

DoD Senior Executive Service Pay-for-Performance Results FY08 – FY10



***Prepared by
The Office of the Deputy Assistant Secretary of Defense
Civilian Personnel Policy***

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Contents



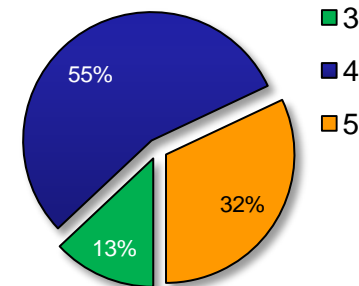


FY10 Year in Review

□ FY10 ratings distribution:

- 3 = 13%; 4 = 55%; 5 = 32%
- 1 SES received a Rating Level 1; 5 SES received a Rating Level 2

FY10 Ratings Distribution



□ The **FY10 pay freeze** resulted in:

- No Performance Pay Adjustments in FY10, compared to the FY09 Average Performance Pay Adjustment of \$4,278.
- Average Performance Bonus for SES **shifting down** from \$14,648 to \$11,007.

□ In FY10, **88.4% of Career Rated SES** received a bonus.

□ **Common Pay Pool Funding Factor of up to 7.5%** decreased from FY09's factor of 13%



FY2010 – SES Performance Year in Review

- ❑ **In FY09, 93.26% of Eligible DoD SES received a bonus**
 - DoD average performance bonus was \$16,600
 - **Governmentwide performance bonus was \$14,800**
 - **Governmentwide average of SES receiving bonus was 78.5%**

- ❑ **In FY10, 88.4% of Eligible DoD SES received a bonus**
 - DoD average performance bonus was \$11,007
 - 1,352 Total DoD SES/DISES On Board
 - 1,303 Total DoD SES/DISES Rated (career, non-career and limited term)
 - 1,219 Total DoD SES/DISES Eligible for bonus (90.16% eligible)
 - 1,078 Total DoD SES/DISES Received bonus (79.73%)



Impact of Change in FY2010 Pay Pool Funding On Average Bonus

Change in Average Total Performance Payout by Tier After Adjustment (9.75% - 2.25% = 7.5%)

	Tier 1			Tier 2			Tier 3			# of Career Rated Executives			
	Before	After	Change	Before	After	Change	Before	After	Change	Eligible	Receiving Payout Before	Receiving Payout After	Change
MDA	\$ 12,326	\$ 11,864	\$ (462)	\$ 14,034	\$ 11,161	\$ (2,873)	\$ 19,968	\$ 16,857	\$ (3,111)	17	16	16	0
DLA	\$ 11,671	\$ 8,144	\$ (3,527)	\$ 14,934	\$ 11,200	\$ (3,734)	\$ 20,945	\$ 17,018	\$ (3,927)	22	22	20	2
DFAS	\$ 12,840	\$ 9,229	\$ (3,611)	\$ 15,329	\$ 11,497	\$ (3,832)	\$ 21,343	\$ 17,341	\$ (4,002)	23	22	22	0
Navy	\$ 12,309	\$ 8,875	\$ (3,434)	\$ 15,107	\$ 11,614	\$ (3,493)	\$ 20,695	\$ 17,991	\$ (2,704)	340	333	306	27
Air Force	\$ 10,667	\$ 7,882	\$ (2,785)	\$ 15,280	\$ 11,383	\$ (3,897)	\$ 19,848	\$ 17,054	\$ (2,794)	178	175	152	23
DCAA	\$ 10,364	\$ 7,204	\$ (3,160)	\$ 12,810	\$ 9,315	\$ (3,495)	N/A	N/A	N/A	14	14	10	4
DTRA	N/A	N/A	N/A	\$ 16,360	\$ 14,375	\$ (1,985)	\$ 21,109	\$ 17,278	\$ (3,831)	8	8	8	0
OUSD(I)**	N/A	\$ 7,438	\$ -	N/A	\$ 7,438	\$ -	N/A	\$7,438	\$ -	22	N/A	20	0
DISA	\$ 14,250	\$ 10,509	\$ (3,741)	\$ 14,689	\$ 11,218	\$ (3,471)	\$ 20,658	\$ 17,086	\$ (3,572)	26	26	26	0
OSD*	\$ 12,530	\$ 8,226	\$ (4,304)	\$ 15,688	\$ 11,585	\$ (4,103)	\$ 21,712	\$ 19,384	\$ (2,328)	300	296	257	39
ARMY	\$ 13,421	\$ 8,817	\$ (4,604)	\$ 15,546	\$ 11,318	\$ (4,228)	\$ 20,215	\$ 16,425	\$ (3,790)	269	267	241	26
Total Avg Change by Tier	Tier 1 \$ 8,819 \$ (3,292)			Tier 2 \$ 11,100 \$ (3,511)			Tier 3 \$ 16,387 \$ (3,340)			1219	1179	1078	121
											96.72%	88.43%	8.29%

*OSD included only Career Rated Executives

**OUSD(I) completed deliberations after change in guidance



Impact of Change In FY2010 Pay Pool Funding On Share Value

Change in Average Bonus Payout by Tier After Share Value Recalculation (.0143% - .0084% = .059%)

	Tier 1			Tier 2			Tier 3			Total Unspent Pay Pool Funds
	Before	After	Change	Before	After	Change	Before	After	Change	
MDA	\$ 10,556	\$ 11,864	\$ 1,308	\$ 11,279	\$ 11,161	\$ (118)	\$ 17,748	\$ 16,857	\$ (891)	\$ 10,043
DLA	\$ 8,826	\$ 8,144	\$ (682)	\$ 11,683	\$ 11,200	\$ (483)	\$ 17,530	\$ 17,018	\$ (512)	\$ 38,535
DFAS	\$ 10,243	\$ 9,229	\$ (1,014)	\$ 13,326	\$ 11,497	\$ (1,829)	\$ 19,097	\$ 17,341	\$ (1,756)	\$ 30,388
Navy	\$ 10,079	\$ 8,875	\$ (1,204)	\$ 12,549	\$ 11,614	\$ (935)	\$ 18,965	\$ 17,991	\$ (974)	\$ 352,041
Air Force	\$ 8,008	\$ 7,882	\$ (126)	\$ 12,360	\$ 11,383	\$ (977)	\$ 17,662	\$ 17,054	\$ (608)	\$ 588,042
DCAA	\$ 7,564	\$ 7,204	\$ (360)	\$ 9,829	\$ 9,315	\$ (514)	N/A	N/A	N/A	\$ 25,437
DTRA	N/A	N/A	N/A	\$ 13,375	\$ 14,375	\$ 1,000	\$ 17,643	\$ 17,278	\$ (365)	\$ 3,275
OUSD(I)**	N/A	\$ 8,897	\$ -	N/A	\$ 11,348	\$ -	N/A	\$ 17,357	\$ -	\$ 15,602
DISA	\$ 11,858	\$ 10,509	\$ (1,349)	\$ 11,469	\$ 11,218	\$ (251)	\$ 16,819	\$ 17,086	\$ 267	\$ 11,696
OSD*	\$ 10,292	\$ 8,226	\$ (2,066)	\$ 12,865	\$ 11,585	\$ (1,280)	\$ 19,001	\$ 19,384	\$ 383	\$ 1,361,820
ARMY	\$ 11,453	\$ 8,817	\$ (2,636)	\$ 12,768	\$ 11,318	\$ (1,450)	\$ 16,304	\$ 16,425	\$ 121	\$ 311,900
Total Average Change by Tier	Tier 1	\$ 8,965	\$ (903)	Tier 2	\$ 11,456	\$ (684)	Tier 3	\$ 17,379	\$ (482)	\$ 2,748,779

*OSD included only Career Rated Executives

**OUSD(I) completed deliberations after change in guidance



Overall Summary

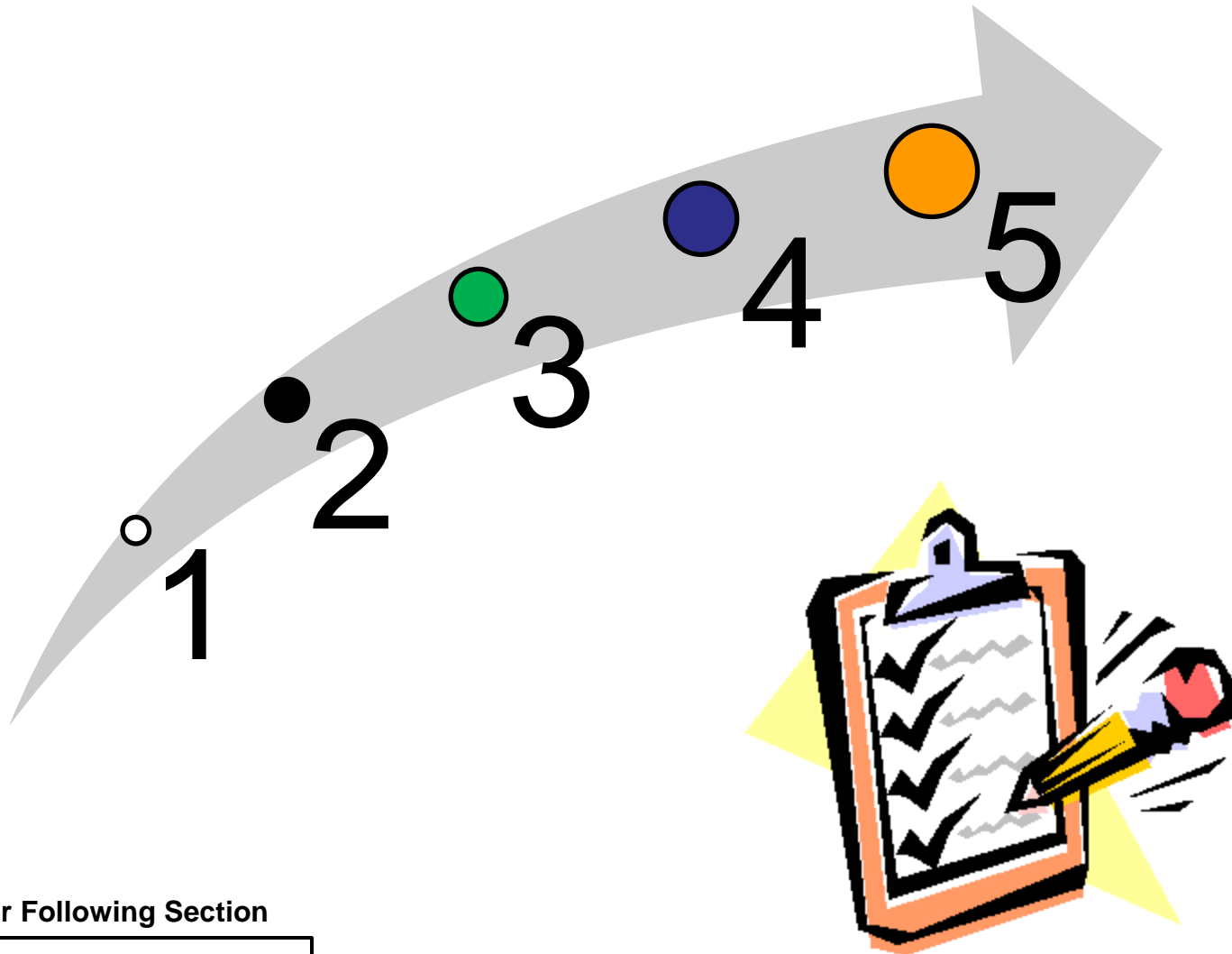
Summary of Changes

Total Change in Average Total Performance Payout by Tier			Total Change in Average Share Value by Tier	Total Change in Average Bonus by Tier	
Tier 1	\$ (3,292)		0.0028		\$ (903)
Tier 2	\$ (3,511)		0.0024		\$ (684)
Tier 3	\$ (3,340)		0.0130		\$ (482)

Summary of Savings

Savings in Overall Funding (13% - 3.25% - 2.25% = 7.5%)			Unspent Bonus Funds	Total Overall Savings	Total Change in Executives Not Receiving Bonus
\$ 4,950,454 (2.25%)	+	\$ 6,974,485 (3.25%)	+ \$ 2,748,779	= \$ 14,673,718	1179-1078 = 121 (8.29%)

Ratings



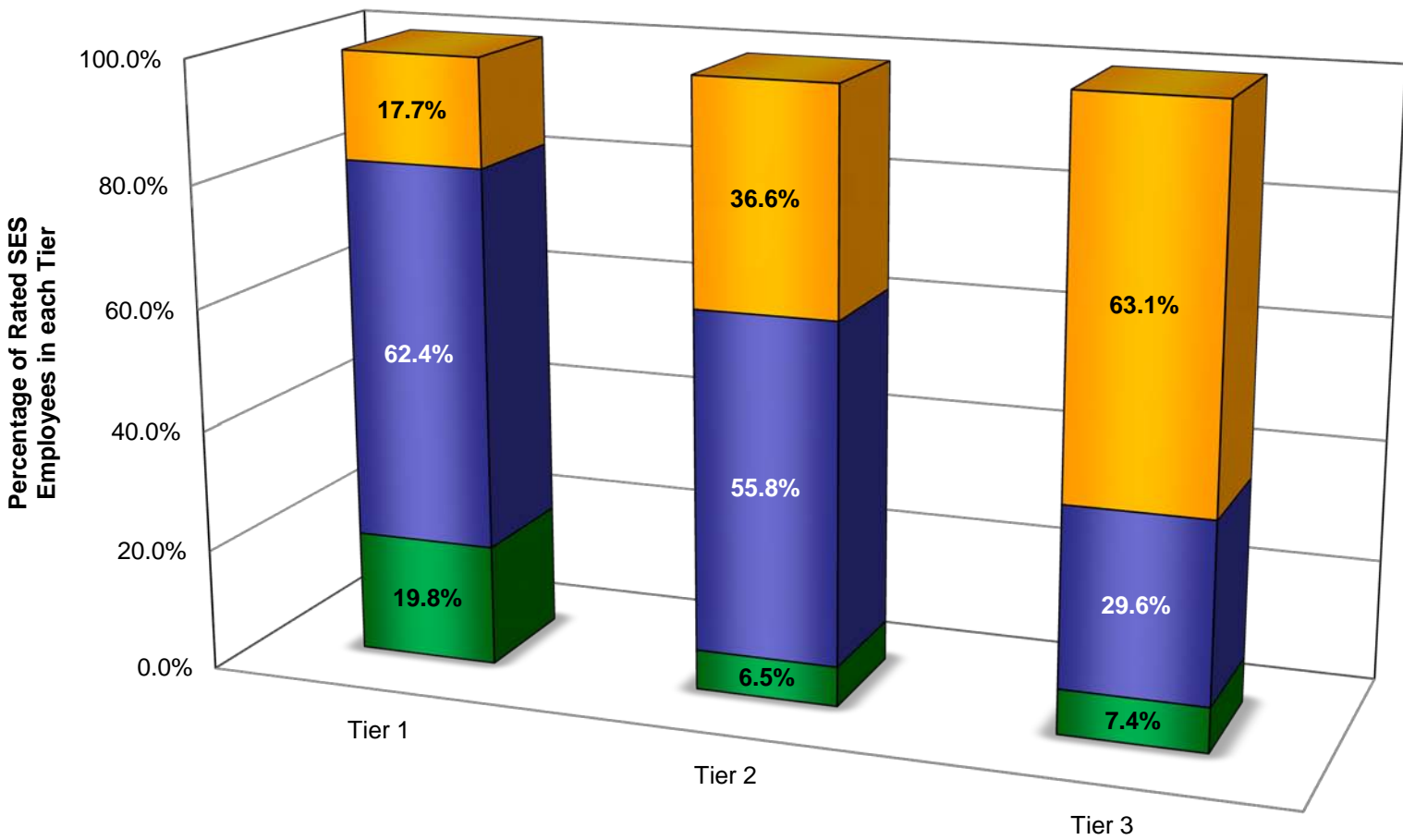
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2 3 4 5



FY2010 DoD SES Ratings by Tier

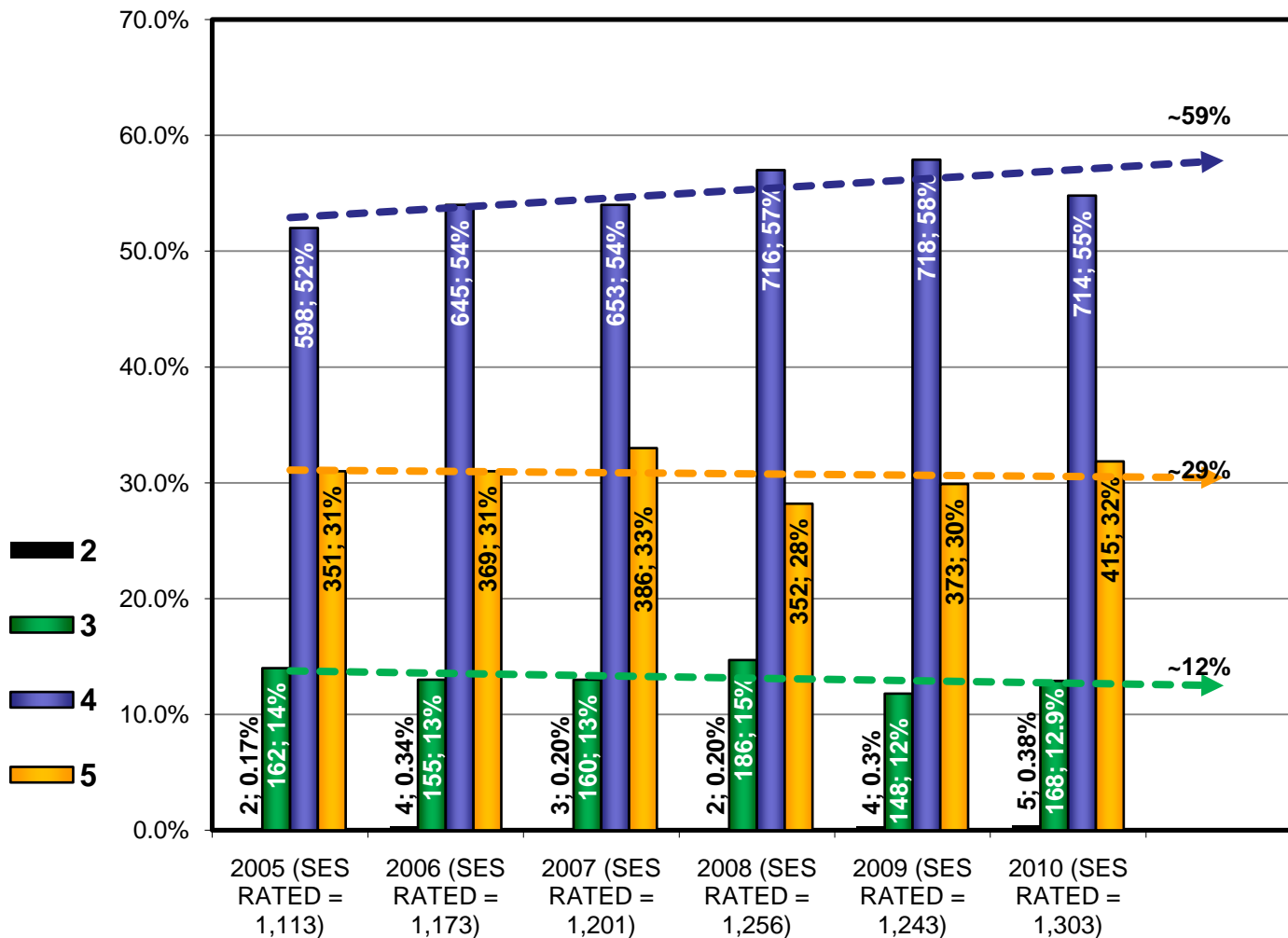
- 1 SES received a Level 1 rating
- 5 SES received a Level 2 rating



- 5
- 4
- 3



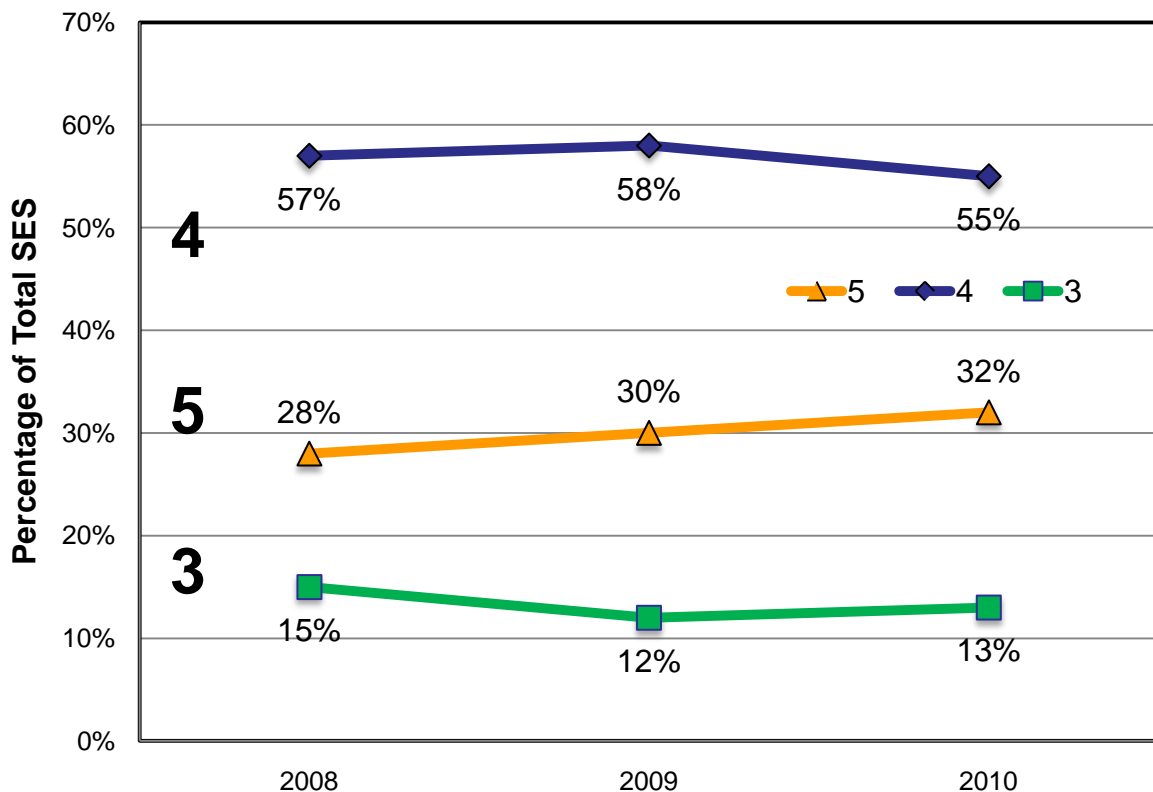
Distribution of DoD SES Ratings By Level



- Distribution of ratings is fairly consistent over last 5 years.
- Level 4 ratings fell slightly below projected average.
- Level 3s and 5s are slightly above projected average
- We are trending away from a 5-level rating system.
- Assuming this trend continues ~10 years, 75% SES will receive a 4, and less than 10% will receive a 3.



