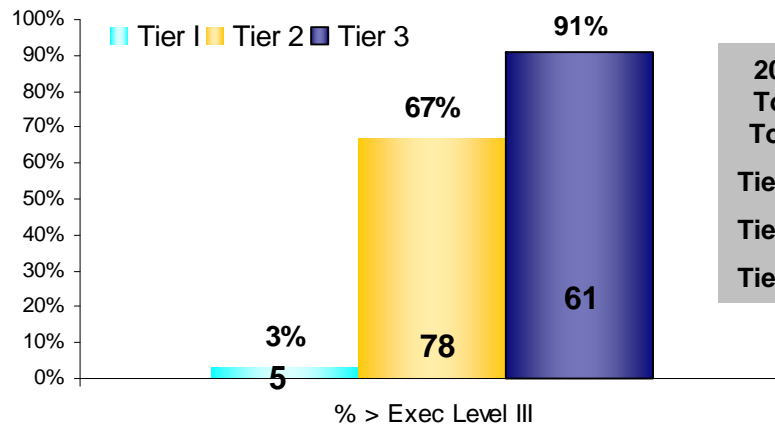
SES Average Basic Pay (2007-2008) OSD



**355 SES RATED IN 2008
290 Career Only Rated in 2008**

**39% of Career
SES over
Exec. Level III**

Tier Data below only contains 2008 Data. 355 Rated SES were in Tiers in 2008.



**2008 Career Only
Total in Tiers 290
Total over Exec III**

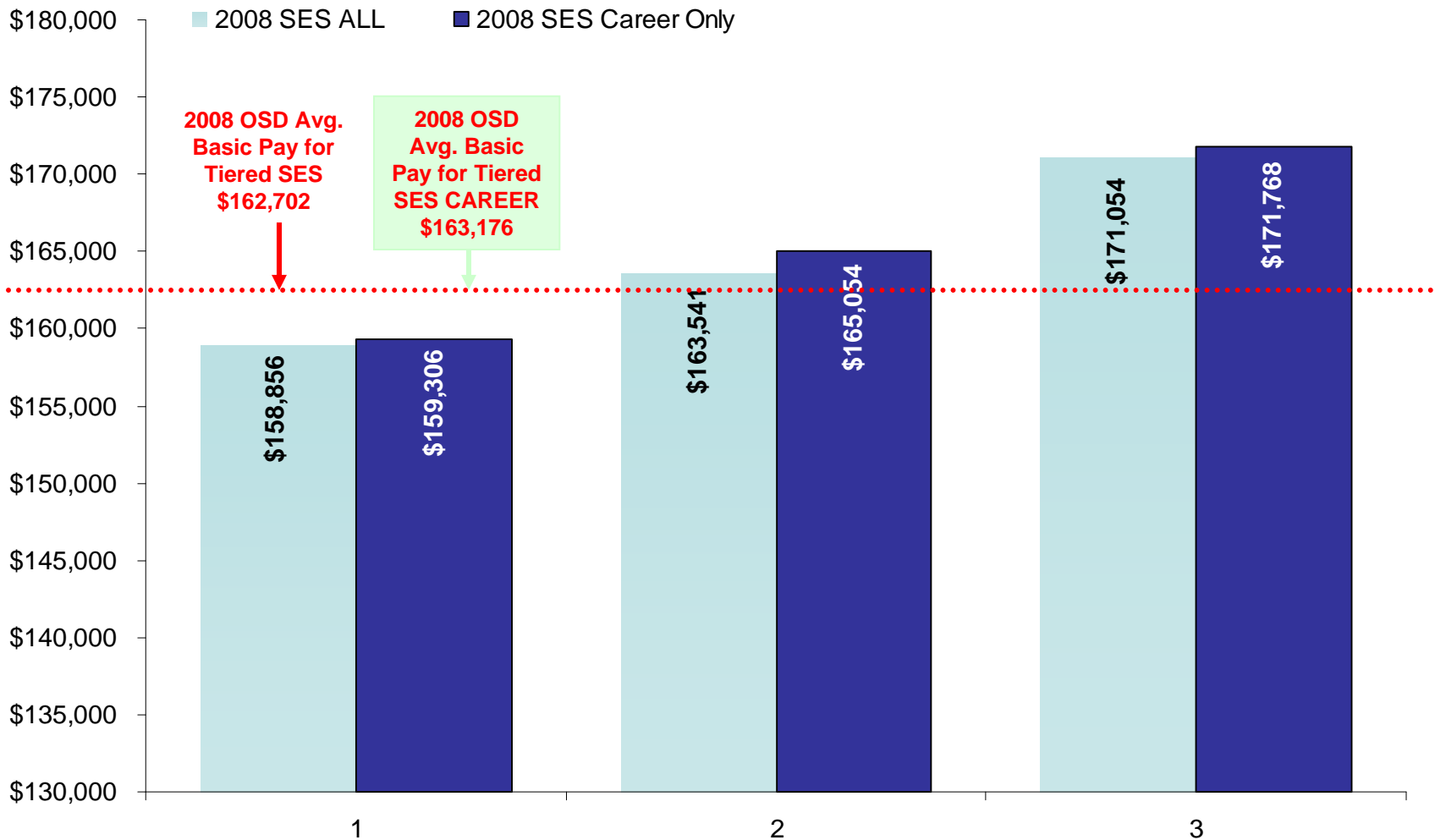
Tier 1: 5; 3%

Tier 2: 63; 71%

Tier 3: 46; 94%



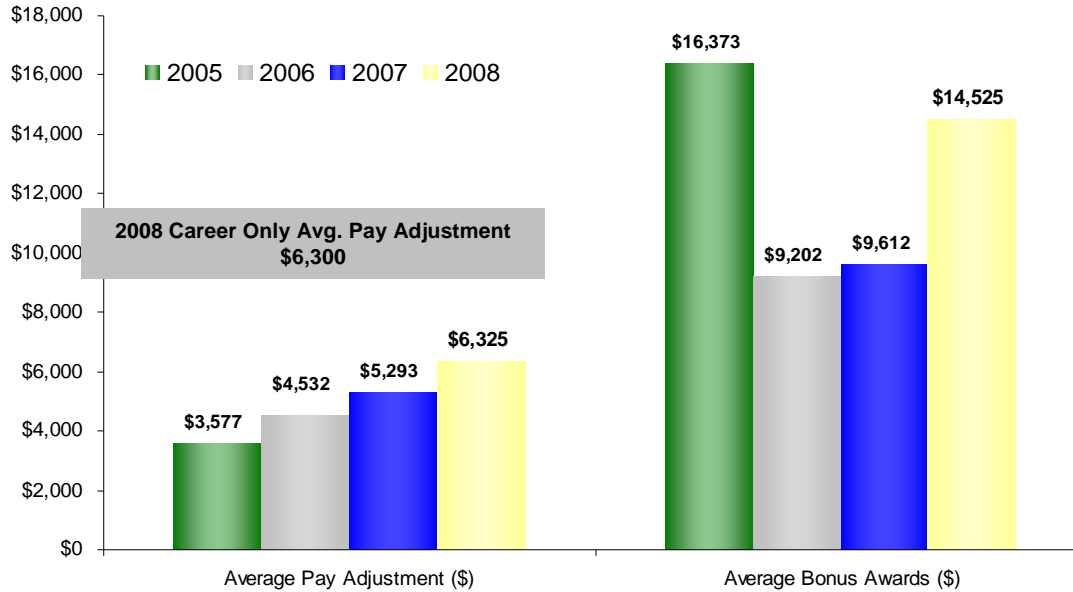
SES Average Basic Pay (2008) OSD by Tier