Ratings Year-To-Year Trends, FY08 – FY10



Level 3 Trends

- Consistently around 13% since FY08
- FY10 slightly higher than FY09

Level 4 Trends

- Consistently around 57% since FY08
- Decreased from 58% in FY09 to 55% in FY10

Level 5 Trends

- Consistently around 30% since FY08
- Increased from 30% in FY09 to 32% in FY10

FY10 Salaries

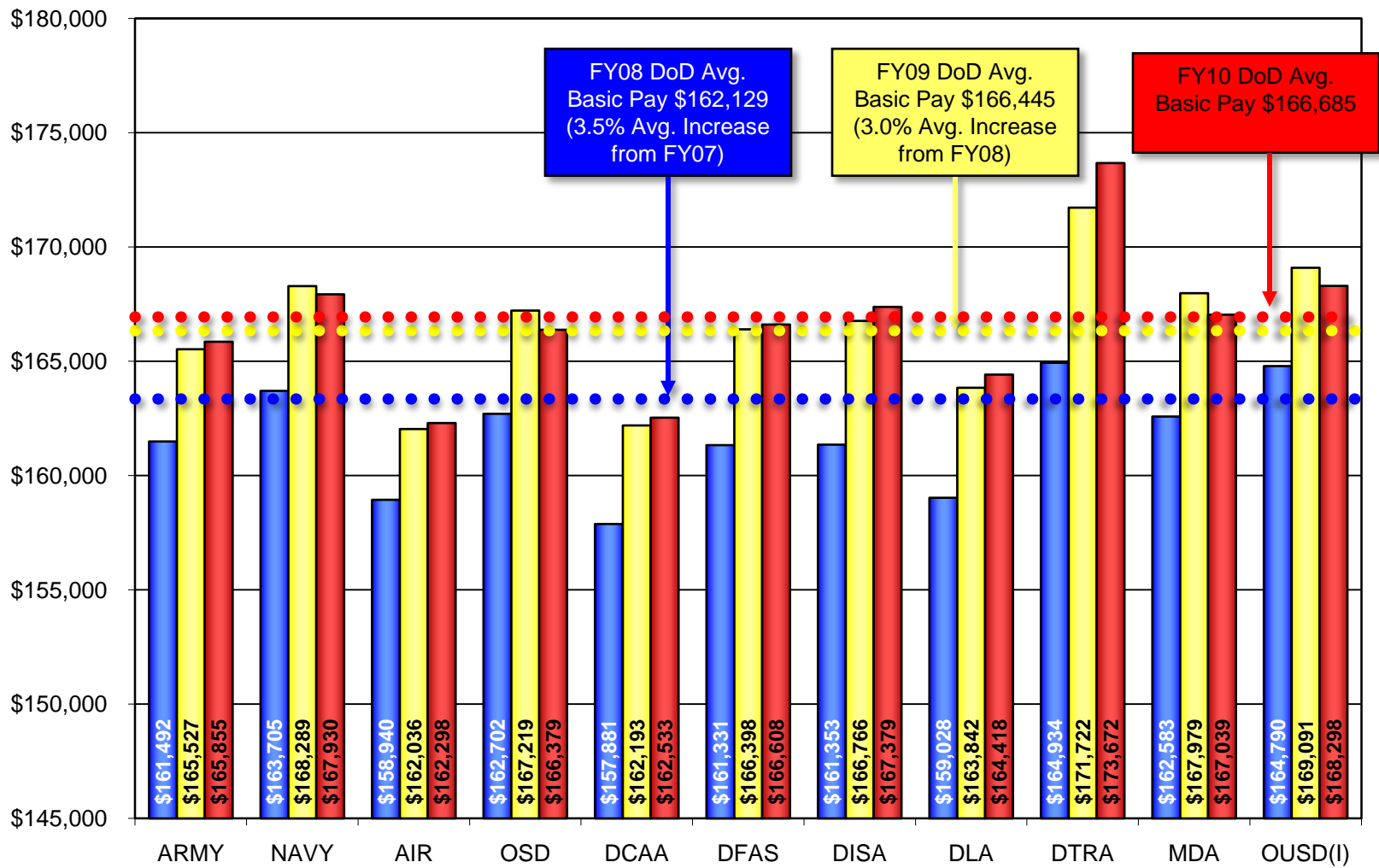


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DoD All Rated SES Average Basic Pay After Adjustment by Component, FY08 – FY10

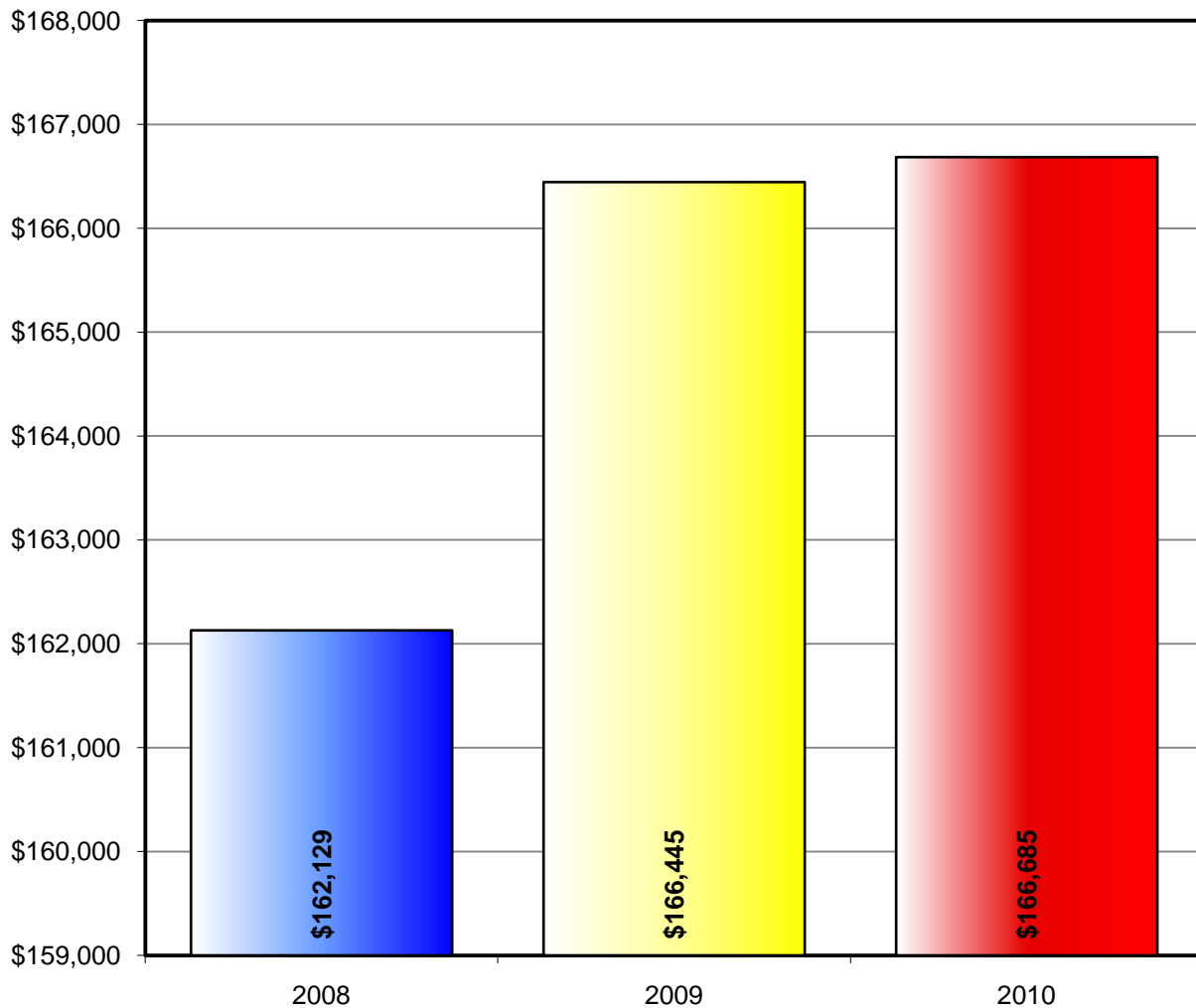


1,303 SES Rated in FY10



DoD SES Average Basic Pay After Adjustment Trends, FY08 – FY10

Total DoD SES Average Basic Pay



Minimal change in average basic pay from FY09 to FY10 due to Governmentwide pay freeze in FY10

1,303 SES rated in FY10

Performance Pay Adjustments

This section shows data for the Total Pay Adjustment effective April 2010— rather than the 1.5% PAEP effective January 2010.



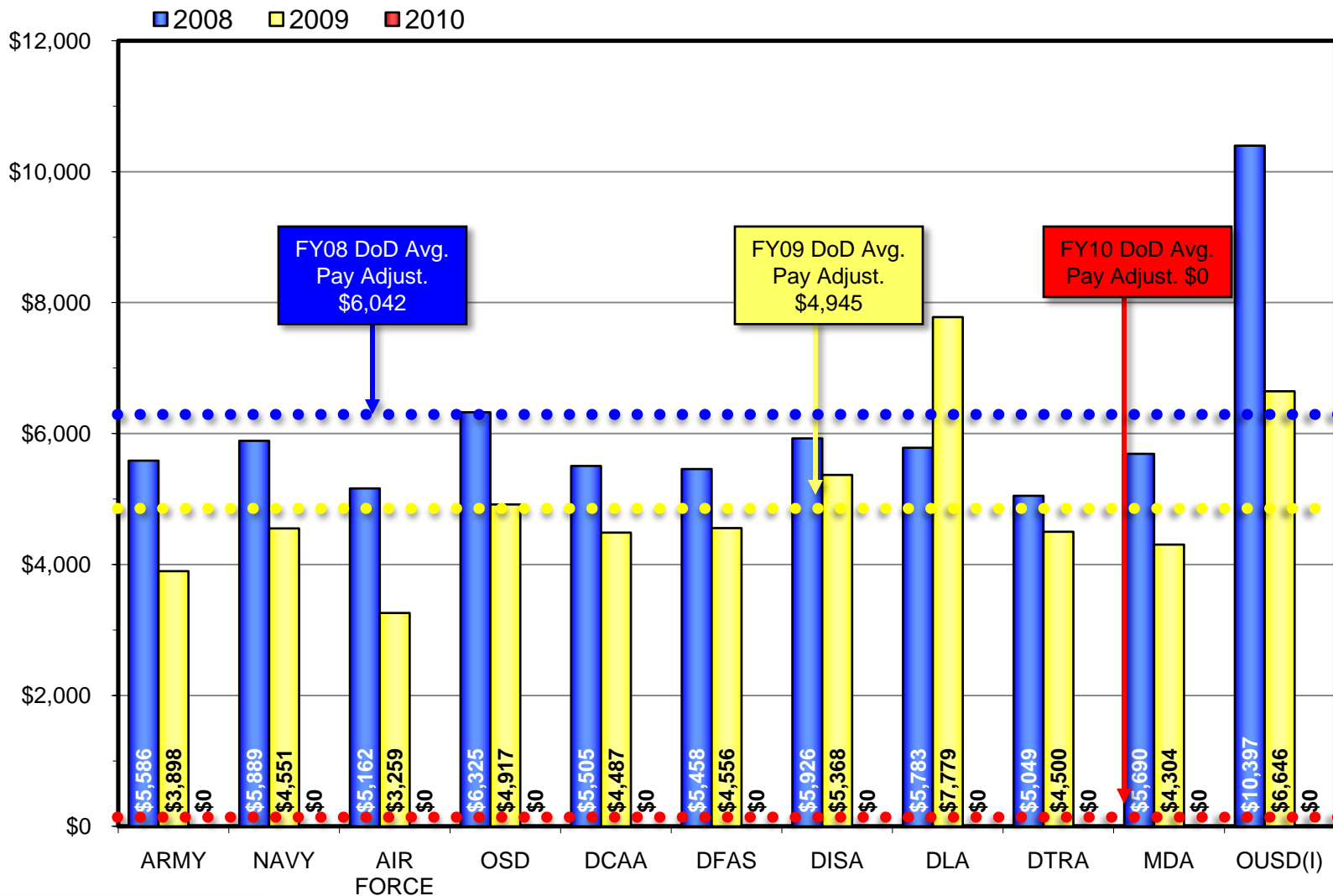
Legend For Following Section

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■ 2008 ■ 2009 ■ 2010



DoD SES Average Performance Pay Adjustment by Component, FY08 – FY10



1,303 SES Rated in FY10



DoD SES Average Performance Pay Adjustment by Rating, FY08 – FY10

2008 Performance Pay Adjustments

- 1256 Rated SES
- DoD average was \$5,805
- Those rated 4 received a **44%** larger pay adjustment that those rated 3
- Those rated 5 received a **12%** larger pay adjustment that those rated 4

2009 Performance Pay Adjustments

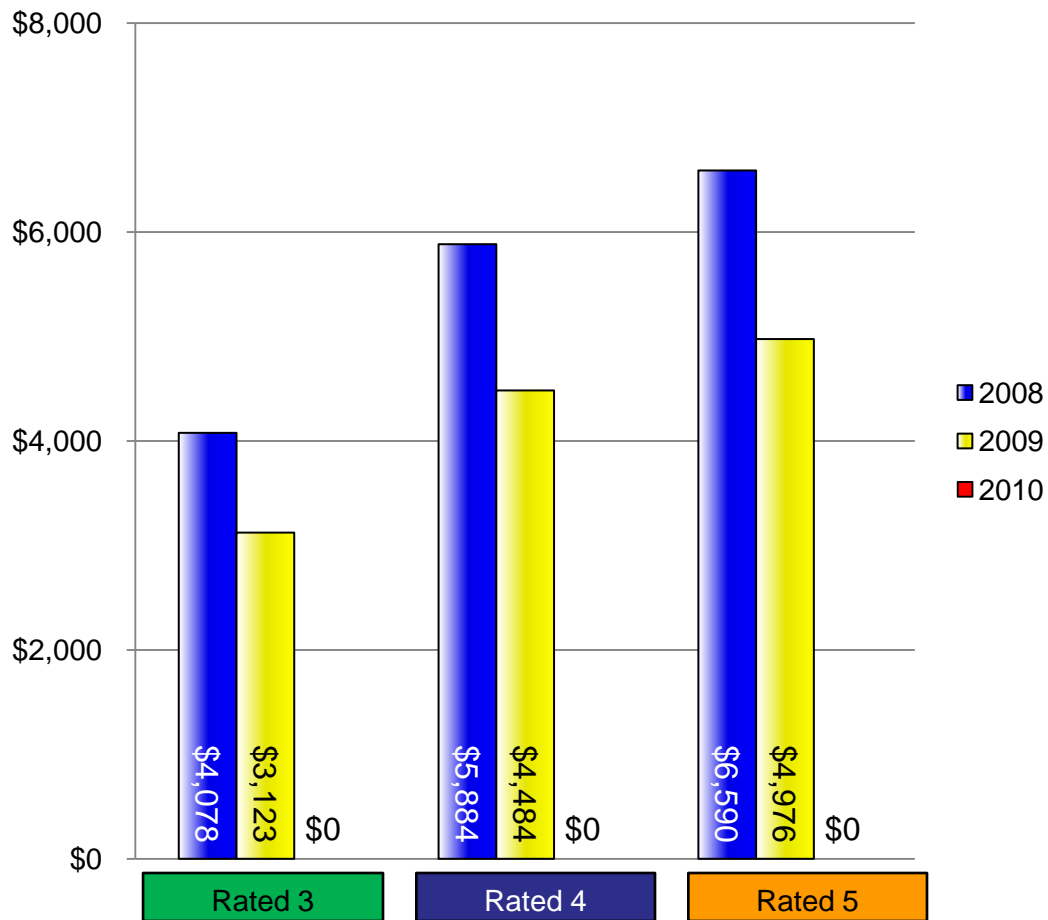
- 1243 Rated SES
- DoD average is \$4,454
- Those rated 4 received a **44%** larger pay adjustment that those rated 3
- Those rated 5 received a **11%** larger pay adjustment that those rated 4
- 2009 Pay Adjustments are approximately 30% lower than 2008 Pay Adjustments.

2010 Performance Pay Adjustments

- 1,303 Rated SES
- DoD average is \$0

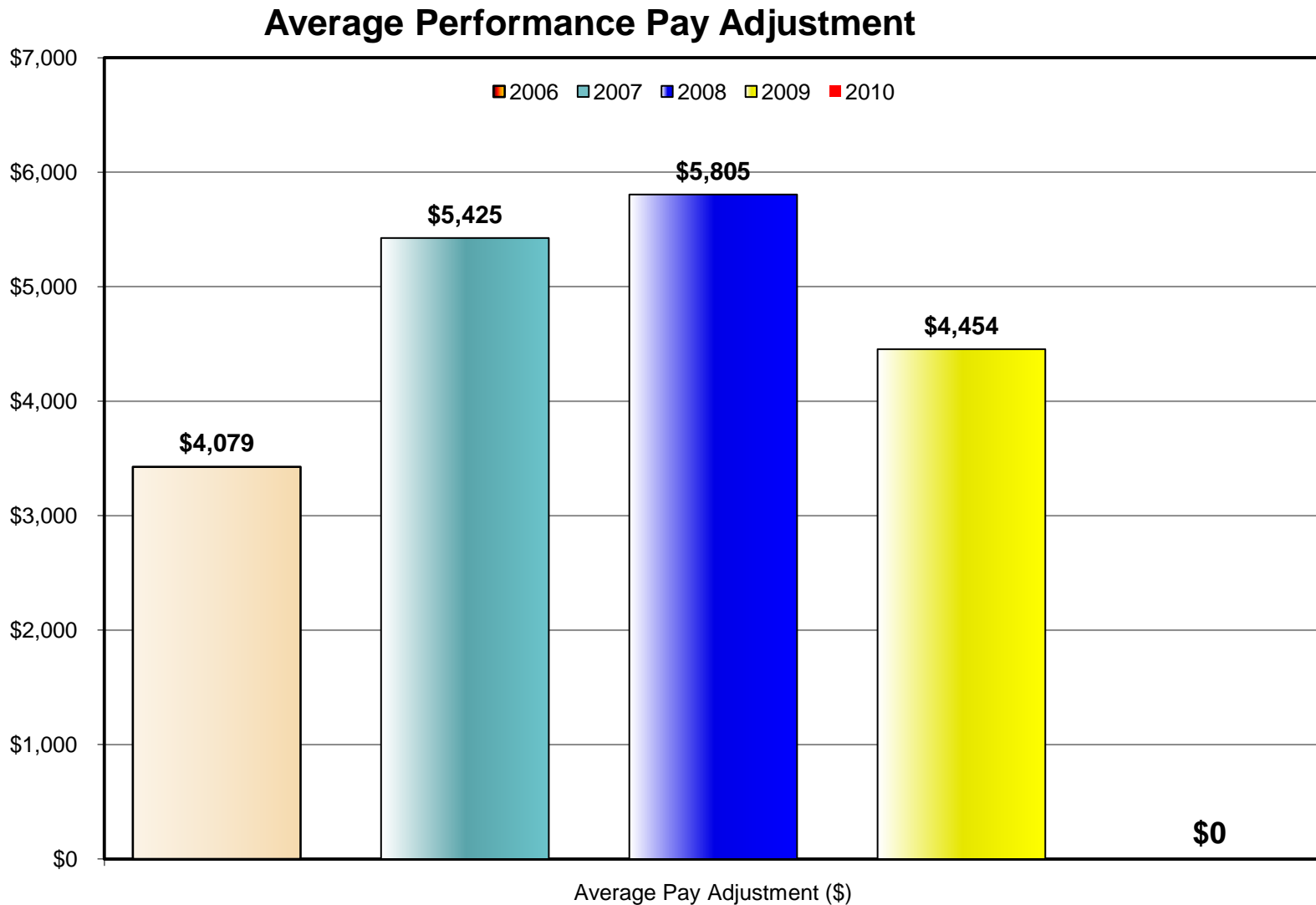
1,303 SES Rated in FY10
1,219 Career Only

□ The difference in Performance Pay Adjustment dollar amounts among the different ratings has been decreasing since FY07.

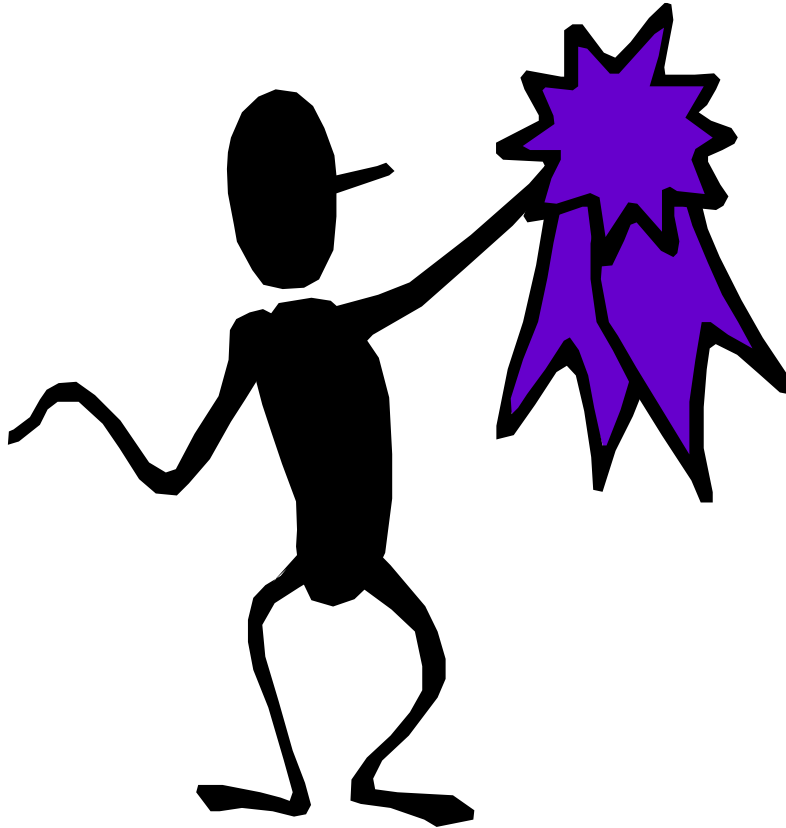




DoD SES Average Performance Pay Adjustment Trends, FY06 – FY10



Performance Bonuses



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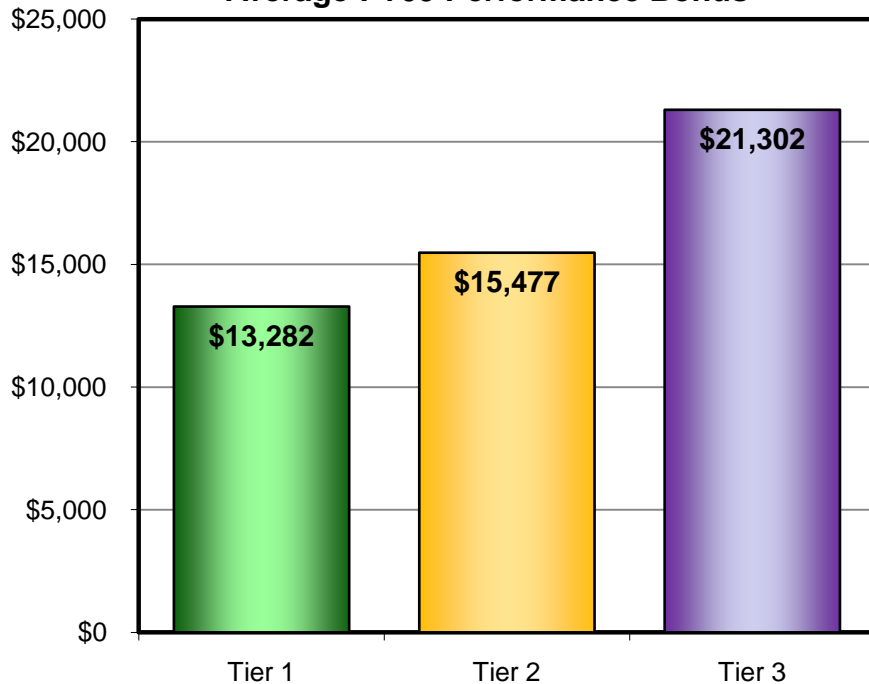
■ 2 ■ 3 ■ 4 ■ 5

■ 2008 ■ 2009 ■ 2010



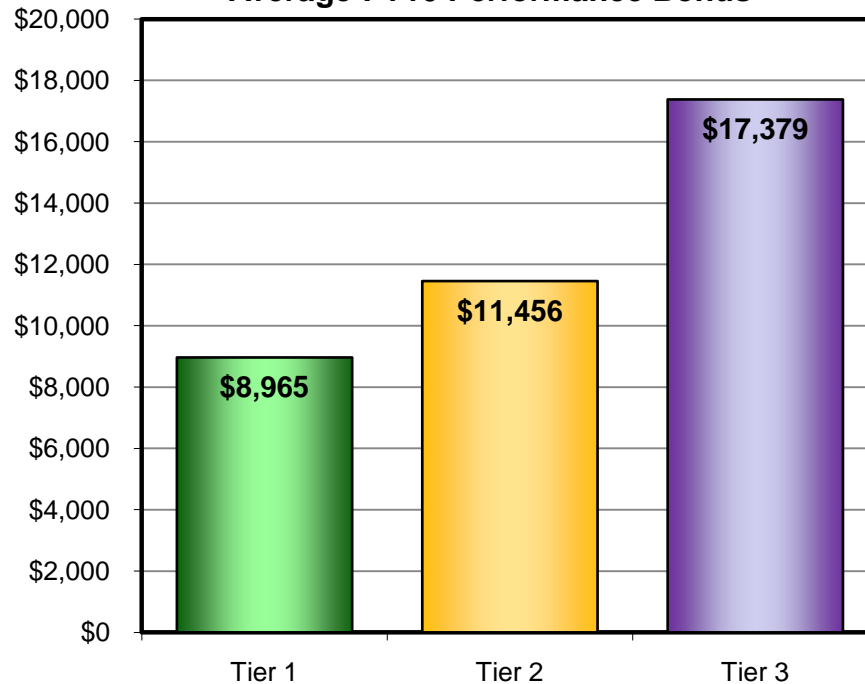
Average SES FY2009 & FY2010 Performance Bonus by Tiers

Average FY09 Performance Bonus



■ Tier 1 ■ Tier 2 ■ Tier 3

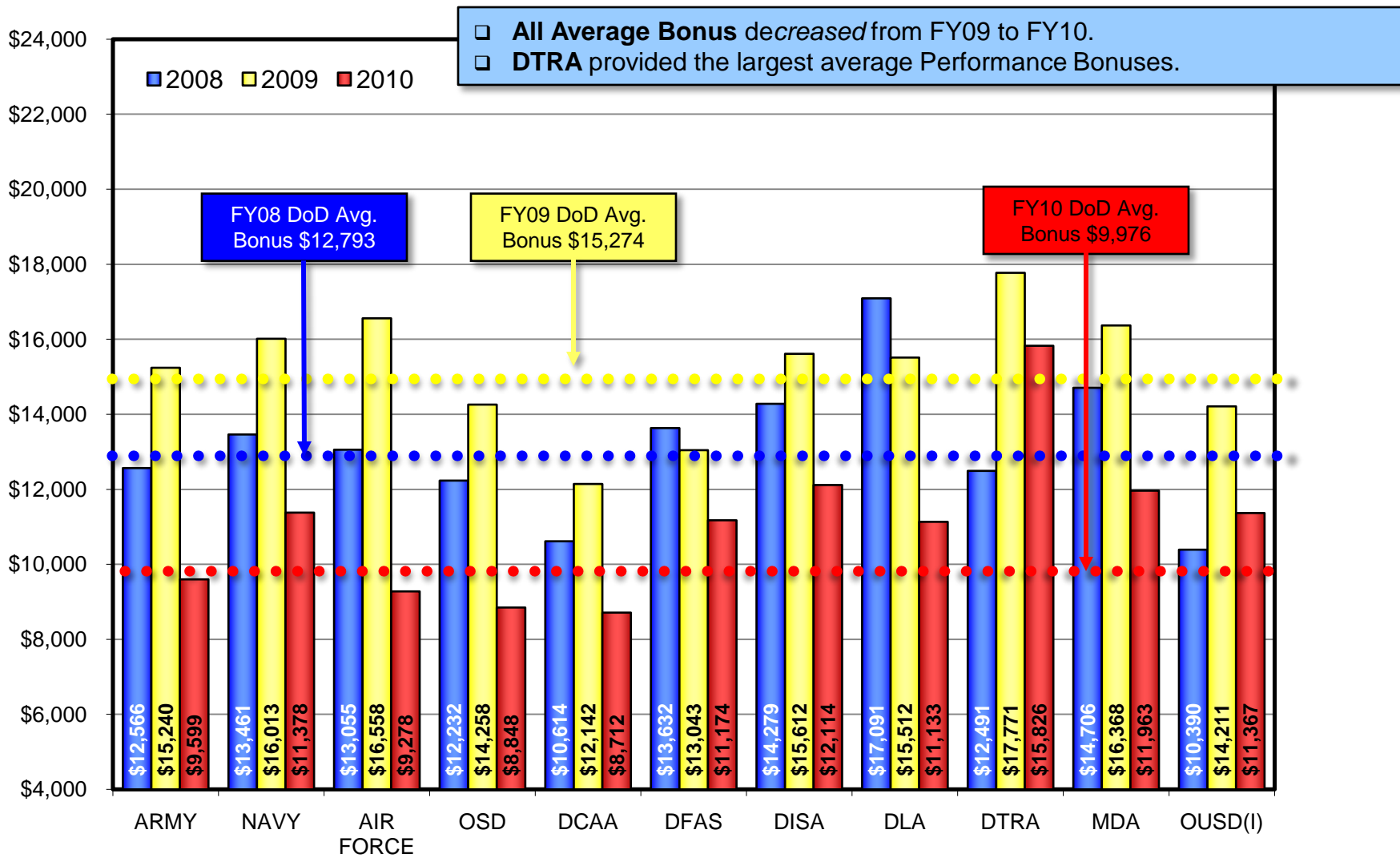
Average FY10 Performance Bonus



■ Tier 1 ■ Tier 2 ■ Tier 3



DoD SES Average Bonus by Component, FY08 – FY10



1,303 SES Rated in FY10



DoD SES Average Performance Bonus by Rating, FY08 – FY10

2008 Bonuses

- 1256 Rated SES
- DoD average was \$12,793
- Those rated 4 received a **83%** larger bonus that those rated 3
- Those rated 5 received a **53%** larger bonus that those rated 4

2009 Bonuses

- 1243 Rated SES
- DoD average was \$15,274
- Those rated 4 received a **96%** larger bonus that those rated 3
- Those rated 5 received a **48%** larger bonus that those rated 4
- **Average FY09 bonuses are approximately 20% higher than 2008 bonuses**

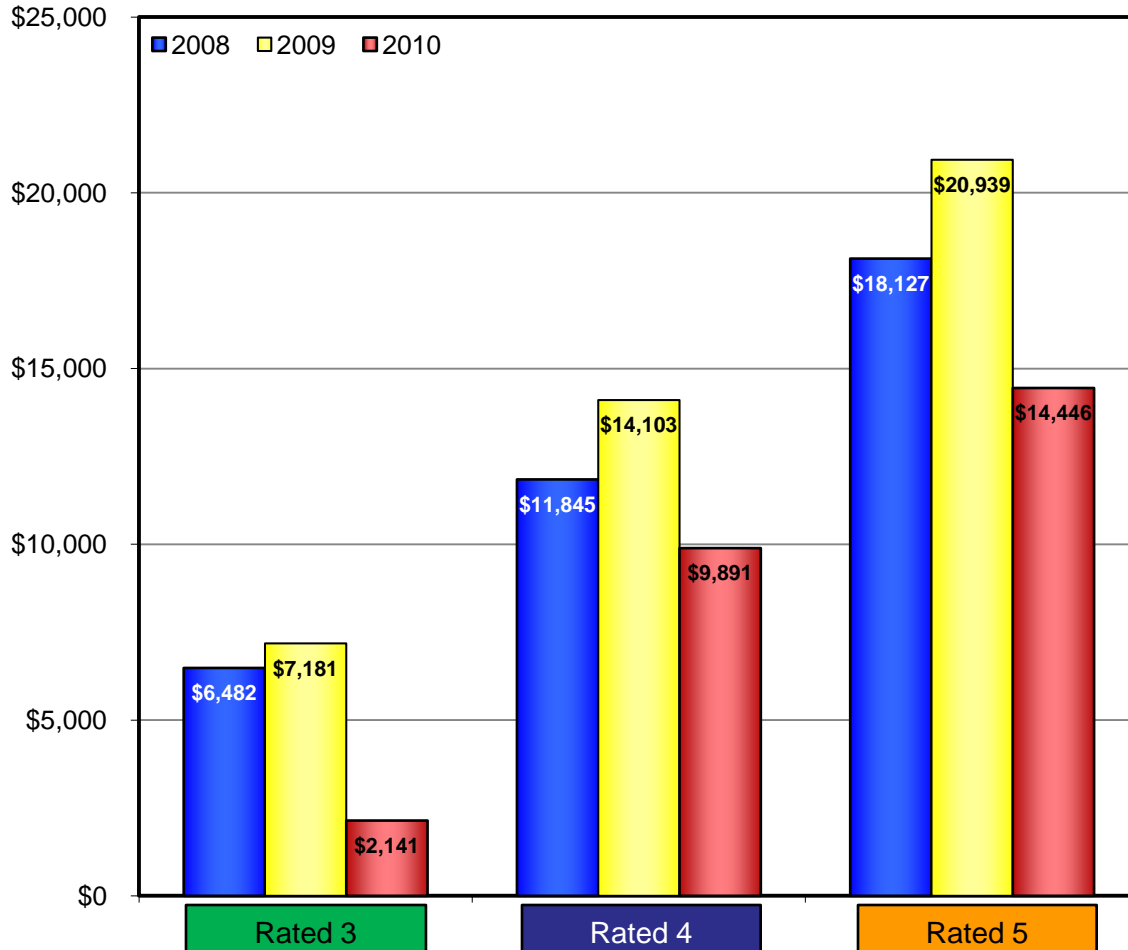
2010 Bonuses

- **1,303 Rated SES**
- **DoD average is \$9,976**

1,303 SES Rated in FY10
1,219 Career Only

NOTE: FY10 data: All C, N, L included.
Non-rated included. \$0 bonuses included

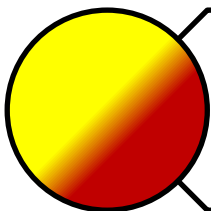
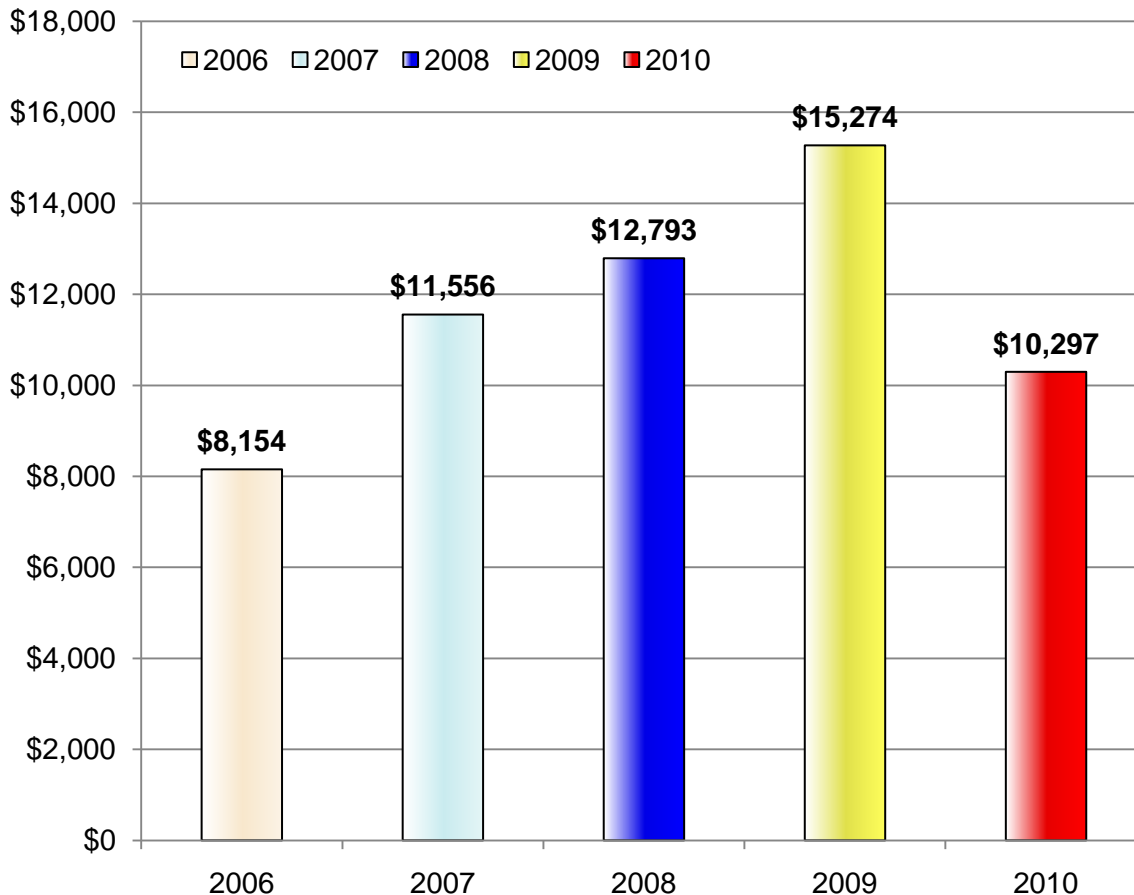
Average Performance bonus by Rating Level