355 Rated SES were in Tiers in 2008.



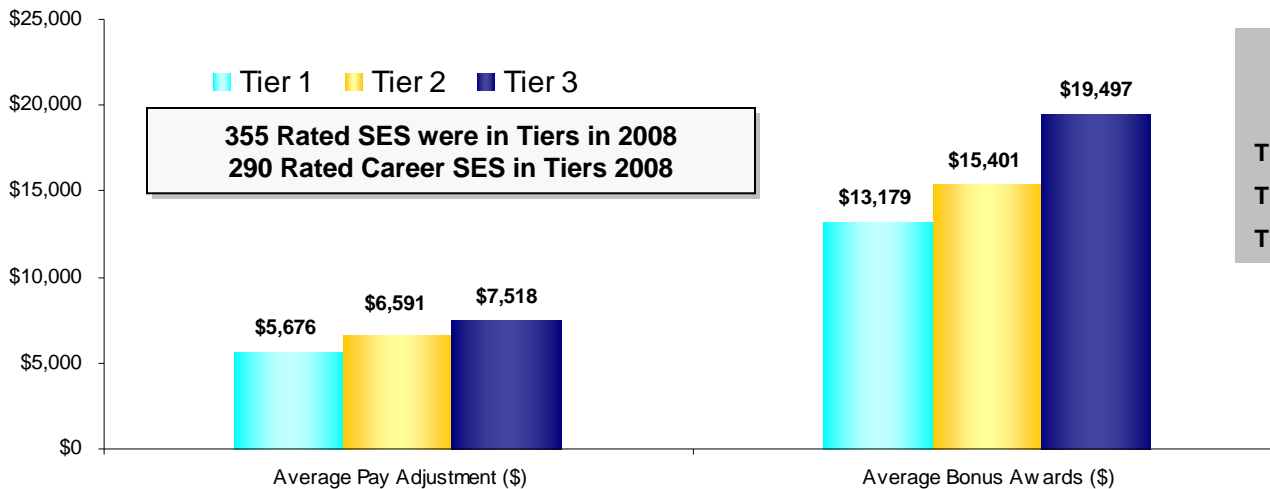
SES Average Pay Adjustment and Average Bonus (2005-2008) (by Dollars) OSD



355 SES RATED IN 2008
290 Career Only Rated in 2008

80% of Rated SES received a bonus in 2008.
97% Career Only.

FY05-07 reflects preliminary data



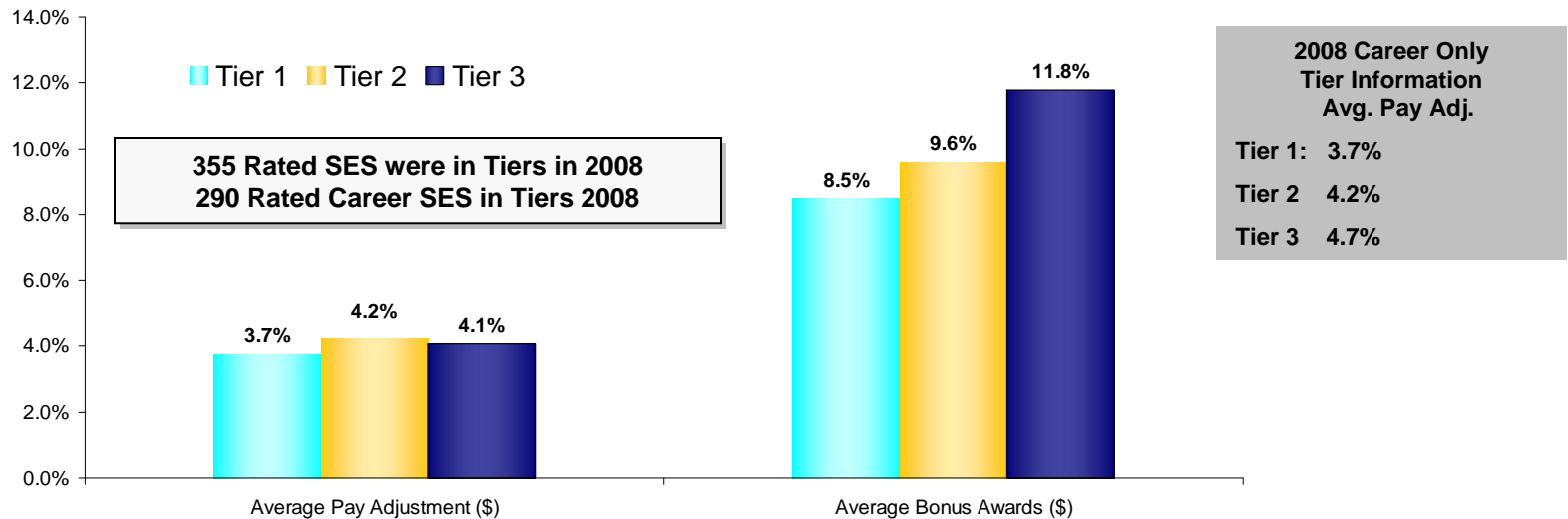
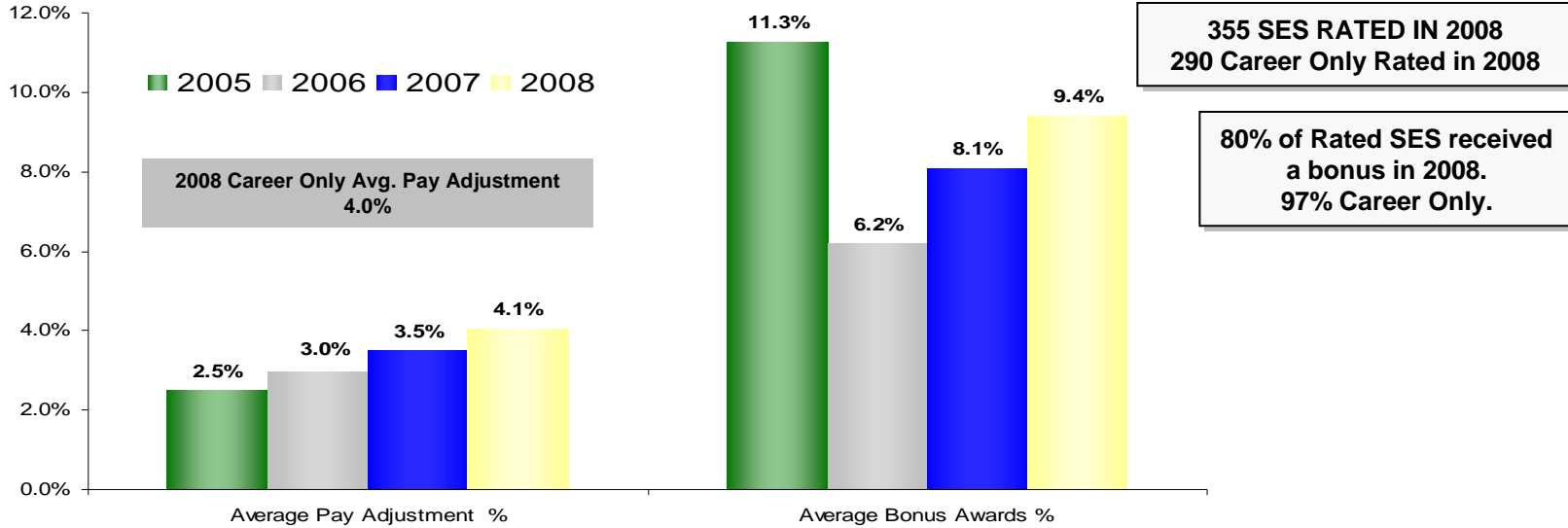
355 Rated SES were in Tiers in 2008
290 Rated Career SES in Tiers 2008