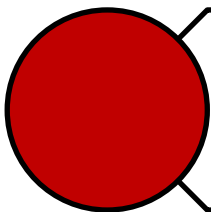


DoD SES Average Bonus Trends, FY06 – FY10

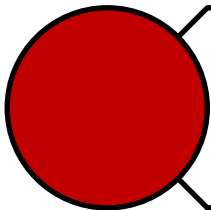
Average Performance Bonus Trends



FY10 Bonus is approximately 33% lower than FY09 Bonus



83% of Rated SES received a Bonus in FY10



FY10 Career Only Average Bonus: \$11,007, or 6.6%

Total Performance Payout

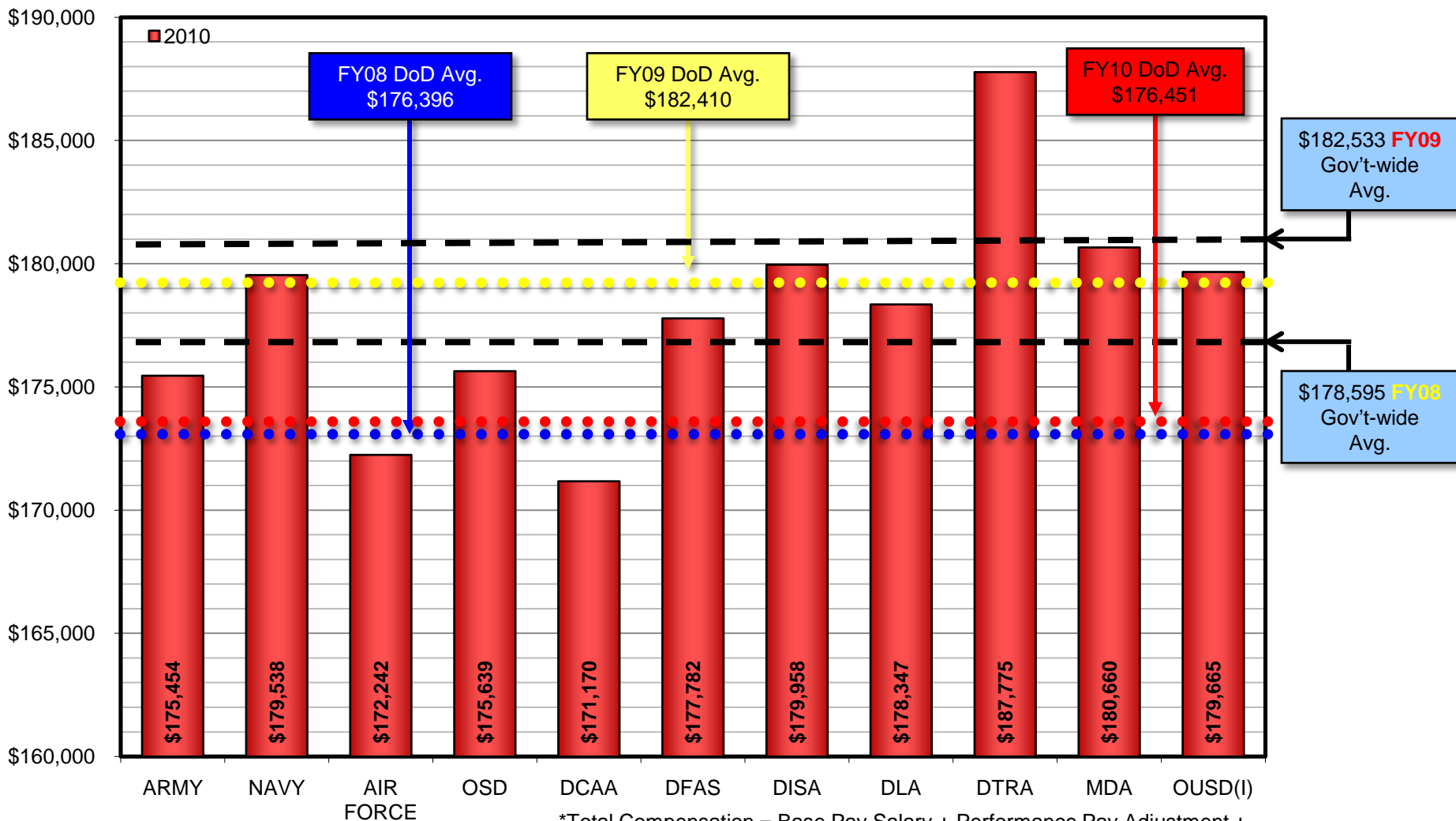


Legend For Following Section

■ 2 ■ 3 ■ 4 ■ 5



DoD SES Total Compensation* by Component, FY10



*Total Compensation = Base Pay Salary + Performance Pay Adjustment + Performance Bonus + All Other Awards

1,303 SES Rated in FY10

FY06 – FY10 Summary Data





DoD SES Performance Payout Results, FY06 – FY10

Results at a Glance (For Rated SES, unless otherwise noted):	FY06	FY07	FY08	FY09	FY10
Total Number (#) of SES/DISES Leaders	1,192	1,257	1,313	1,296	1,352
Total # Rated SES/DISES (career, non-career and limited term)	1,173	1,201	1,256	1,243	1,303
Number of Executives Rated/Not Rated	1,173 / 19	1,201 / 56	1,256 / 57	1,243 / 53	1303/49
Performance Rating Levels	Level 2 (0.3%) Level 3 (13%) Level 4 (54%) Level 5 (31%)	Level 2 (0.2%) Level 3 (13%) Level 4 (54%) Level 5 (33%)	Level 2 (0.16%) Level 3 (14.8%) Level 4 (57%) Level 5 (28%)	Level 2 (0.3%) Level 3 (11.9%) Level 4 (57.9%) Level 5 (29.8%)	Level 1 (0.07%) Level 2 (0.38%) Level 3 (12.8%) Level 4 (54.7%) Level 5 (31.7%)
Total Salaries ALL Rated SES	\$176,384,924	\$189,718,199	\$204,996,465	\$209,976,599	\$229,916,279
Pay Pool Funding Factor (Pay Progression + PAEP + Performance Budget)	10%	12%	Tier 1 – 11% Tier 2 – 13% Tier 3 – . 17% DISES – 13%	Tier 1 – 11% Tier 2 – 13% Tier 3 – 17% DISES – 13%	Tier 1 – 7.5% Tier 2 – 7.5% Tier 3 – 7.5% DISES - 7.5%
Pay Pool Value (Pay Pool Funding Factor X Total Salaries of all covered executives)	\$17,638,492	\$22,766,184	\$26,649,540	\$27,296,958	\$17,243,720
Unspent Pay Pool	\$1,223,894	\$2,372,688	\$3,253,946	\$2,768,189	\$2,749,140
Unspent Pay Pool (as % of Total Salaries)	0.694%	1.25%	1.59%	1.32%	1.23%
Total Performance (Basic) Pay Increase Payouts	\$4,786,514	\$6,514,918	\$7,291,163	\$5,544,373	\$0
Avg. Performance (Basic) Pay Increase	\$4,029 (2.3%)	\$5,190 (3.4%)	\$5,634 (3.6%)	\$4,278 (2.8%)	\$0
Average Salary (after Performance Adjustments) (“New Basic Pay”)	\$151,989	\$156,606	\$162,129	\$165,586	\$166,154
Number of Executives Paid Above Executive Level III	348 (29.19%)	807 (67%)	929 (74%)	950 (73%)	663
Total Performance Pay Increase Payouts (as % of Total Salaries)	2.7%	3.4%	3.6%	2.6%	0%
Total Performance Bonus Payouts	\$11,628,084	\$13,878,578	\$16,104,431	\$18,984,396	\$13,417,085
Avg. Bonus in dollars (\$)	\$11,988 (5.5%)	\$13,939 (9.1%)	\$14,537 (9.2%)	\$14,648 (9.3%)	\$10,297
Total Performance Bonus (as % of Total Salaries)	5.5%	7.3%	7.9%	9.0%	5.8%
Percent of Career Rated SES Members Receiving a Bonus	91.0%	88.4%	93.0%	93.26%	84.9%

While no performance-based pay increases occurred in FY 2010, the change in average salary is due to initial pay setting as a result of executive turnover

Air Force SES FY10



Legend For Following Sections

■ 2 ■ 3 ■ 4 ■ 5

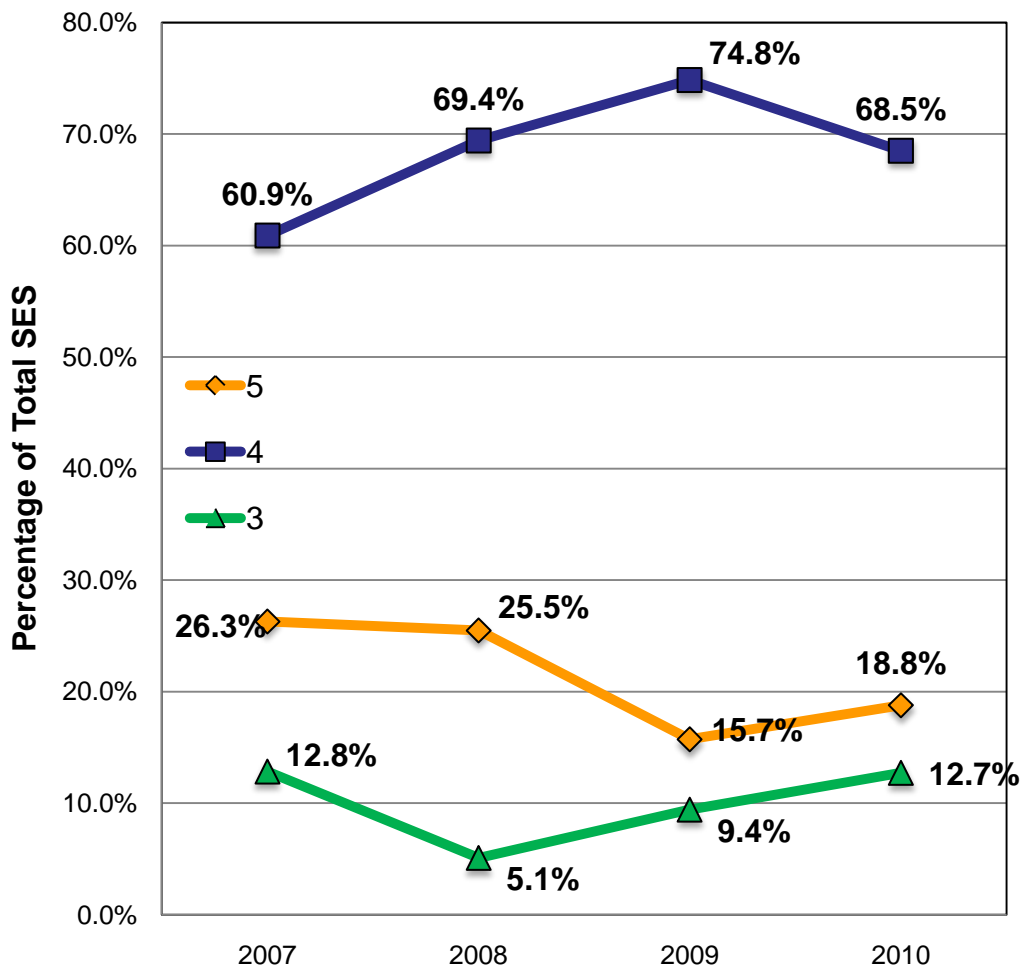
■ Tier1 ■ Tier2 ■ Tier3

■ 2005 ■ 2006 ■ 2007 ■ 2008 ■ 2009 ■ 2010

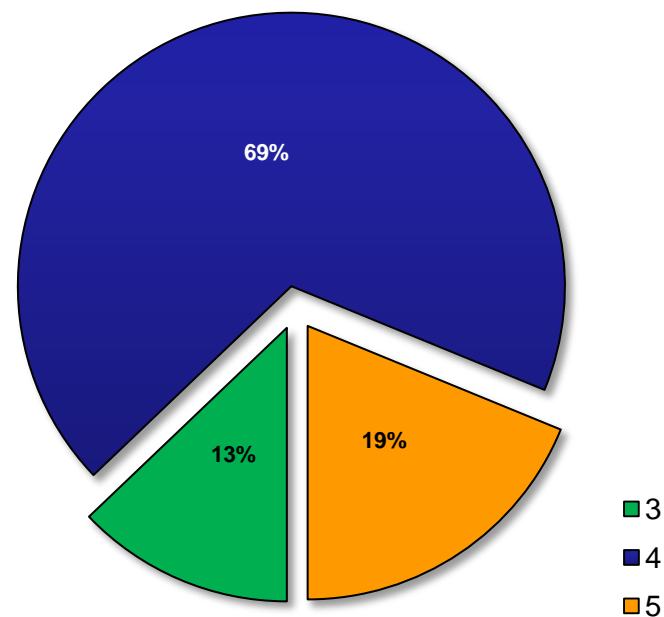


Air Force Ratings Year-to-Year Trends, FY07 – FY10

Air Force SES Ratings, FY07 – FY10

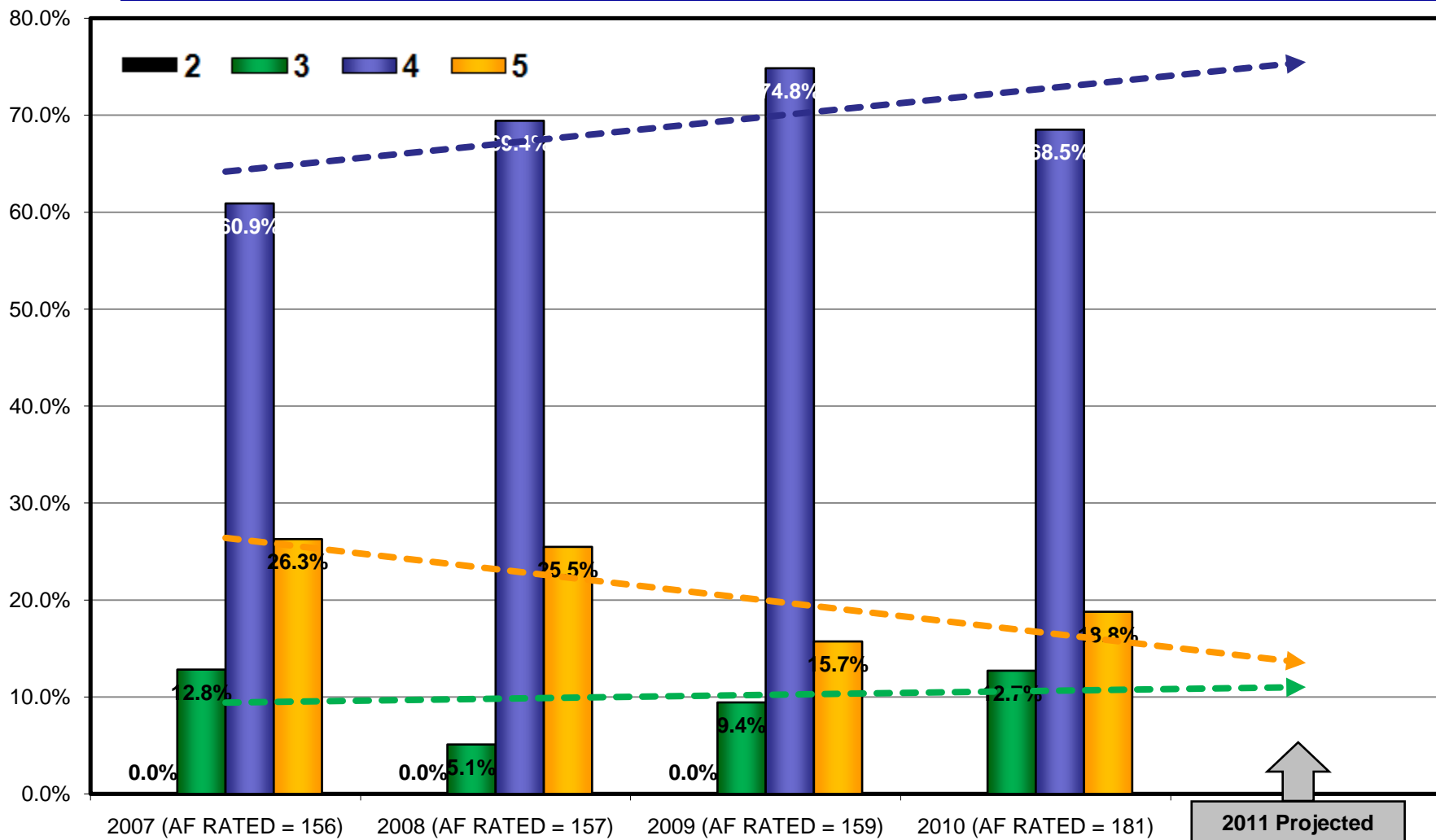


Average AF Ratings Distribution



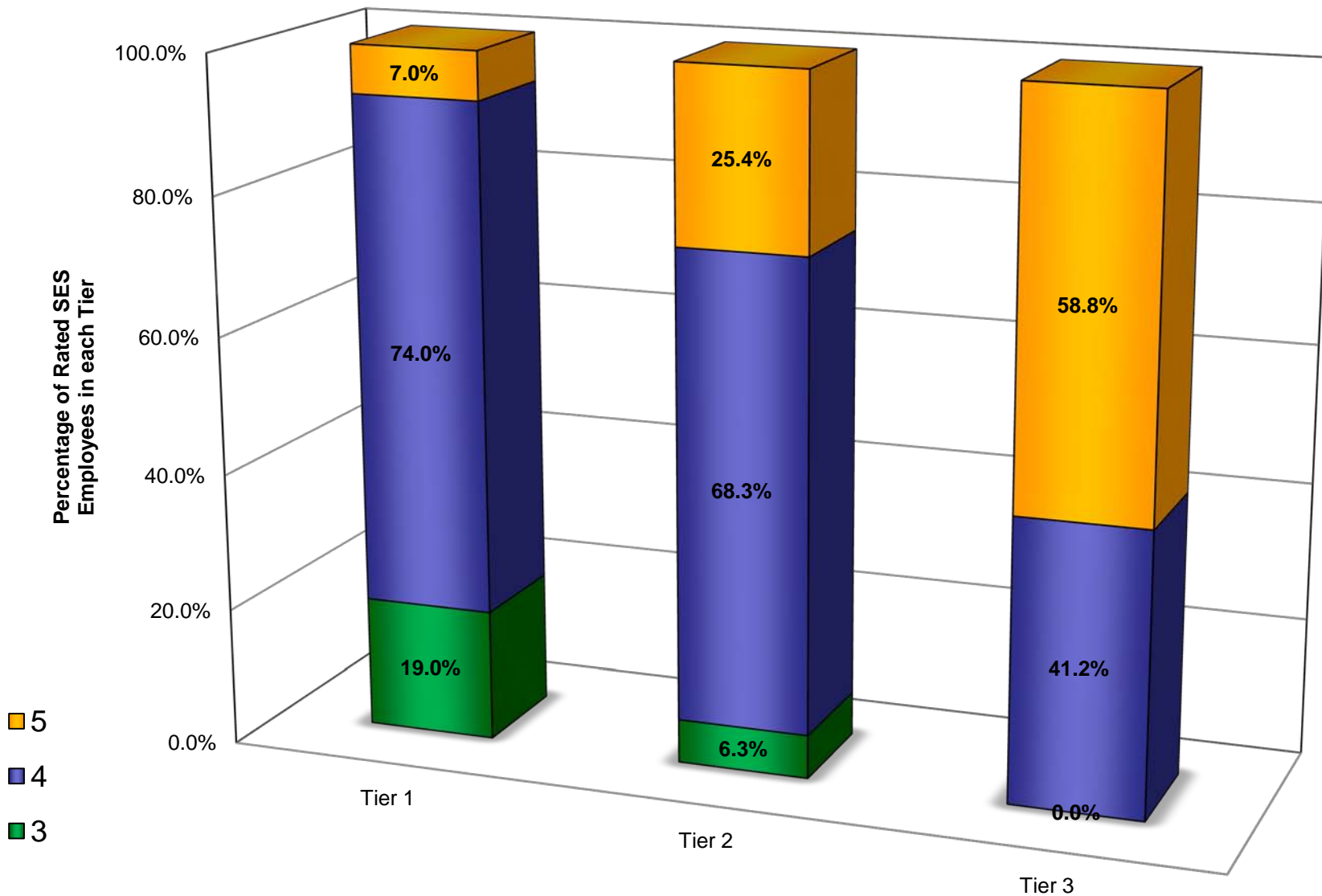


Distribution of Air Force SES Ratings Projected 1 Year Into Future, FY07 – FY10



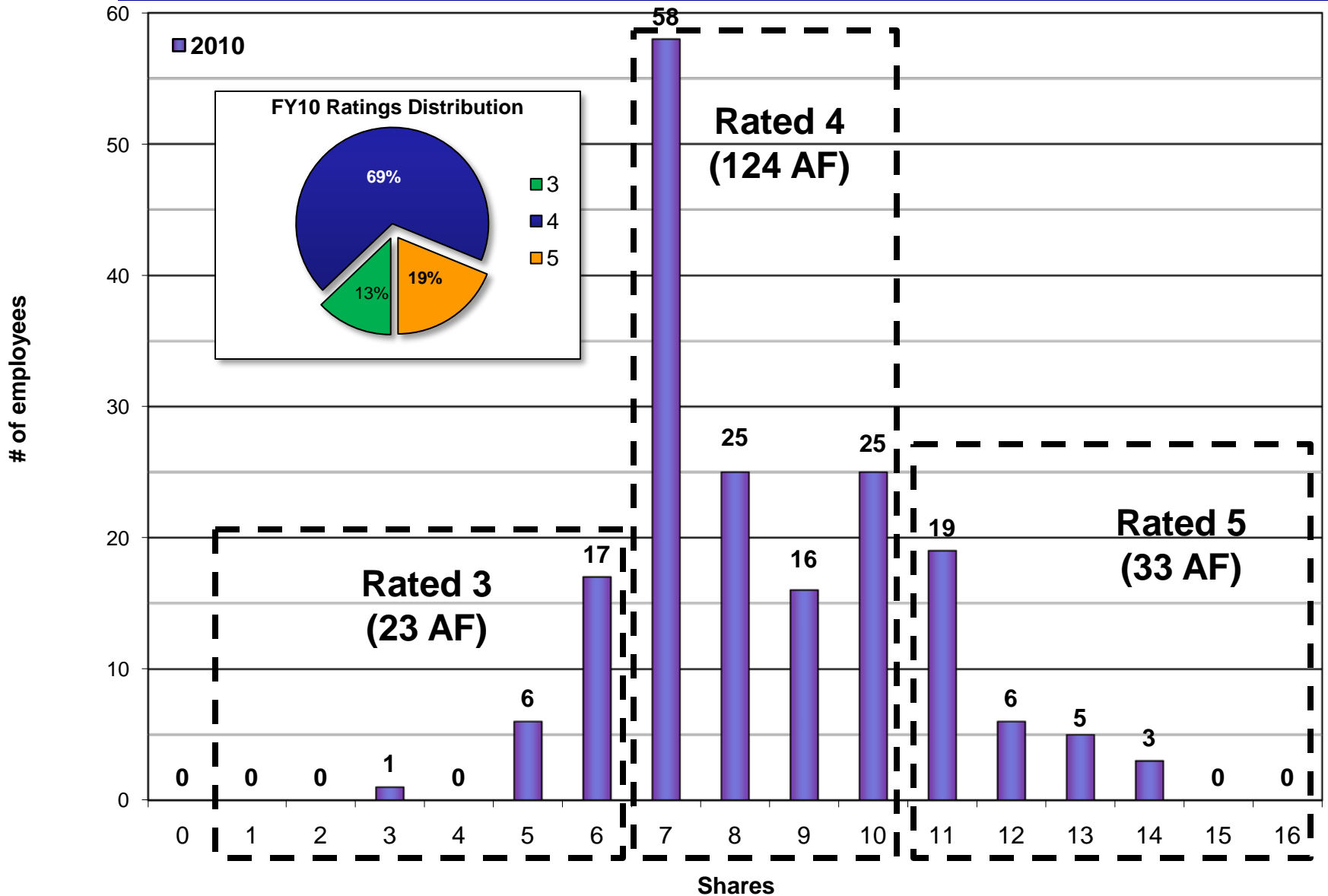


Air Force SES Ratings by Tier, FY10





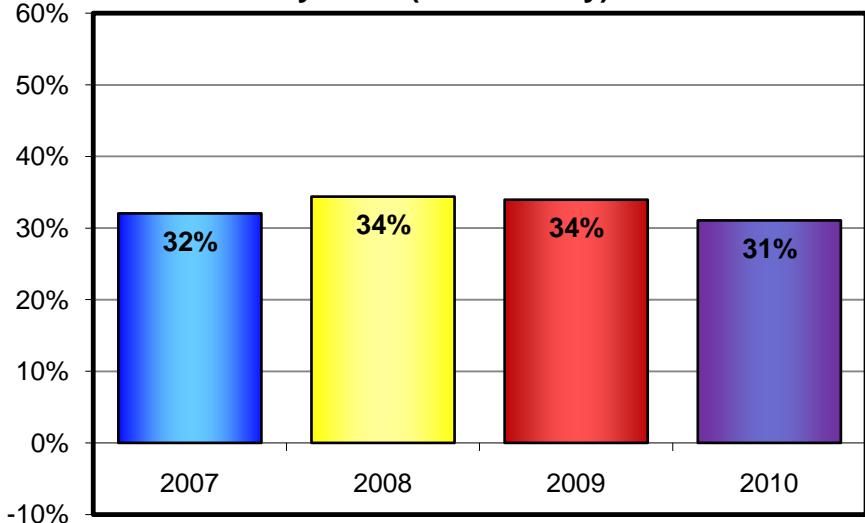
Air Force SES Share Distribution by Rating, FY10