2008 Career Only Tier Information
Avg. Pay Adj.
Tier 1: \$5,643
Tier 2 \$6,673
Tier 3 \$7,664

2008 by Tier Level



SES Average Pay Adjustment and Average Bonus (2005-2008) (by Percent) OSD

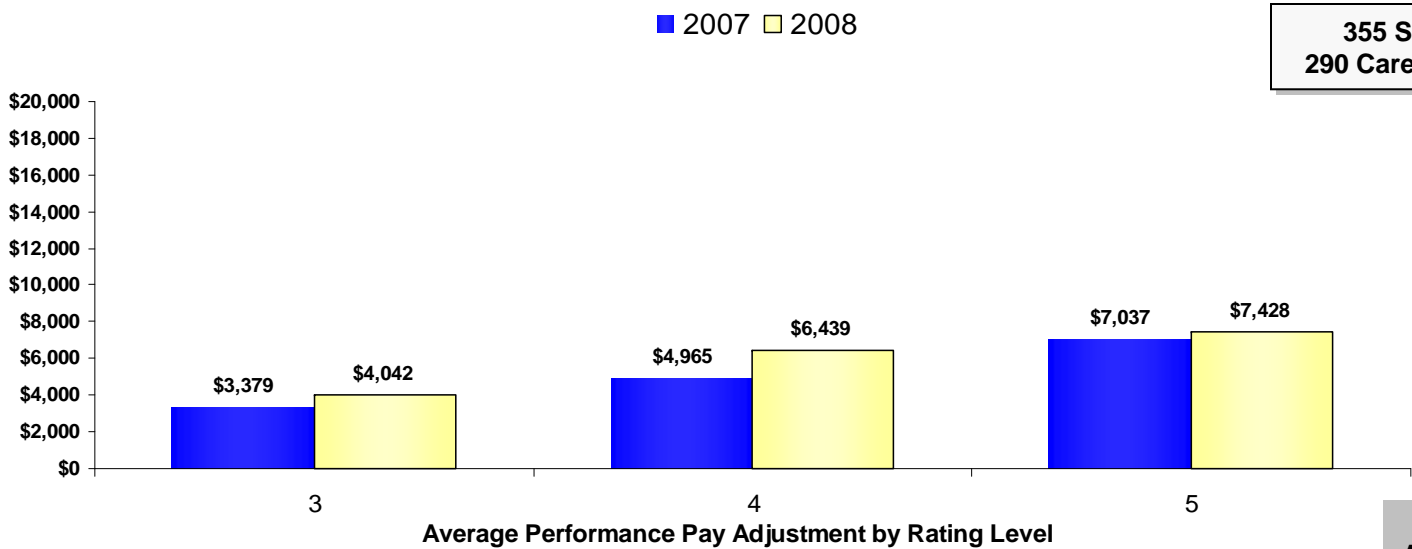


2008 by Tier Level



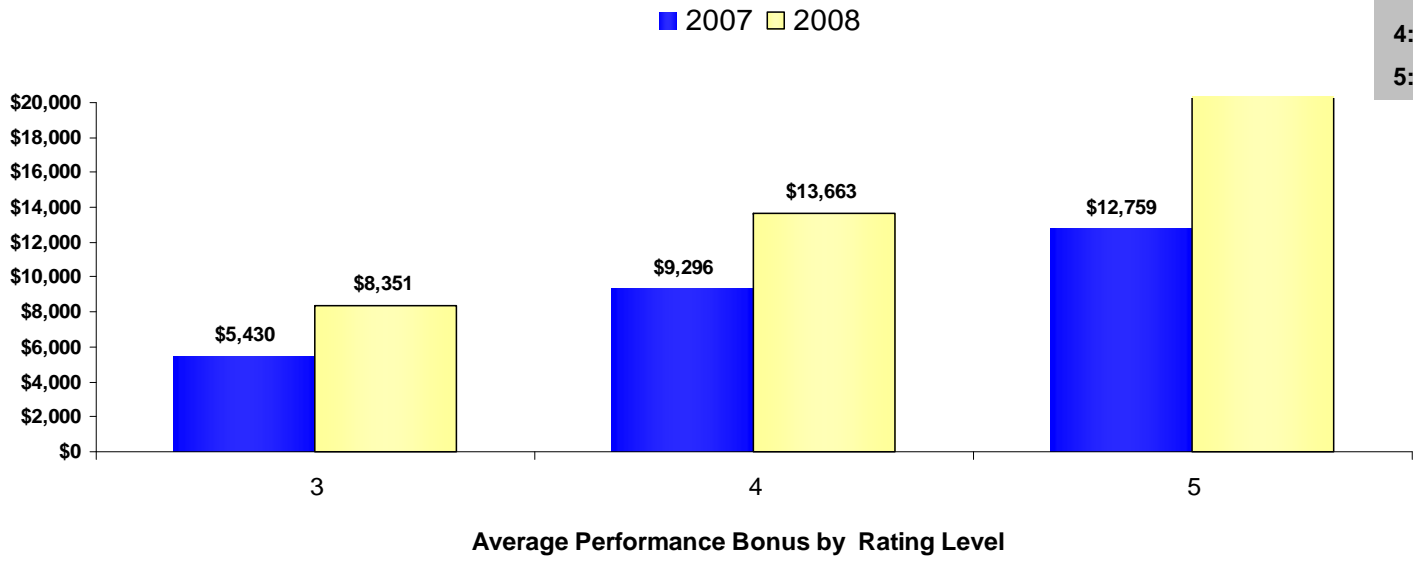
SES Average Pay Adjustment and Average Bonus (2007-2008) (by Rating Level) OSD