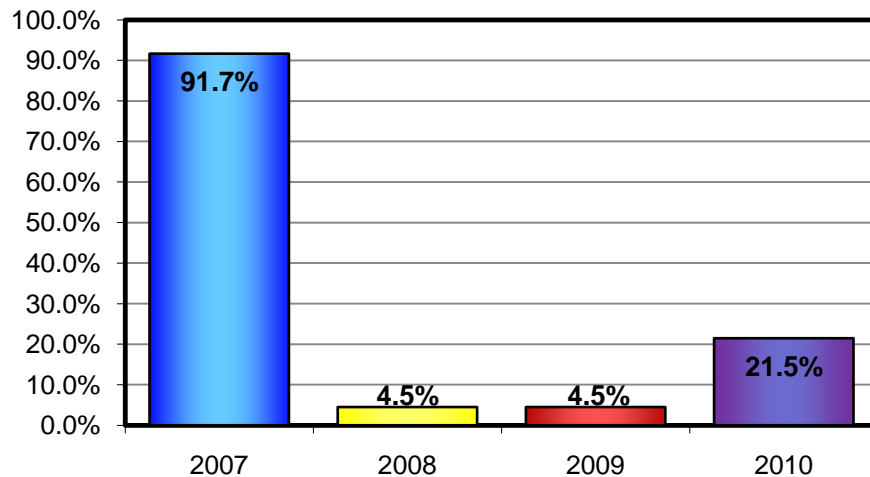


Air Force SES Average Basic Pay After Adjustment Trends, FY07 – FY10

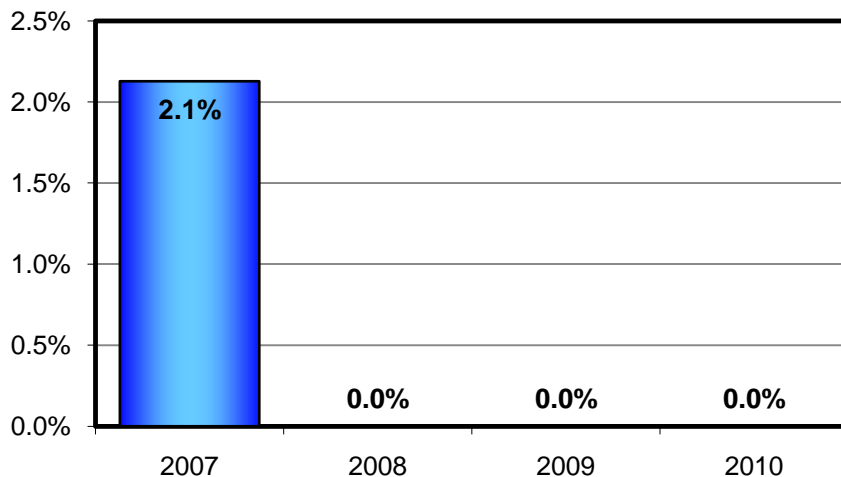
SES Salaries Above Exec. Level III Pay Limit (Career Only)



Tier 1, Over Exec. III Pay Limit (Career Only)



Tier 2, Over Tier 2 Pay Limit (Career Only)

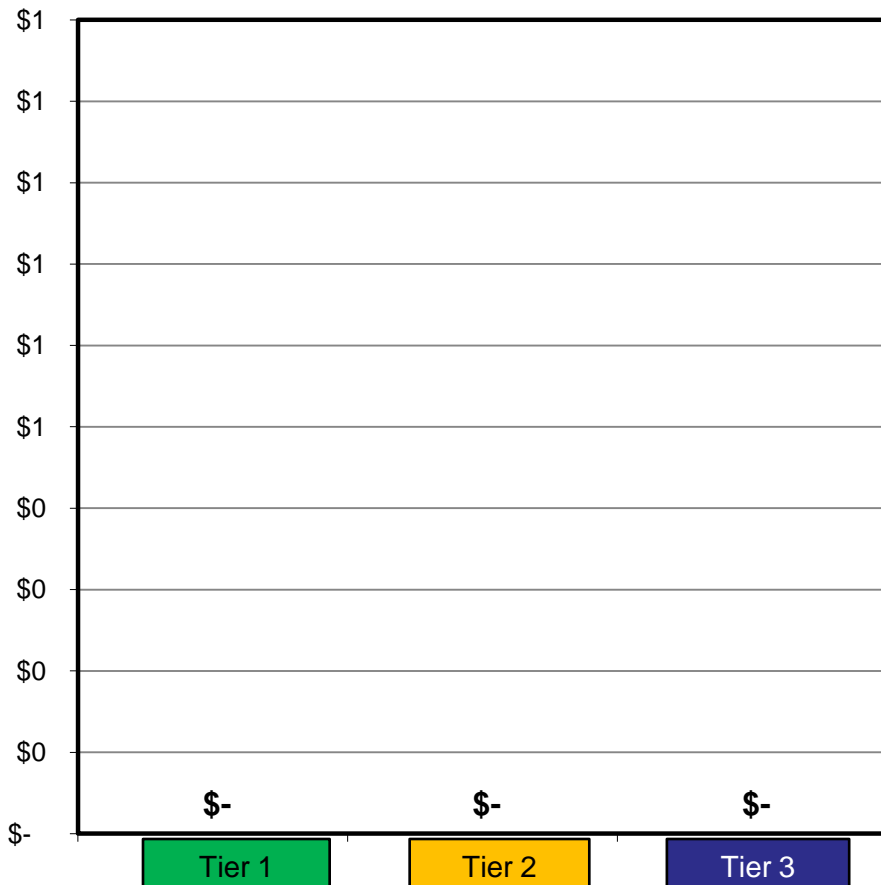


■ 2007 ■ 2008 ■ 2009 ■ 2010

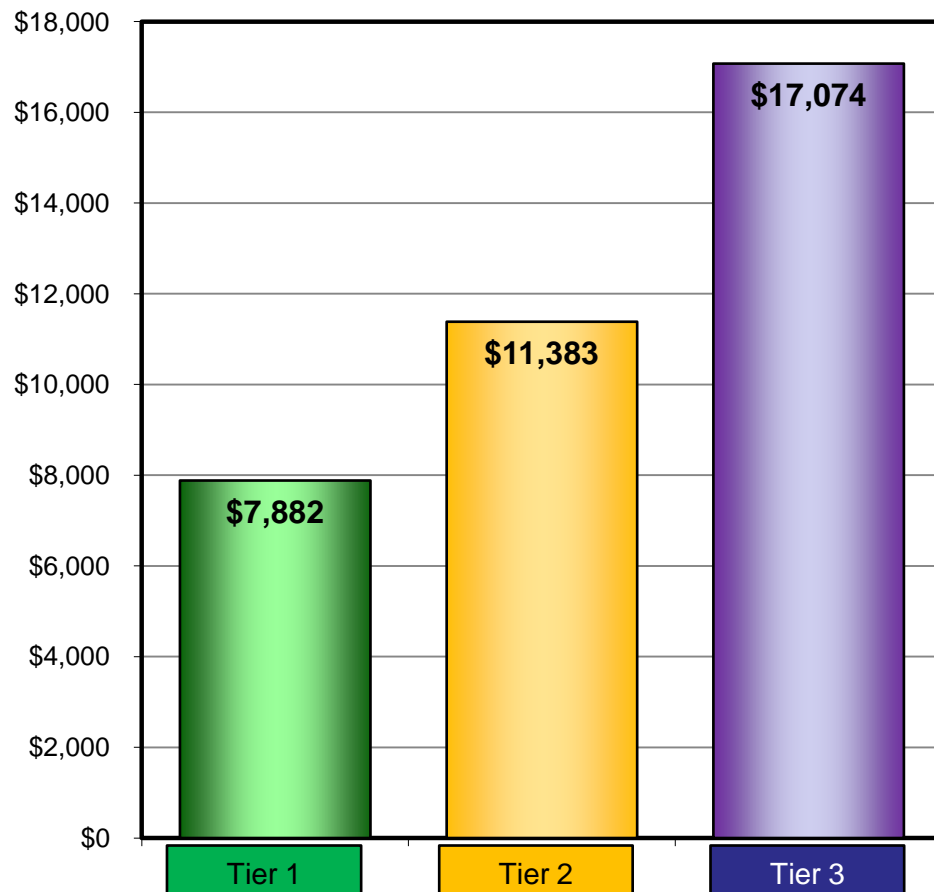


Air Force SES Average Performance Pay Adjustment and Bonus By Tier, FY10

Avg. FY10 Performance Pay Adjustment by Tier Level



Avg. FY10 Performance Bonus by Tier Level





Air Force Performance Payout Results at a Glance, FY07 – FY10

Results at a Glance (For Rated SES, unless otherwise noted):	FY07	FY08	FY09	FY10
Total Number (#) of SES/DISES Leaders	170	165	166	195
Total # Rated SES/DISES (career, non-career and limited term)	156	157	159	180
Number of Executives Rated/Not Rated	156 / 14	157 / 8	159 / 7	180 / 15
Performance Rating Levels	Level 2 (0%) Level 3 (13%) Level 4 (61%) Level 5 (26%)	Level 2 (0%) Level 3 (5%) Level 4 (69%) Level 5 (25%)	Level 2 (0%) Level 3 (9%) Level 4 (75%) Level 5 (16%)	Level 2 (0%) Level 3 (12.7%) Level 4 (68.5%) Level 5 18.8%)
Total Salaries ALL SES	\$23,307,134	\$25,364,670	\$26,316,522	\$31,550,871
Pay Pool Funding Factor (Pay Progression + PAEP + Performance Budget)	12%	Tier 1 – 11% Tier 2 – 13% Tier 3 – 17% DISES – 13%	Tier 1 – 11% Tier 2 – 13% Tier 3 – 17% DISES – 13%	Tier 1 – 5.75% Tier 2 – 6.75% Tier 3 – 9.75% DISES – X%
Pay Pool Value (Pay Pool Funding Factor X Total Salaries of all covered executives)	\$3,036,856	\$3,130,412	\$3,226,739	\$2,366,315
Unspent Pay Pool	\$408,120	\$270,260	\$71,582	\$588,042
Unspent Pay Pool (as % of Total Salaries)	1.6%	1.1%	0.3%	19%
Total Performance (Basic) Pay Increase Payouts	\$715,615	\$810,476	\$522,388	0
Avg. Performance (Basic) Pay Increase	\$4,868	\$5,403	\$3,285	0
Average Salary (after Performance Adjustments) (“New Basic Pay”)	\$156,105	\$158,637	\$162,036	\$161,799*
Number of Executives Paid Above Executive Level III	51	56	54	57
Total Performance Pay Increase Payouts (as % of Total Salaries)	2.8%	3.2%	2.0%	0
Total Performance Bonus Payouts	\$1,913,121	\$2,049,676	\$2,632,769	\$1,778,273
Avg. Bonus in dollars (\$)	\$14,604	\$14,641	\$17,552	\$9,862
Total Performance Bonus (as % of Total Salaries)	7.6%	8.1%	10.0%	5.6%
Percent of Rated Career SES Members Receiving a Bonus	84.0%	89.2%	94.3%	84.7%

While no performance-based pay increases occurred in FY 2010, the change in average salary is due to initial pay setting as a result of executive turnover at USAF and 16 out of cycle pay adjustments for promotions to a position with greater scope