355 SES RATED IN 2008
290 Career Only Rated in 2008



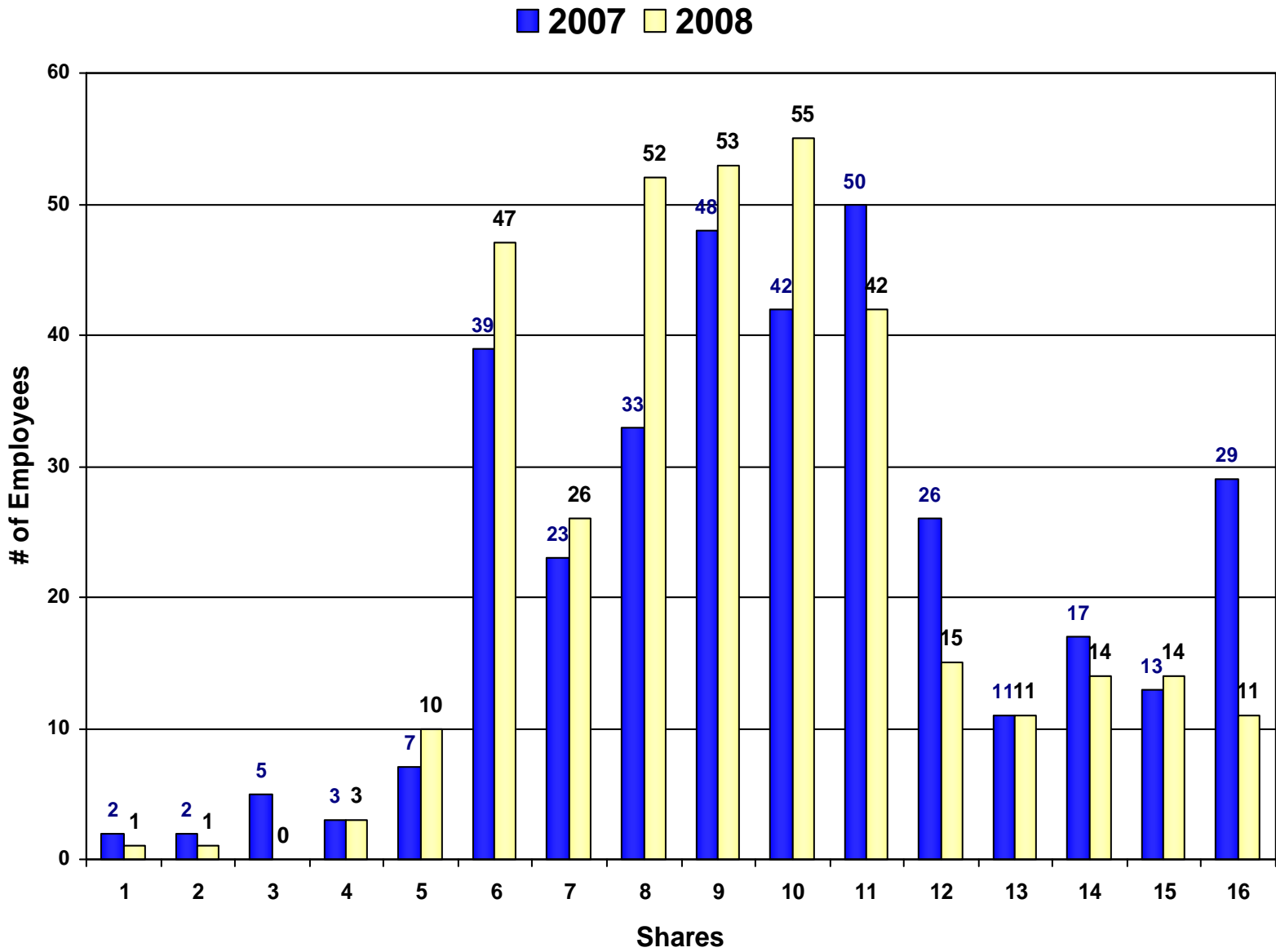
2008 Career Only
Avg. Pay Adj.

- 3: \$3,995
- 4: \$6,333
- 5: \$7,371





SES Distribution of Shares (2005-2008) OSD



OUSDI





DISES Performance Payout Results (2008)

OUSD(I)

2008 DISES Results at a Glance		2008	
Total Number of DISES Employees		17	
Total Number of DISES Employees Rated		16	
Performance Ratings:	5 – Exceptional Results	13	76.5%
	4 – Exceeds Expected Results	2	11.8%
	3 – Achieved Expectations	1	5.9%
	2 – Minimally Satisfactory	0	0%
	1 – Unsatisfactory	0	0%
	X – Not Rated	1	5.9%
Average Salary Before Performance Payout		\$154,635	
DISES with Salaries Above Executive Level III (\$158,500) Before Payout		7; 41.2%	
DISES with Salaries at Executive Level II (\$172,200) Before Payout		0, 0%	
Average DISES Salary Increase		\$10,397; 6.7%	
Average DISES Salary After Performance Payout		\$164,420	
DISES with Salaries Above New Executive Level III After Payout		10; 58.8%	
DISES with Salaries at New Executive Level II After Payout		1; 5.9%	
Rated DISES Receiving Salary Increase		15; 93.8%	
Average Performance Bonus		\$10,390; 6.6%	
Rated DISES Receiving Performance Bonus		15; 93.8%	



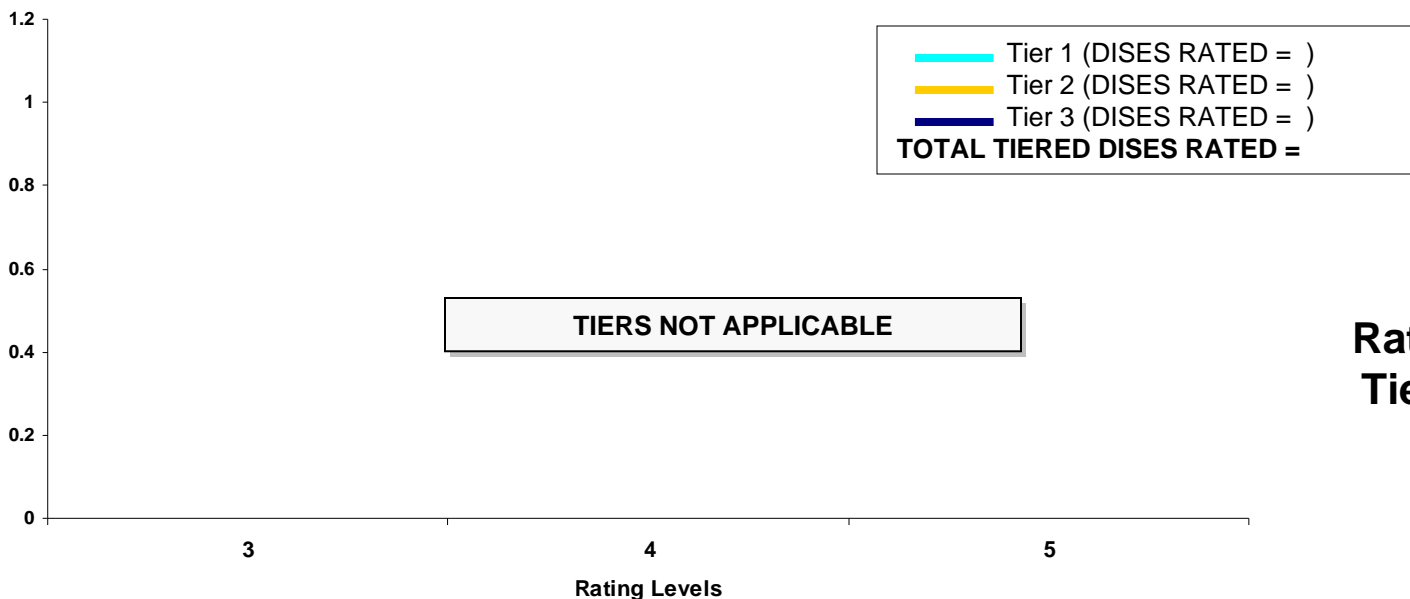
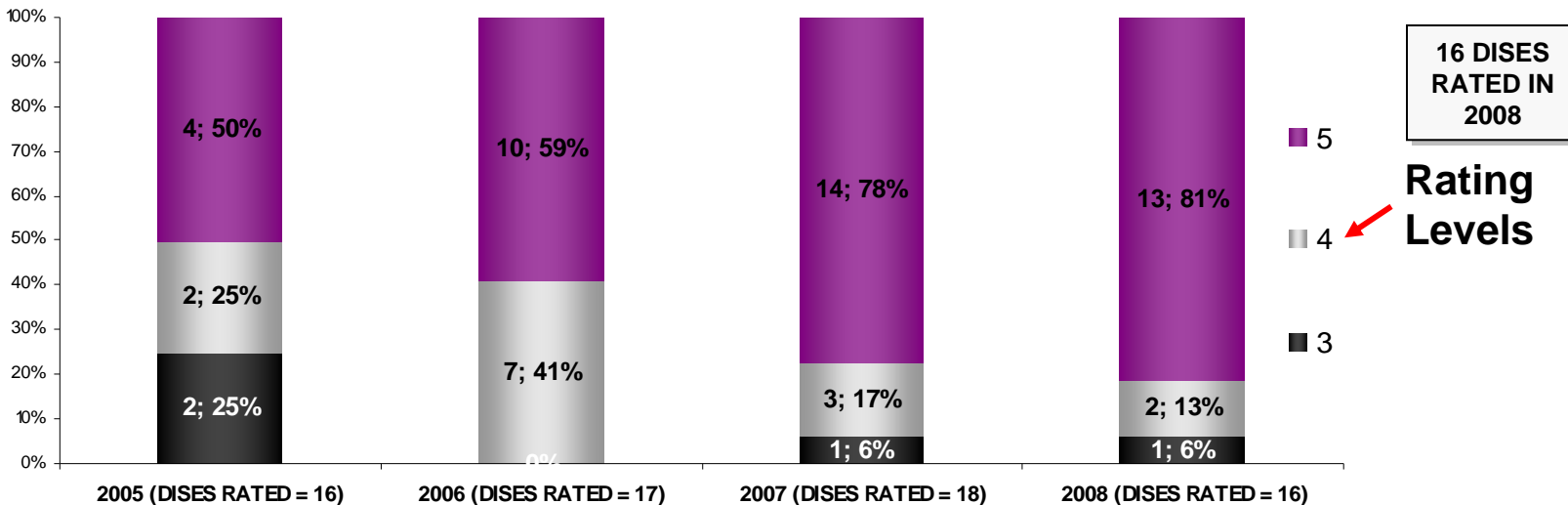
DISES Performance Payout Results (2008) **OUSD(I)**

2008 DISES Results at a Glance:	2008
Total Number of DISES Employees as of 30 Sept 2008	17
Total Rated	16
Total Salaries	\$2,628,797
Total Salaries of Rated DISES	\$2,470,297
Pay Pool Funding Factor (Pay Progression + PAEP + Performance Budget)	13%
Pay Pool Value (Pay Pool Funding Factor X Total Salaries of all covered executives)	\$341,743
Total Performance (Basic) Pay Increase Payouts	\$166,346
Avg. Performance (Basic) Pay Increase	\$10,397
Total Performance Bonus Payouts	\$166,238
Avg. Bonus Payout	\$10,390
Unspent Pay Pool	\$9,159
Unspent Pay Pool (as % of Total Salaries)	0.35%
Total Performance (Basic) Pay Increase Payouts (as % of Total Salaries)	6.3%
Total Performance Bonus Payouts (as % of Total Salaries)	6.3%