Navy SES FY10



Legend For Following Sections

■ 2 ■ 3 ■ 4 ■ 5

■ Tier1 ■ Tier2 ■ Tier3

■ 2005 ■ 2006 ■ 2007 ■ 2008 ■ 2009 ■ 2010

Army SES FY10



Legend For Following Sections

■ 2 ■ 3 ■ 4 ■ 5

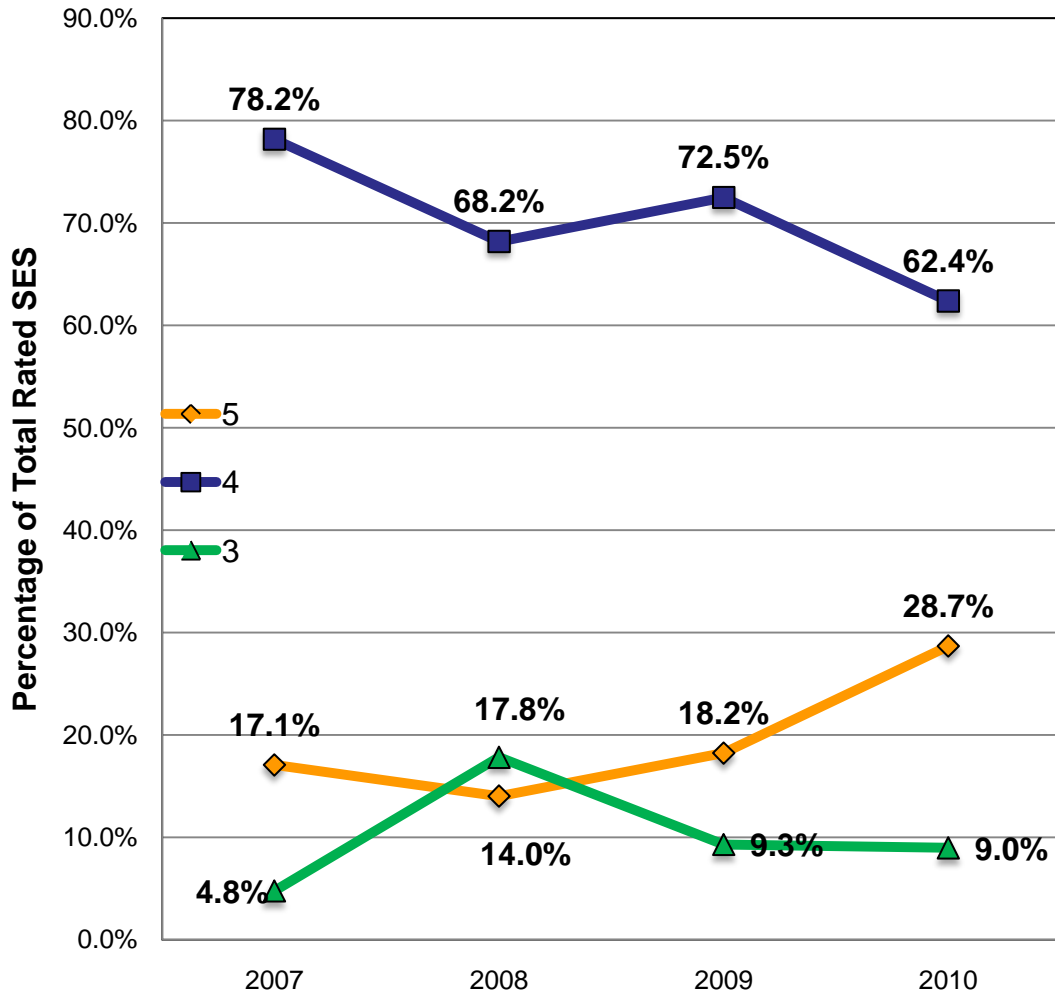
■ Tier1 ■ Tier2 ■ Tier3

■ 2005 ■ 2006 ■ 2007 ■ 2008 ■ 2009 ■ 2010

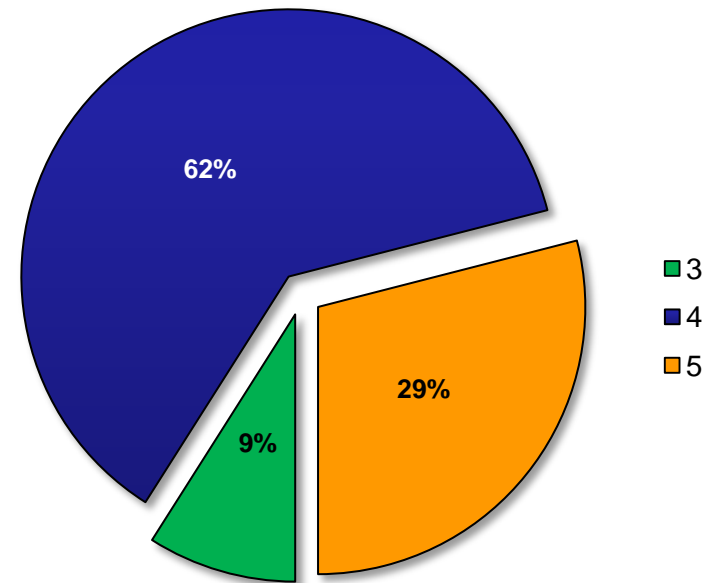


Army Ratings Year-to-Year Trends, FY07 – FY10

Army SES Ratings, FY07 – FY10

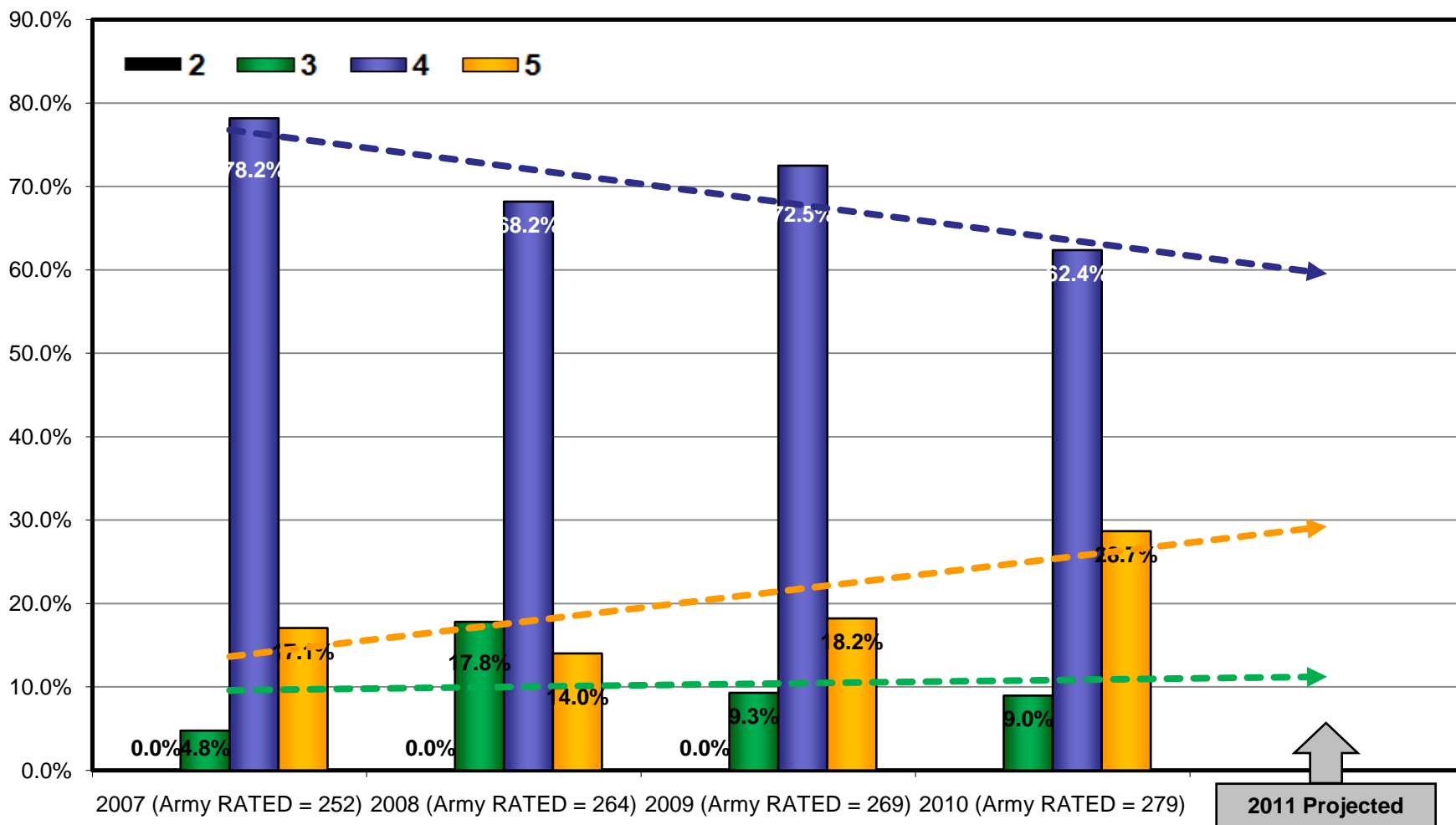


Avg. Army Ratings Distribution



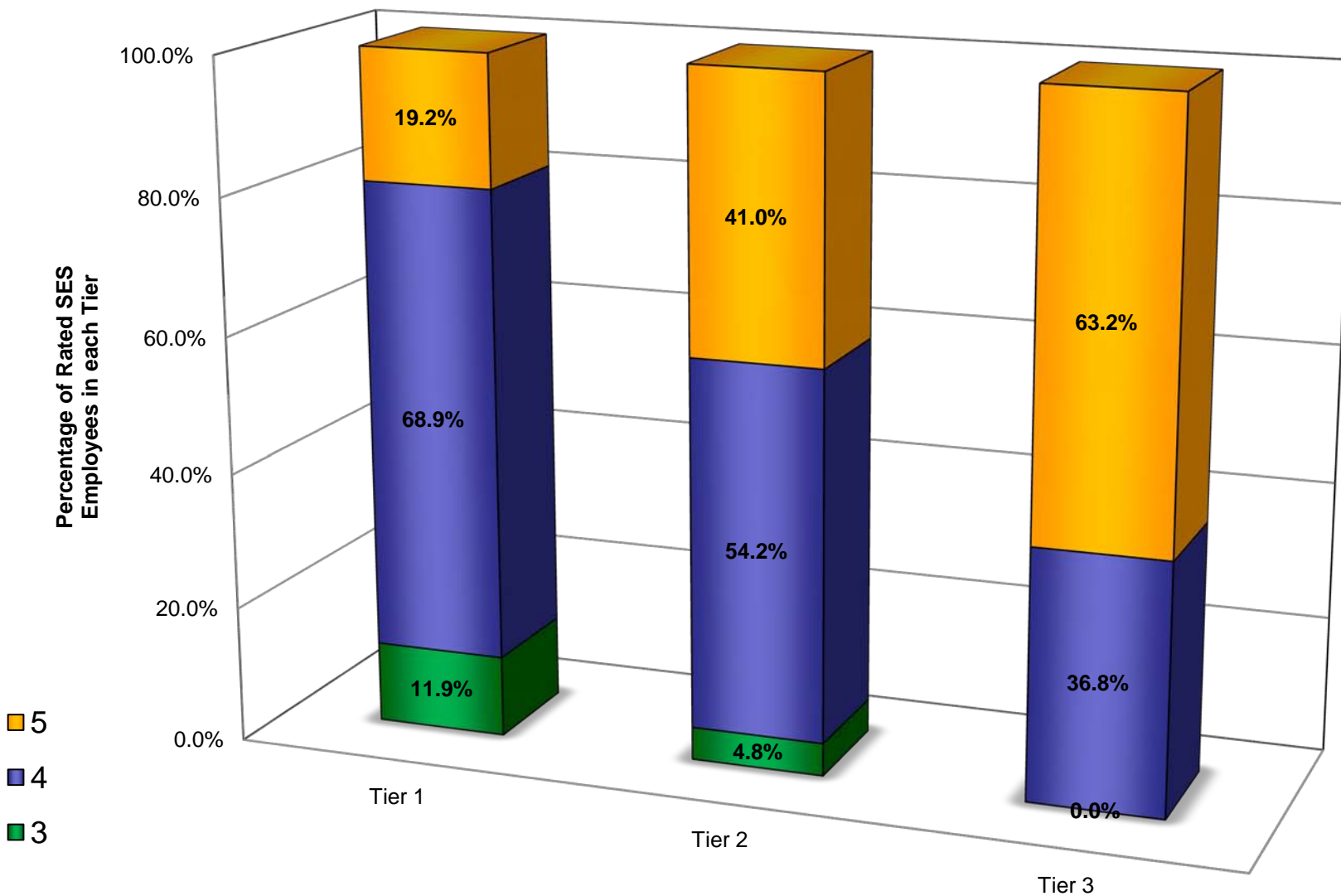


Distribution of Army SES Ratings Projected 1 Year Into Future, FY07 – FY10



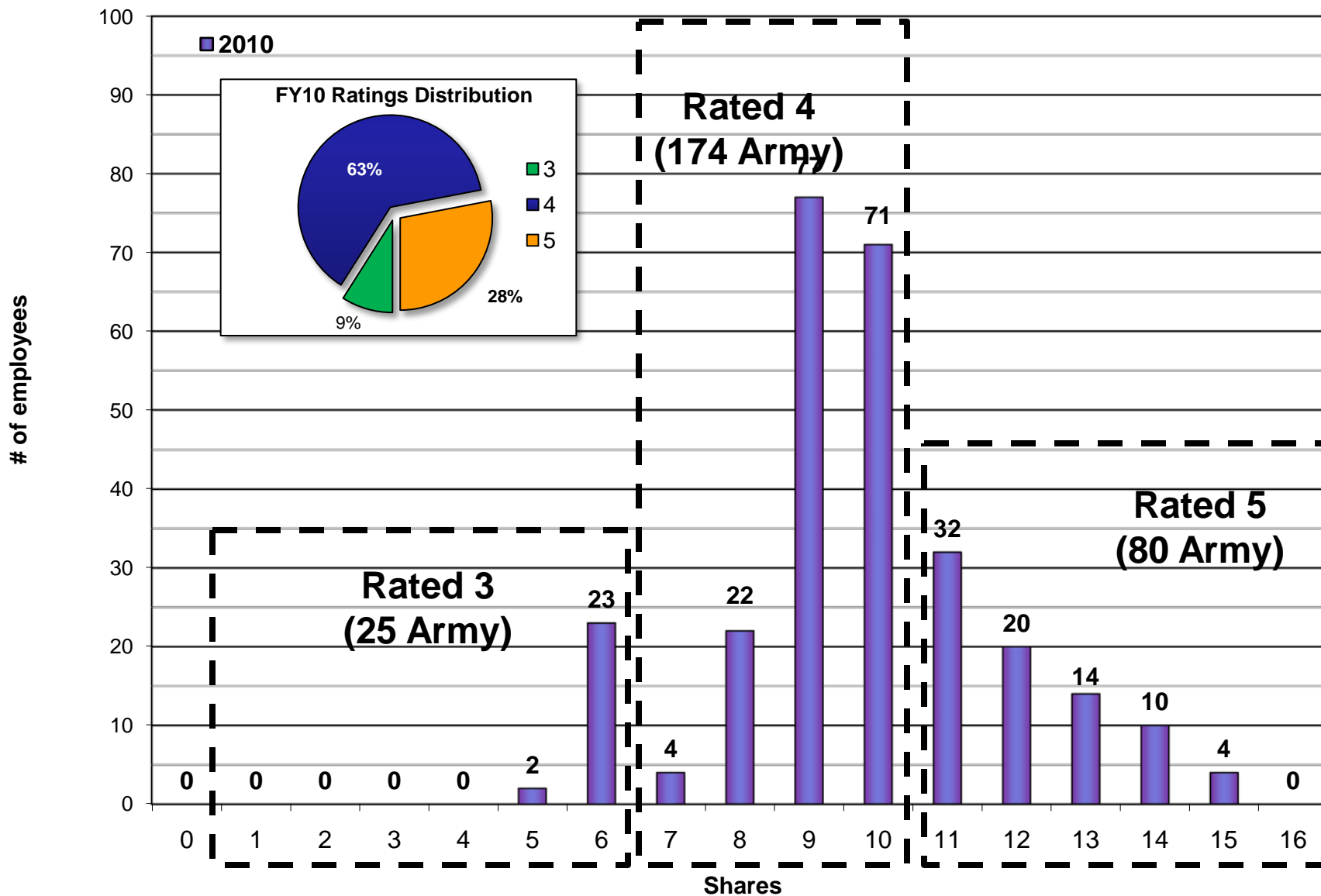


Army SES Ratings by Tier, FY10





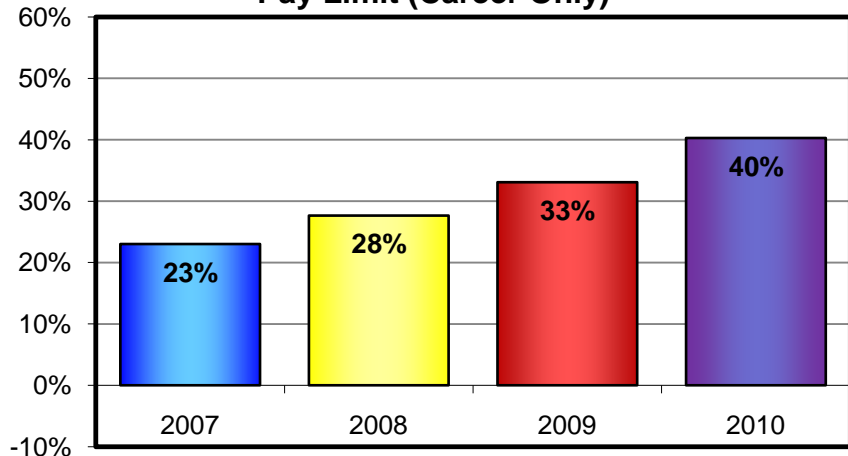
Army SES Share Distribution by Rating, FY10



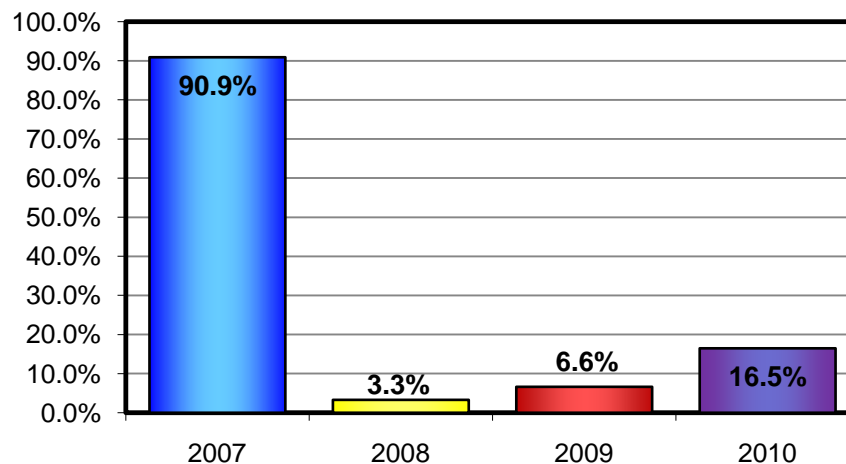


Army SES Average Basic Pay After Adjustment Trends, FY07 – FY10

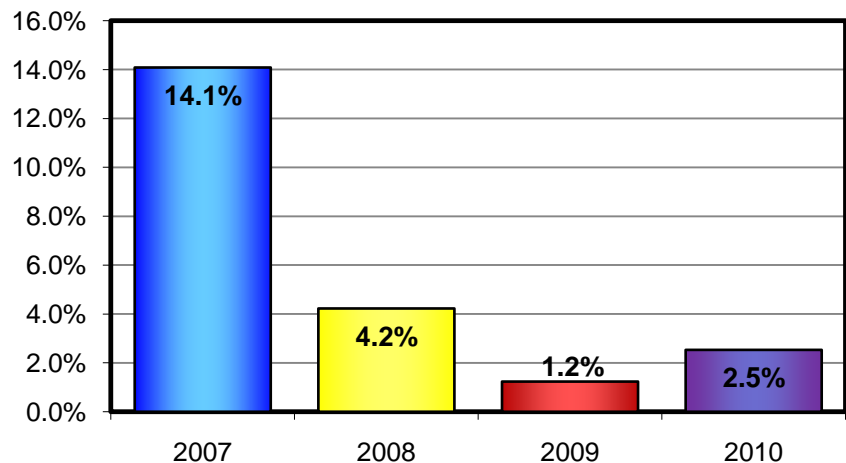
SES Salaries Above Exec. Level III Pay Limit (Career Only)



Tier 1, Over Exec. III Pay Limit (Career Only)



Tier 2, Over Tier 2 Pay Limit (Career Only)

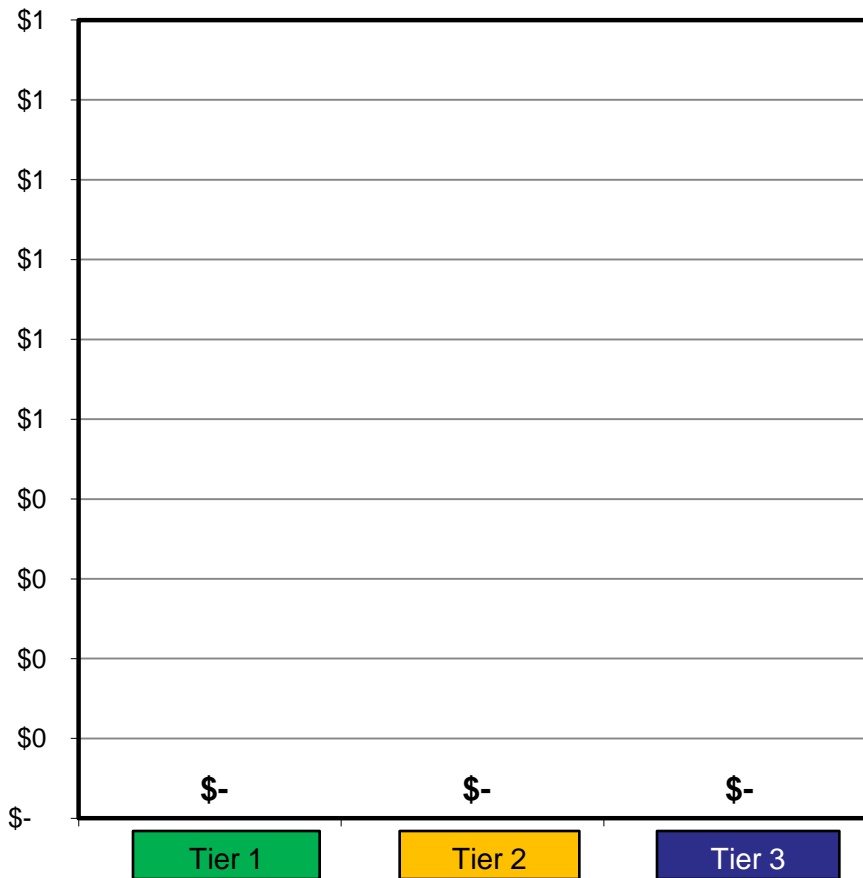


■ 2007 ■ 2008 ■ 2009 ■ 2010

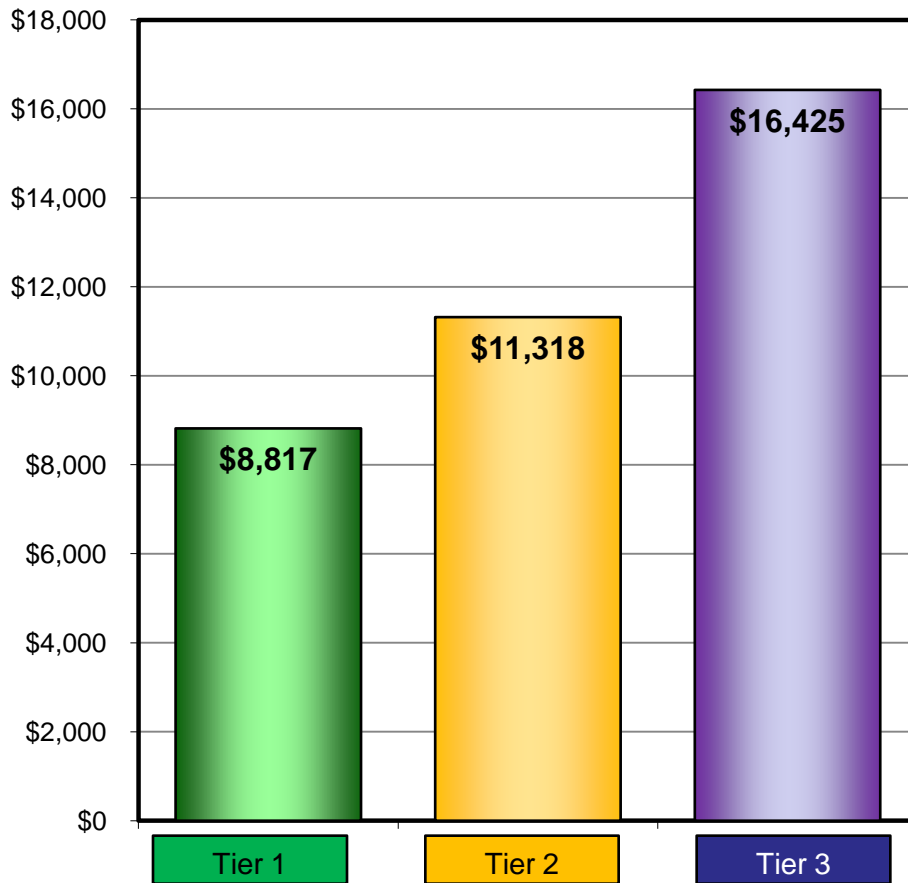


Army SES Average Performance Pay Adjustment and Bonus By Tier, FY10

Avg. FY10 Performance Pay Adjustment by Tier Level



Avg. FY10 Performance Bonus by Tier Level (Career Only)





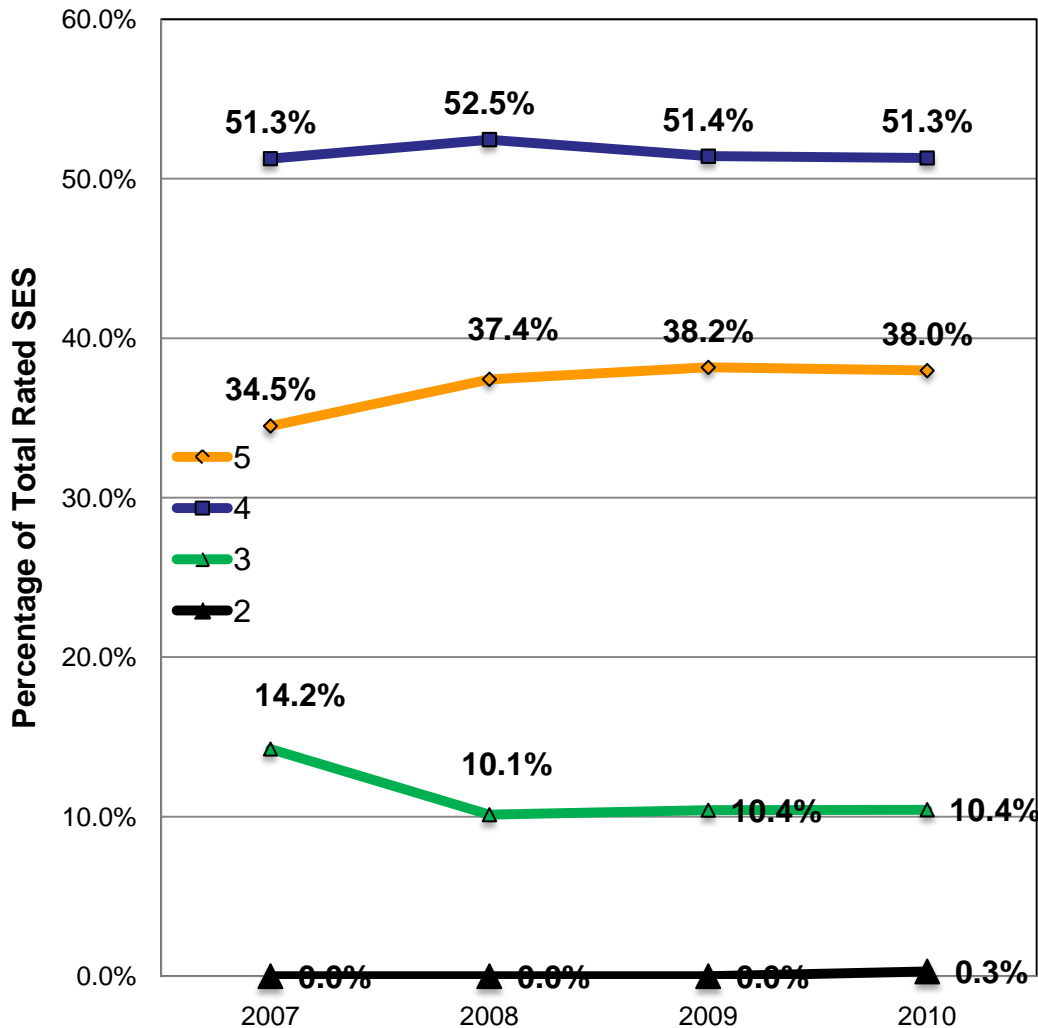
Army Performance Payout Results at a Glance, FY07 – FY10

Results at a Glance (For Rated SES, unless otherwise noted):	FY07	FY08	FY09	FY10
Total Number (#) of SES/Leaders	261	271	277	286
Total # Rated SES/ (career, non-career and limited term)	252	264	269	279
Number of Executives Rated/Not Rated	252 / 9	264 / 7	269 / 8	279 / 7
Performance Rating Levels	Level 2 (0%) Level 3 (5%) Level 4 (78%) Level 5 (17%)	Level 2 (0%) Level 3 (18%) Level 4 (68%) Level 5 (14%)	Level 2 (0%) Level 3 (9%) Level 4 (72%) Level 5 (18%)	Level 2 (0%) Level 3 (9%) Level 4 (62%) Level 5 (29%)
Total Salaries ALL SES (including Non-Rated SES)	\$39,186,931	\$42,274,522	\$44,760,796	47,381,729
Pay Pool Funding Factor (Pay Progression + PAEP + Performance Budget)	12%	Tier 1 – 11% Tier 2 – 13% Tier 3 – 17%	Tier 1 – 11% Tier 2 – 13% Tier 3 – 17%	Tier 1 – 5.75% Tier 2 – 6.75% Tier 3 – 9.75%
Pay Pool Value (Pay Pool Funding Factor X Total Salaries of all covered executives)	\$4,702,432	\$4,997,030	\$5,280,219	\$3,553,630
Unspent Pay Pool	\$285,565	\$168,081	\$132,032	\$311,900
Unspent Pay Pool (as % of Total Salaries)	0.7%	0.4%	0.3%	.66%
Total Performance (Basic) Pay Increase Payouts	\$1,474,751	\$1,474,600	\$1,048,691	0
Avg. Performance (Basic) Pay Increase	\$6,119	\$5,650	\$4,280	0
Average Salary (after Performance Adjustments) (“New Basic Pay”)	\$155,782	\$161,436	\$165,377	\$165,670
Number of Executives Paid Above Executive Level III (including Non-Rated SES)	58	75	93	118
Total Performance Pay Increase Payouts (as % of Total Salaries)	3.8%	3.5%	2.3%	0
Total Performance Bonus Payouts (Career Only)	\$2,942,116	\$3,354,349	\$4,099,496	\$2,678,341
Avg. Bonus in dollars (\$) (Career Only, Zero Amounts Included)	\$12,792	\$13,364	\$15,707	\$9957
Total Performance Bonus (as % of Total Salaries) - Total Career Salaries (\$45,912,565)	7.5%	7.9%	9.2%	5.8%
Percent of Career Rated SES Members Receiving a Bonus	98.3 %	98.8%	98.9%	90.0%

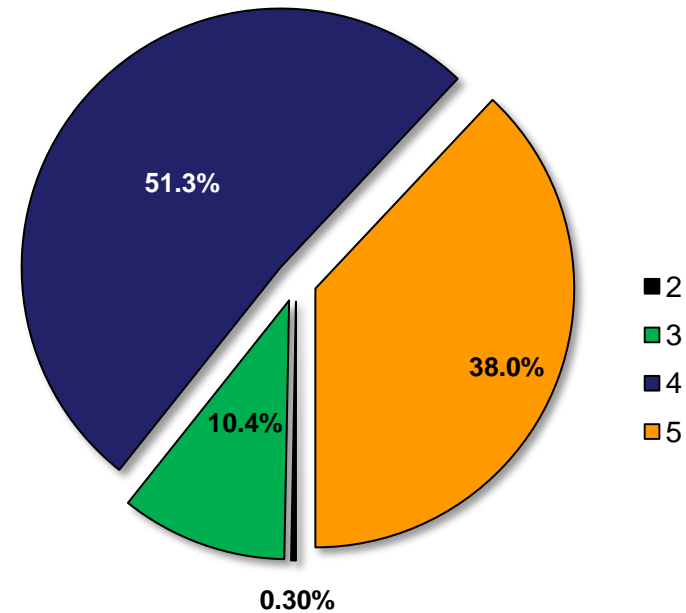


Navy Ratings Year-to-Year Trends, FY07 – FY10

Navy SES Ratings, FY07 – FY10

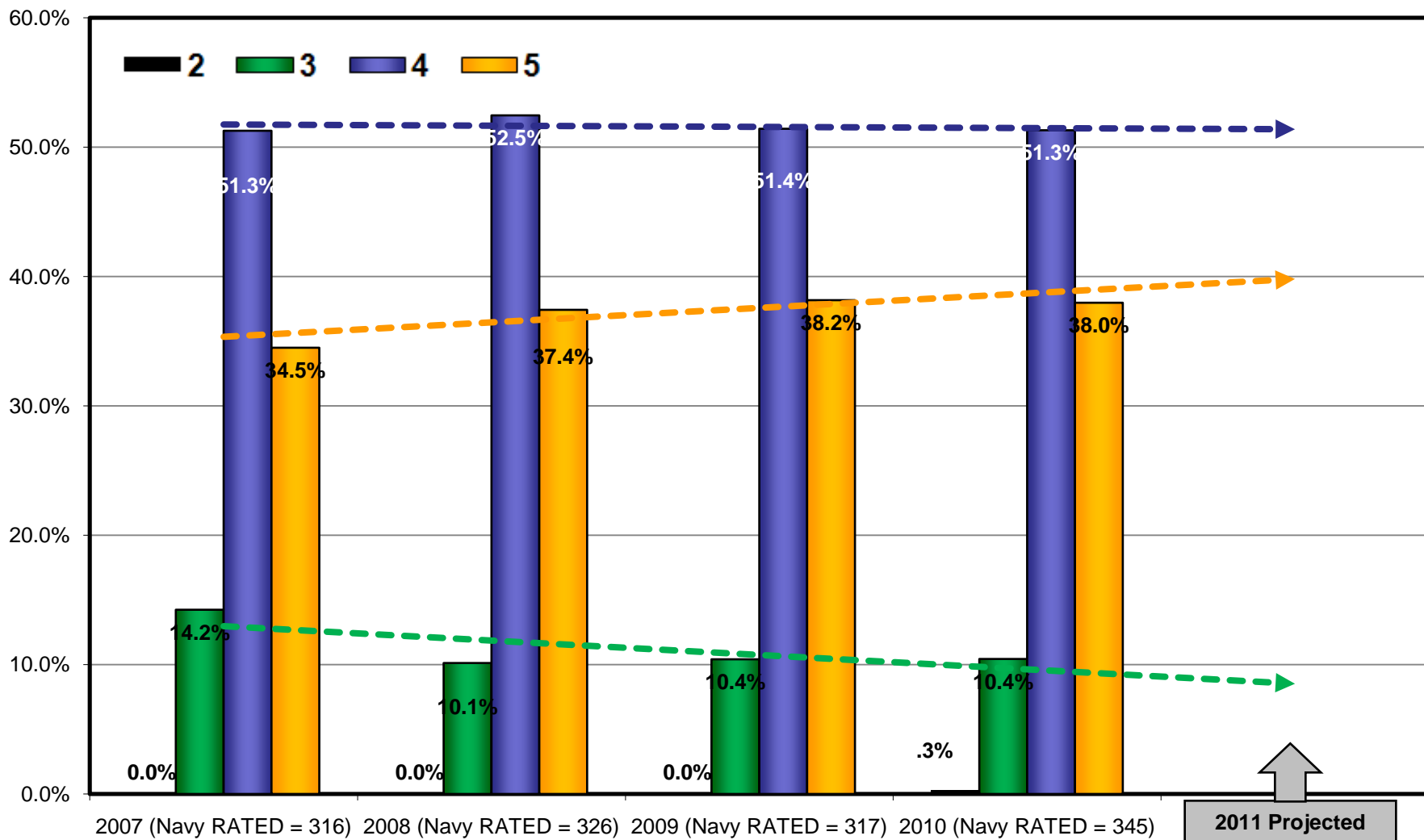


Avg. Navy Ratings Distribution



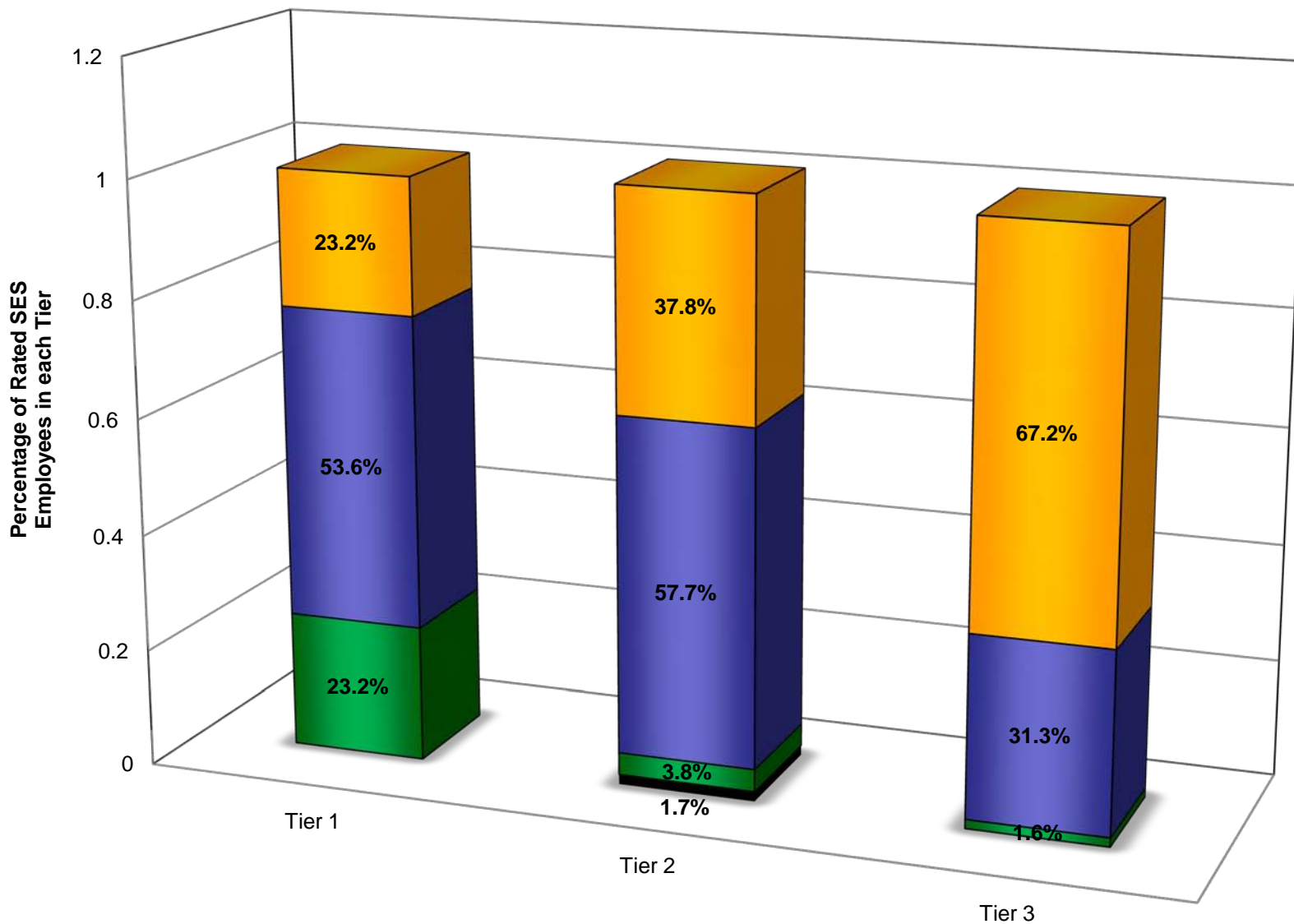


Distribution of Navy SES Ratings Projected 1 Year Into Future, FY07 – FY10



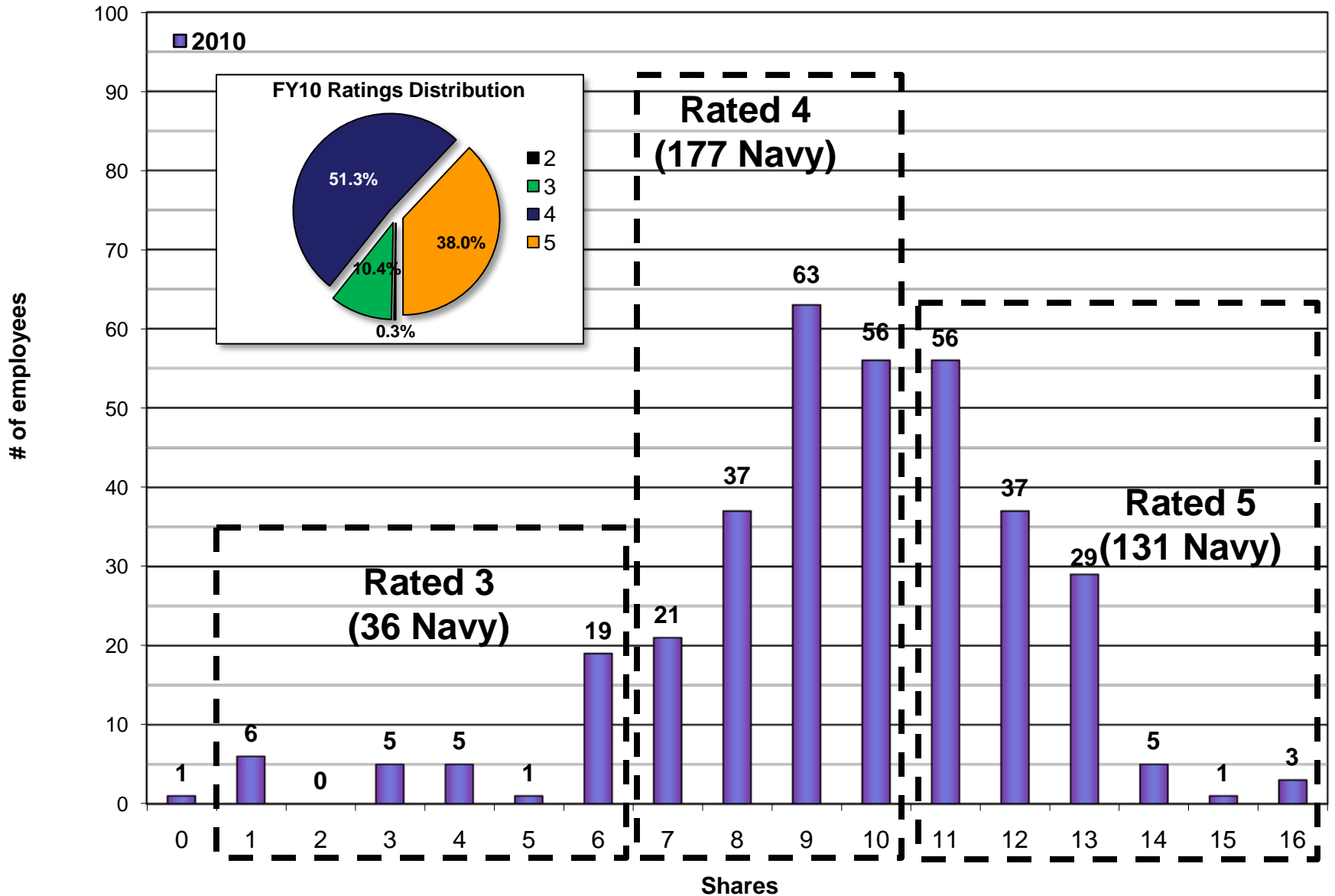


Navy SES Ratings by Tier, FY10





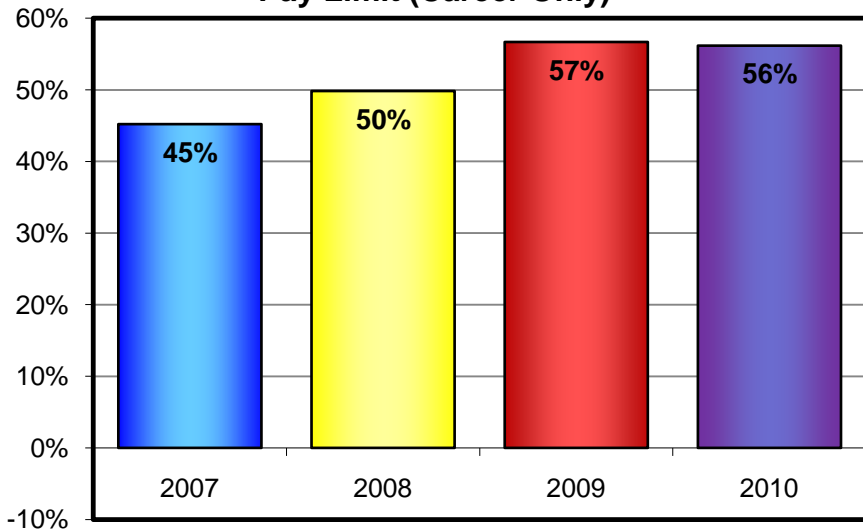
Navy SES Share Distribution by Rating, FY10



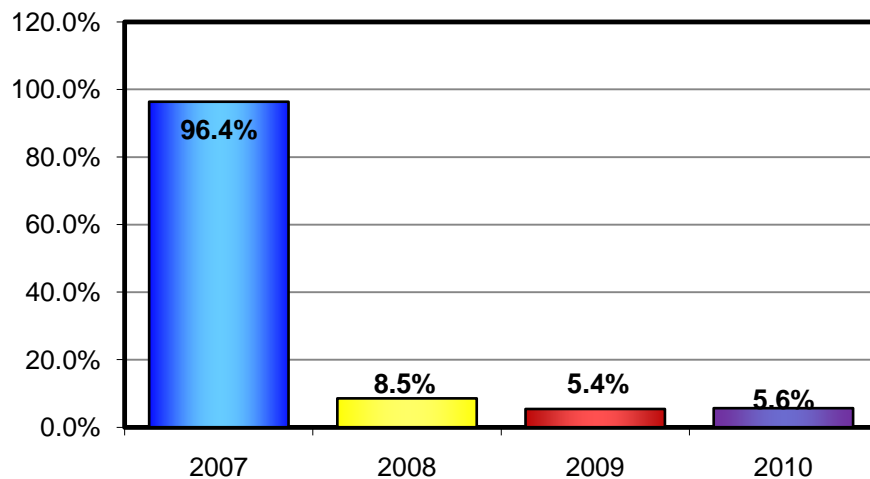


Navy SES Average Basic Pay After Adjustment Trends, FY07 – FY10

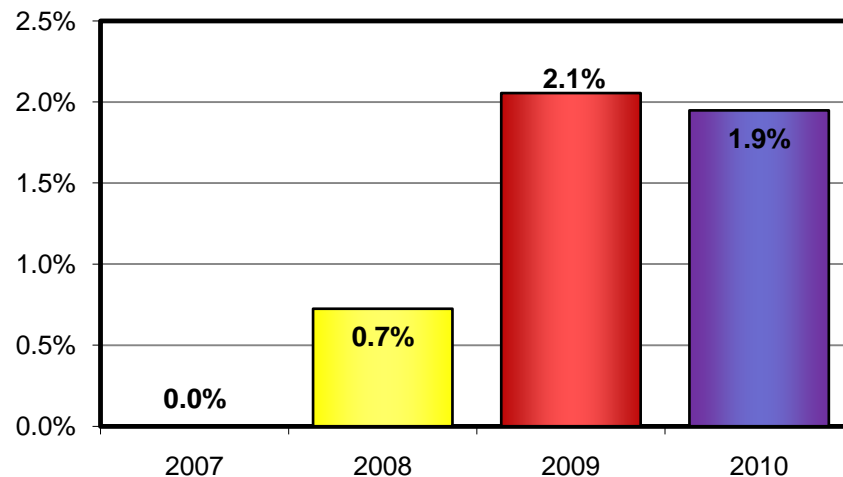
SES Salaries Above Exec. Level III Pay Limit (Career Only)