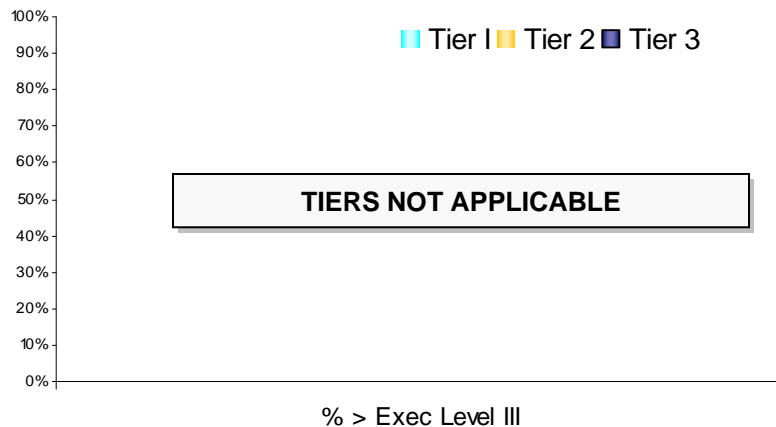
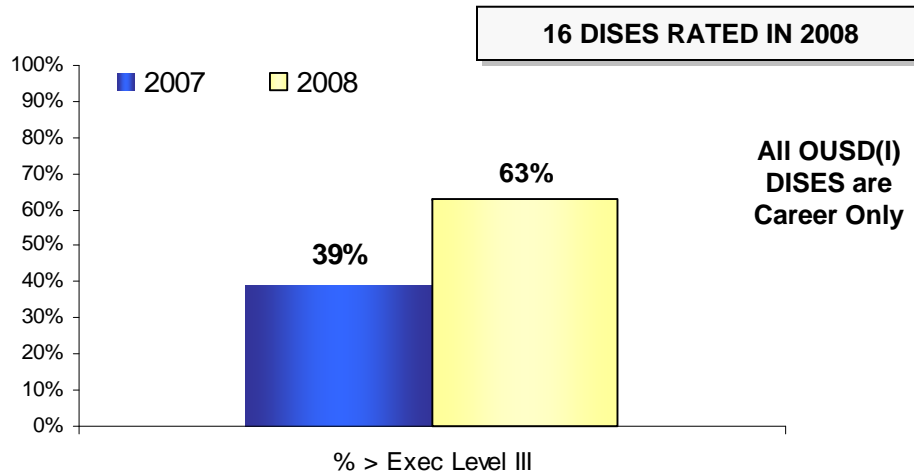
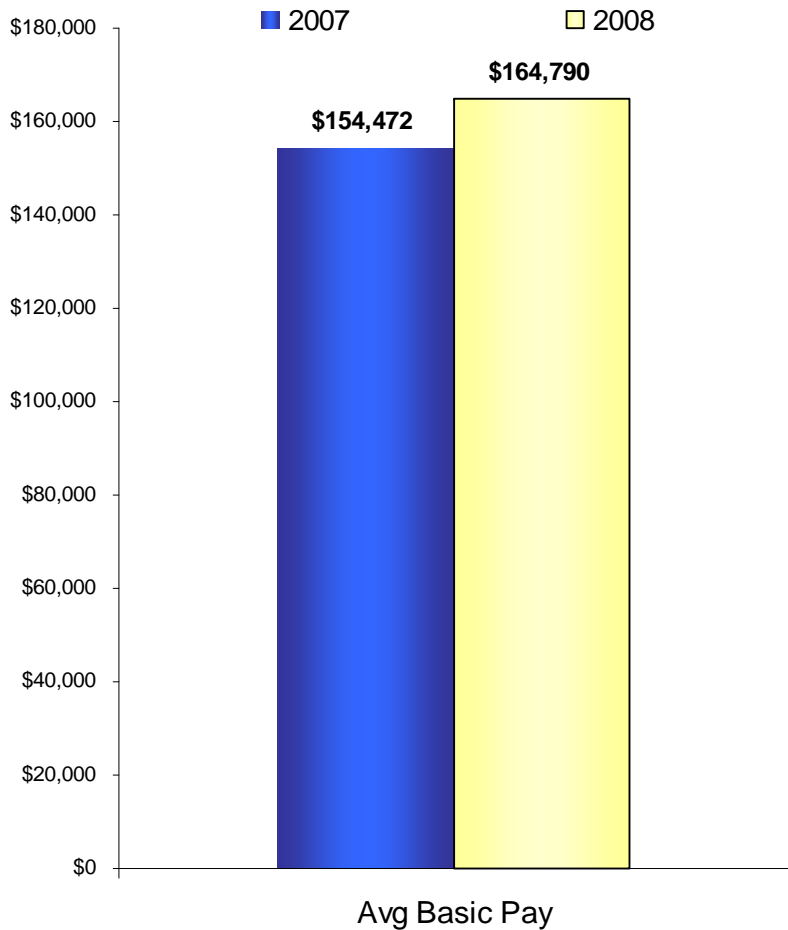
Distribution of DISES Ratings (2005-2008)

OUSD(I)



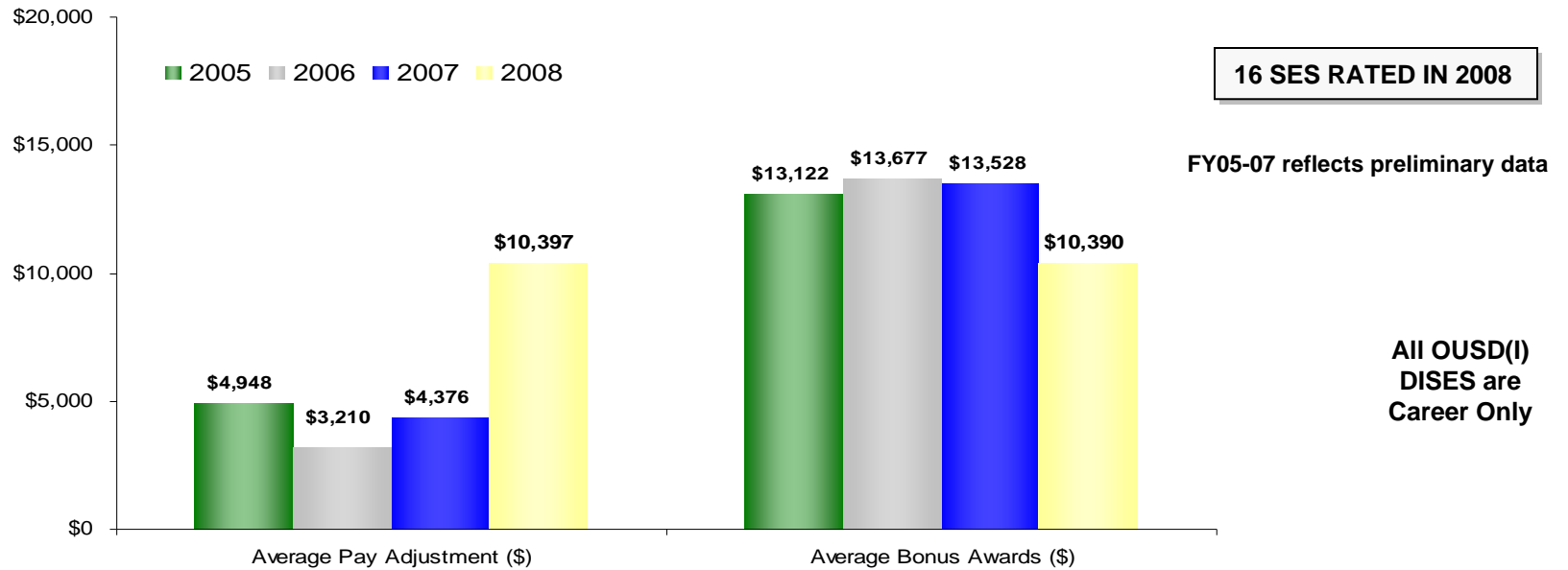


DISES Average Basic Pay (2007-2008) OUSD(I)

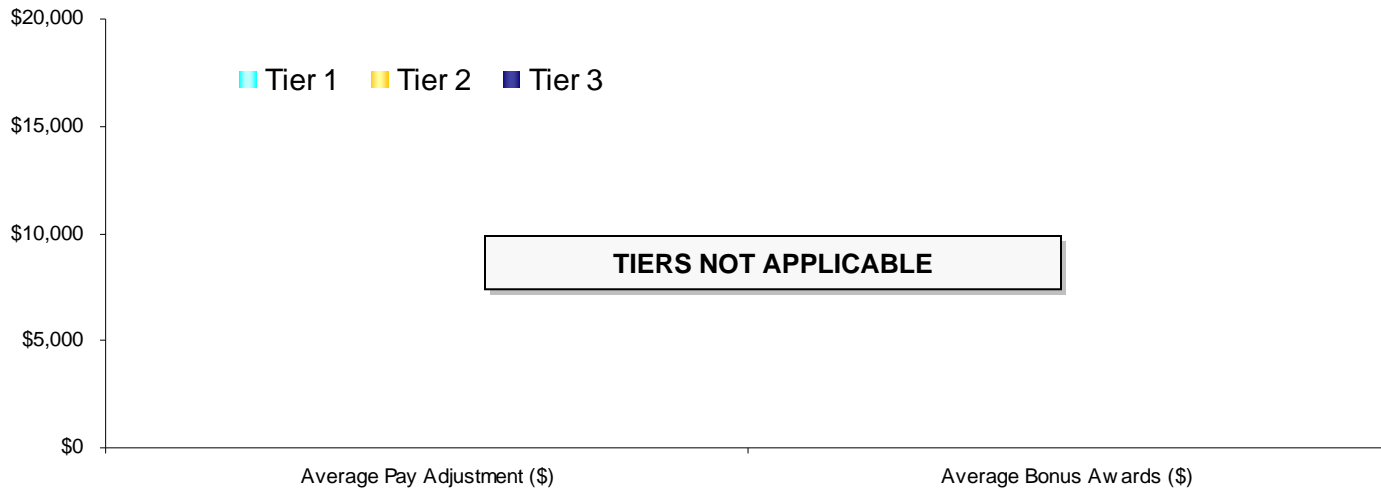




DISES Average Pay Adjustment and Average Bonus (2005-2008) OUSD(I)

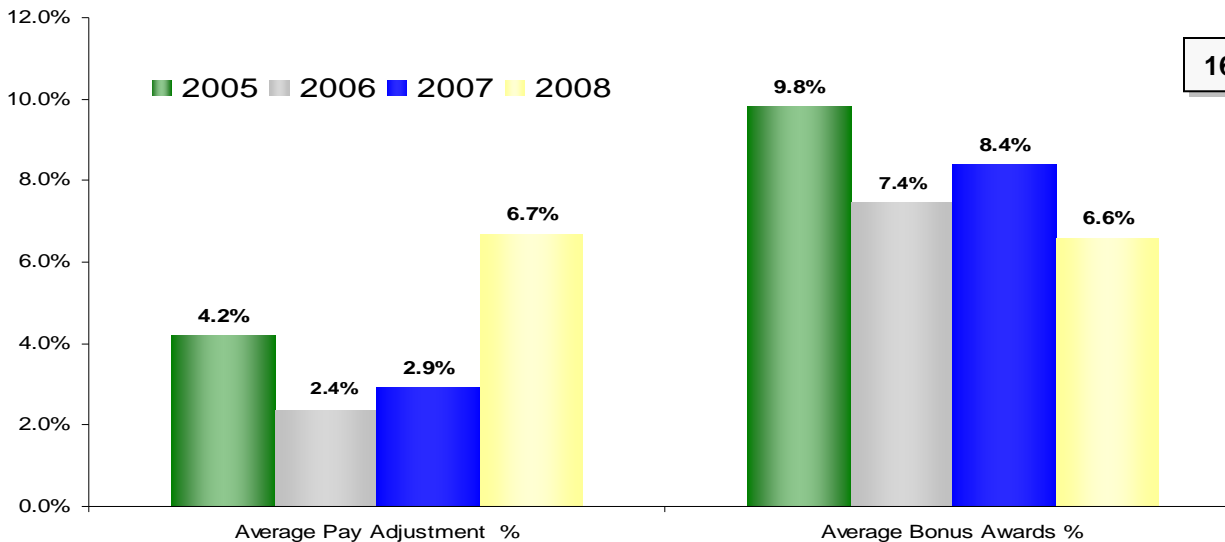


2008 by Tier Level





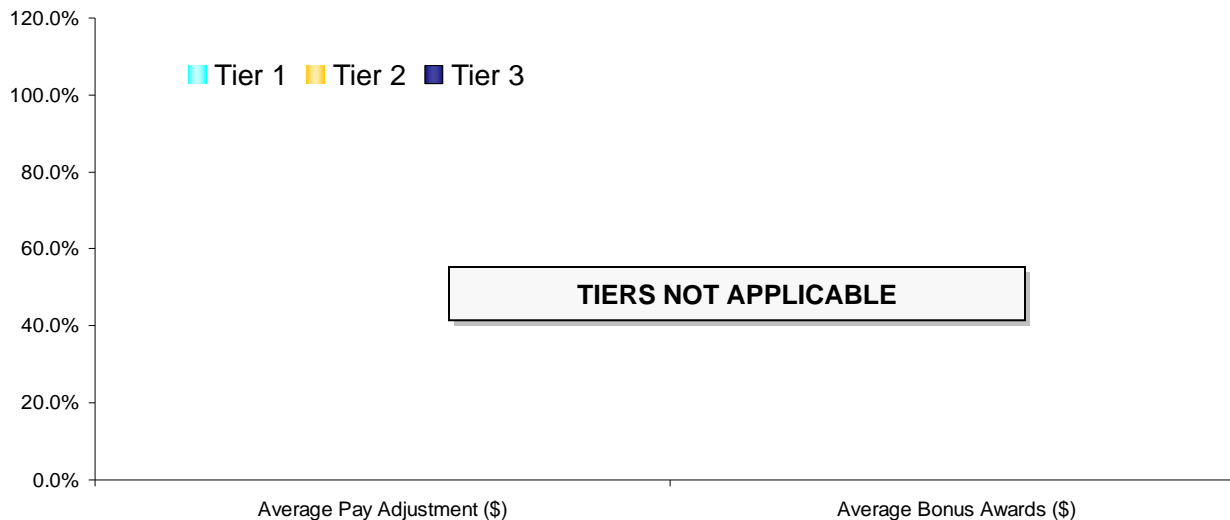
Average Performance Pay Adjustment and Average Performance Bonus Award 2005-2008 OUSD(I)



16 DISES RATED IN 2008

88% of rated DISES received a bonus in 2008

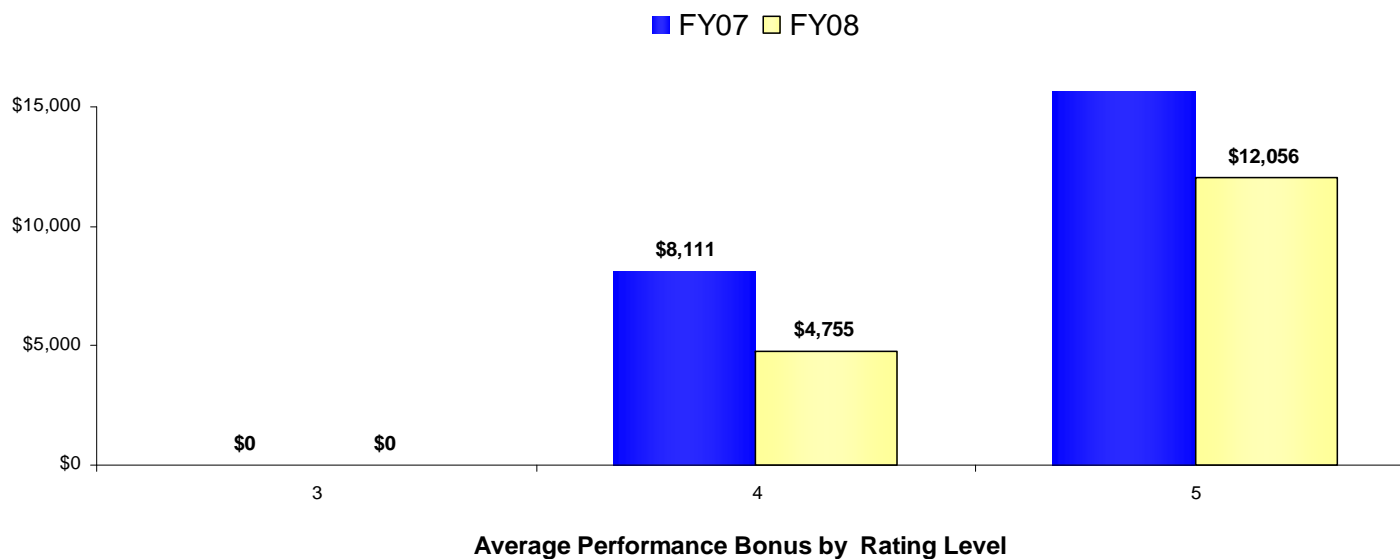
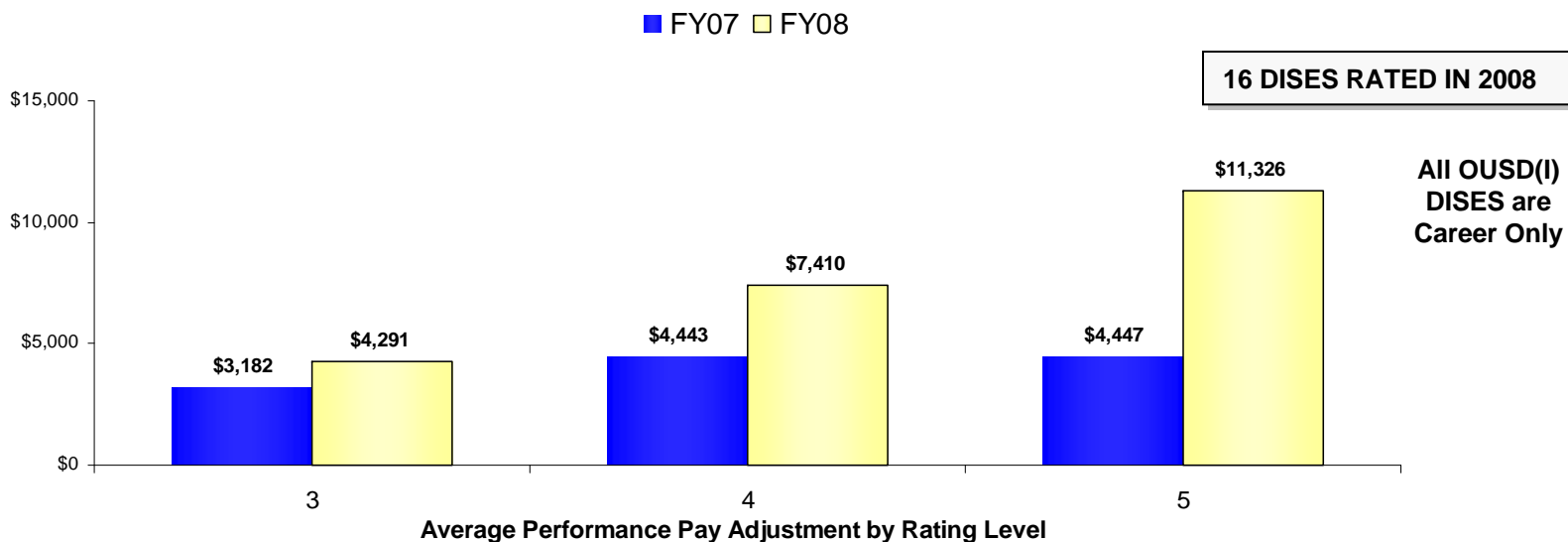
All OUSD(I) DISES are Career Only



2008 by Tier Level



DISES Average Pay Adjustment and Average Bonus (2007-2008) (by Rating Level) OUSD(I)





DISES Distribution of Shares (2007-2008) OUSD(I)