Tier 1, Over Exec. III Pay Limit (Career Only)



Tier 2, Over Tier 2 Pay Limit (Career Only)

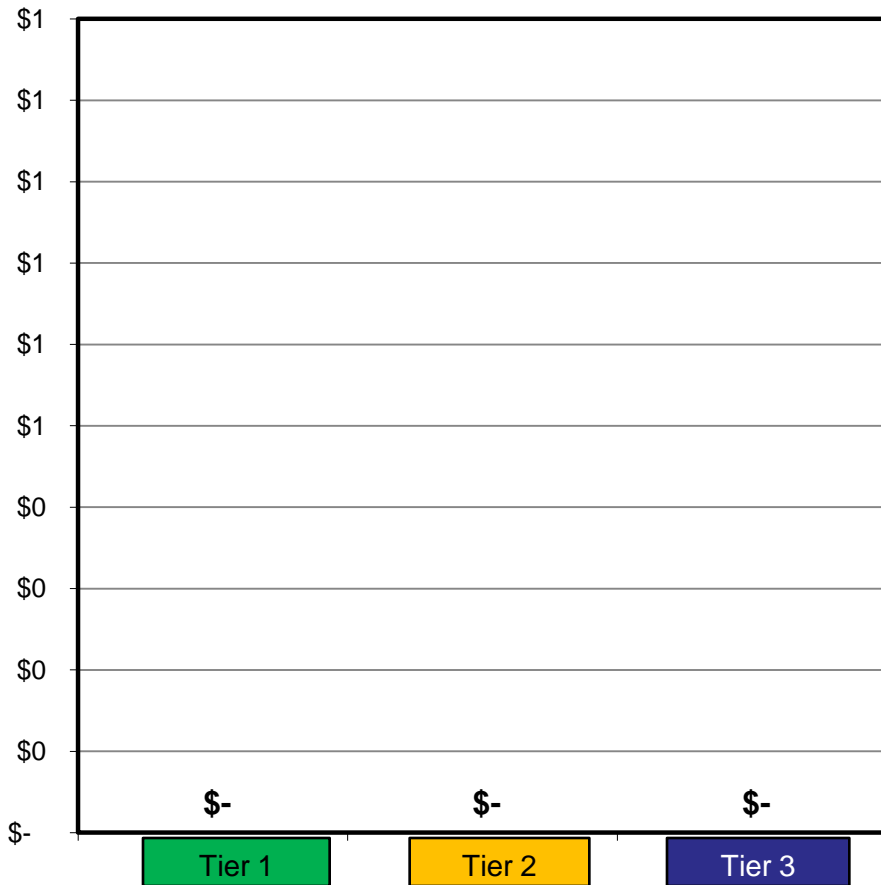


■ 2007 ■ 2008 ■ 2009 ■ 2010

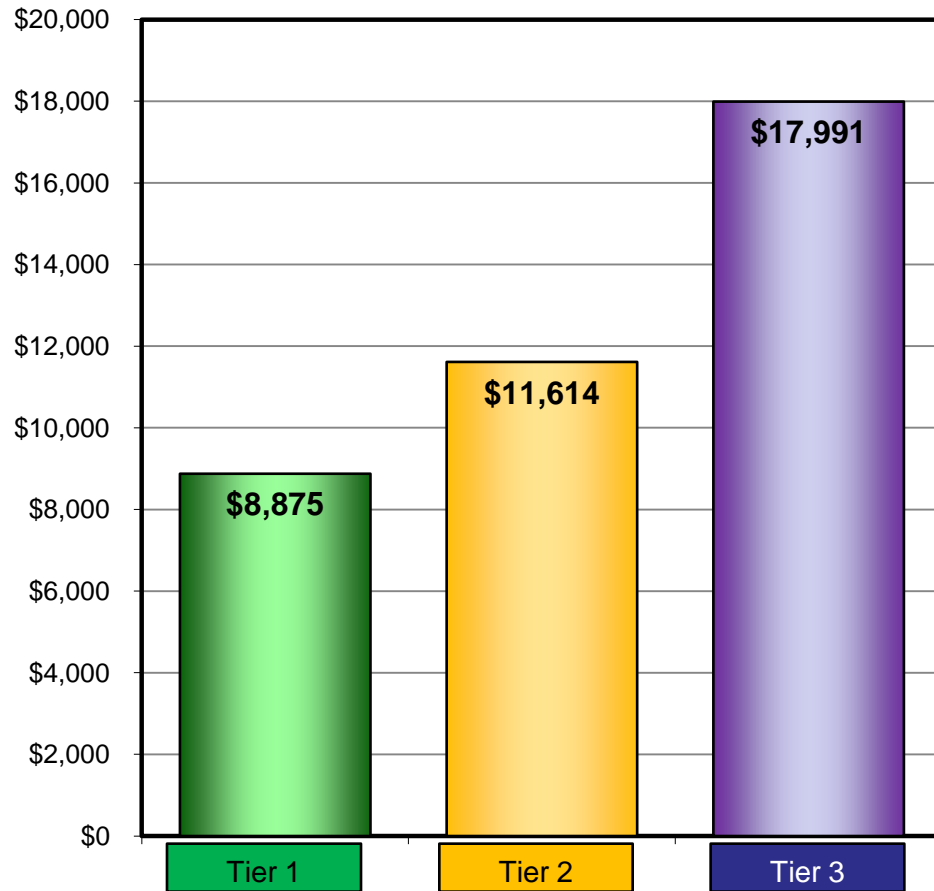


Navy SES Average Performance Pay Adjustment and Bonus By Tier, FY10

Avg. FY10 Performance Pay Adjustment by Tier Level



Avg. FY10 Performance Bonus by Tier Level (Career Only)





Navy Performance Payout Results at a Glance, FY07 – FY10

Results at a Glance (For Rated SES, unless otherwise noted):	FY07	FY08	FY09	FY10
Total Number (#) of SES/DISES Leaders	329	335	327	352
Total # Rated SES/DISES (career, non-career and limited term)	316	326	317	345
Number of Executives Rated/Not Rated	316 / 13	326 / 9	317 / 10	345/7
Performance Rating Levels	Level 2 (0%) Level 3 (14%) Level 4 (51%) Level 5 (35%)	Level 2 (0%) Level 3 (10%) Level 4 (53%) Level 5 (37%)	Level 2 (0%) Level 3 (10%) Level 4 (51%) Level 5 (38%)	Level 2 (0.3%) Level 3 (10.4%) Level 4 (51.3%) Level 5 (38.0%)
Total Salaries ALL SES (including Non-Rated SES)	\$50,227,687	\$52,846,839	\$53,536,066	\$59,083,518
Pay Pool Funding Factor (Pay Progression + PAEP + Performance Budget)	12%	Tier 1 – 11% Tier 2 – 13% Tier 3 – 17% DISES – 13%	Tier 1 – 11% Tier 2 – 13% Tier 3 – 17% DISES – 13%	Tier 1 – 5.75% Tier 2 – 6.75% Tier 3 – 9.75% DISES – 6.75%
Pay Pool Value (Pay Pool Funding Factor X Total Salaries of all covered executives)	\$6,027,322	\$6,957,668	\$7,024,693	\$4,110,376
Unspent Pay Pool	\$446,302	\$649,637	\$505,816	\$105,496
Unspent Pay Pool (as % of Total Salaries)	0.9%	1.2%	0.9%	0.2%
Total Performance (Basic) Pay Increase Payouts	\$1,750,704	\$1,919,759	\$1,442,807	N/A
Avg. Performance (Basic) Pay Increase	\$5,955	\$6,193	\$4,858	N/A
Average Salary (after Performance Adjustments) (“New Basic Pay”)	\$157,992	\$163,482	\$168,190	\$167,845
Number of Executives Paid Above Executive Level III (including Non-Rated SES)	146	165	185	196
Total Performance Pay Increase Payouts (as % of Total Salaries)	3.5%	3.6%	2.7%	N/A
Total Performance Bonus Payouts (Career Only)	\$3,830,316	\$4,388,272	\$5,076,070	\$4,004,880
Avg. Bonus in dollars (\$) (Career Only, Zero Amounts Included)	\$13,979	\$14,676	\$16,698	\$11,575
Total Performance Bonus (as % of Total Salaries)	7.6%	8.3%	9.5%	6.8%
Percent of Career Rated SES Members Receiving a Bonus	90.4%	96.1%	96.8%	90%

DCAA FY10



Legend For Following Sections

■ 2 ■ 3 ■ 4 ■ 5

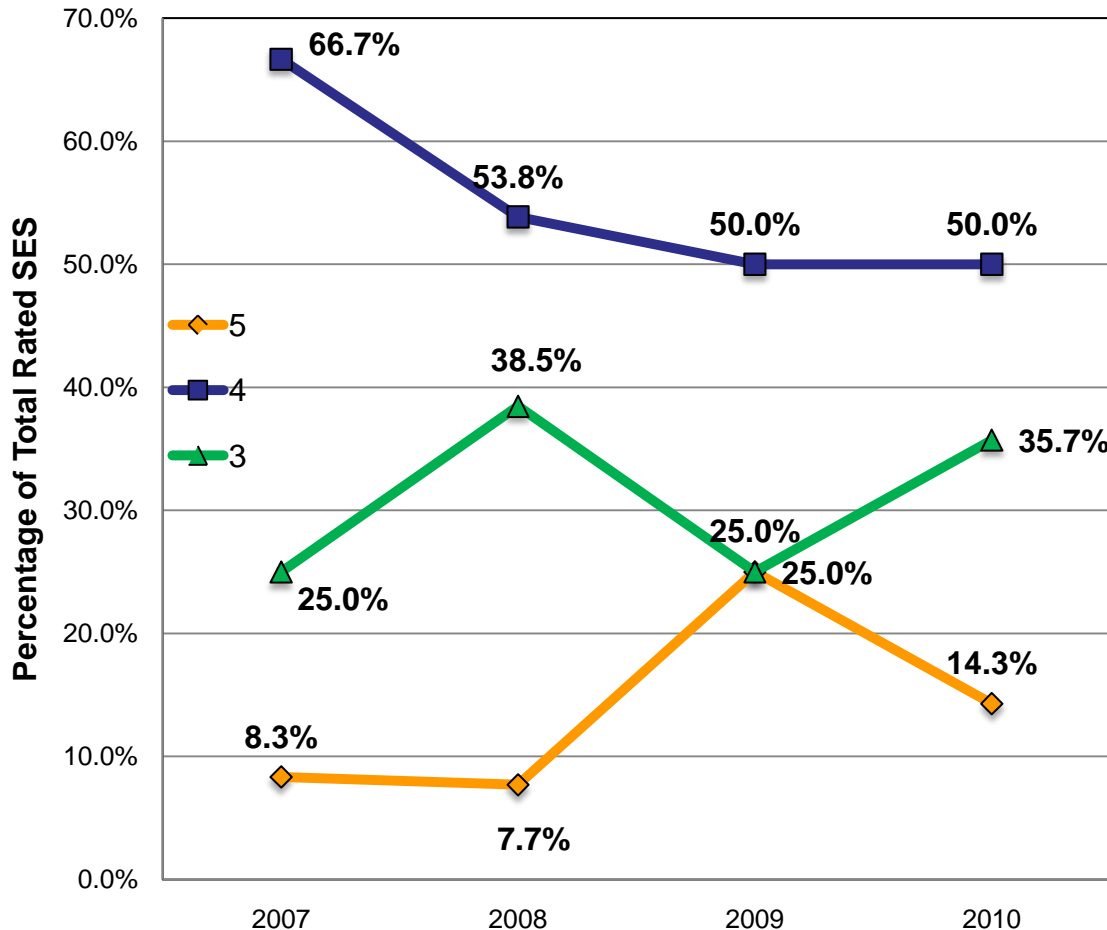
■ Tier1 ■ Tier2 ■ Tier3

■ 2005 ■ 2006 ■ 2007 ■ 2008 ■ 2009 ■ 2010

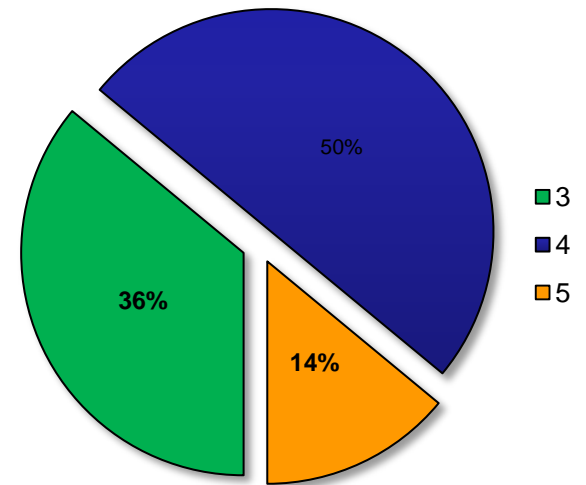


DCAA Ratings Year-to-Year Trends, FY07 – FY10

DCAA SES Ratings, FY07 – FY10

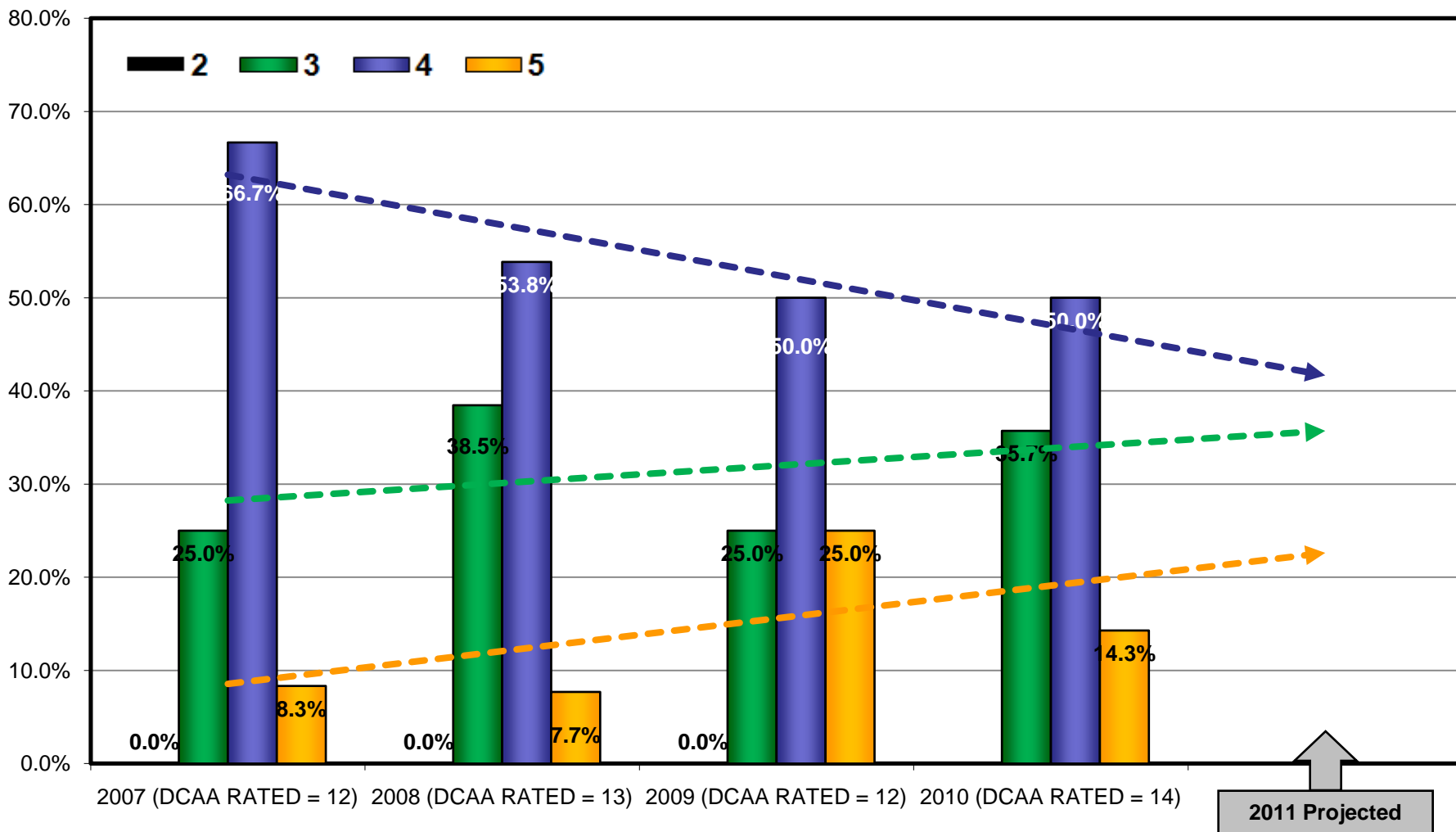


Avg. DCAA Ratings Distribution



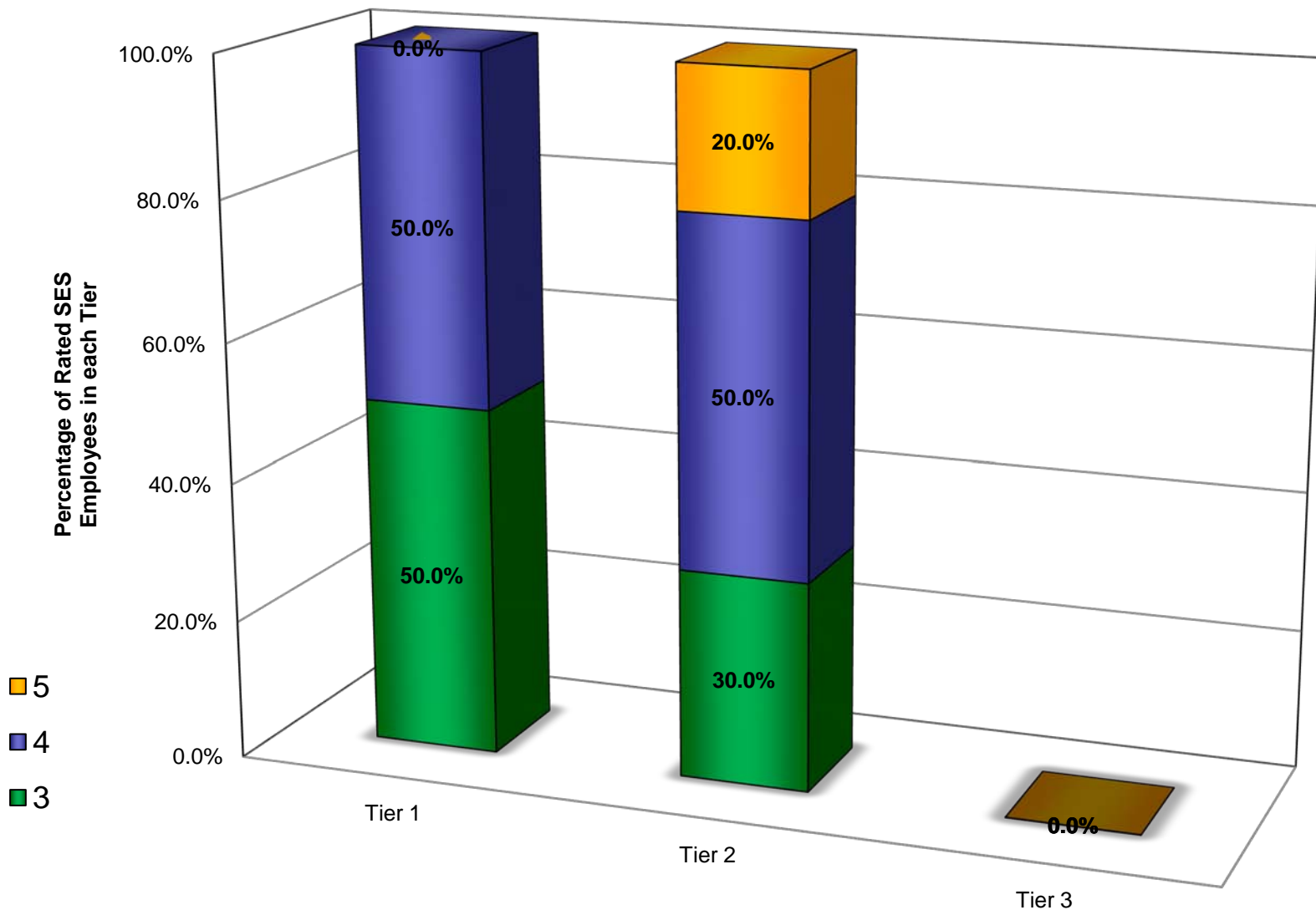


Distribution of DCAA SES Ratings Projected 1 Year Into Future, FY07 – FY10



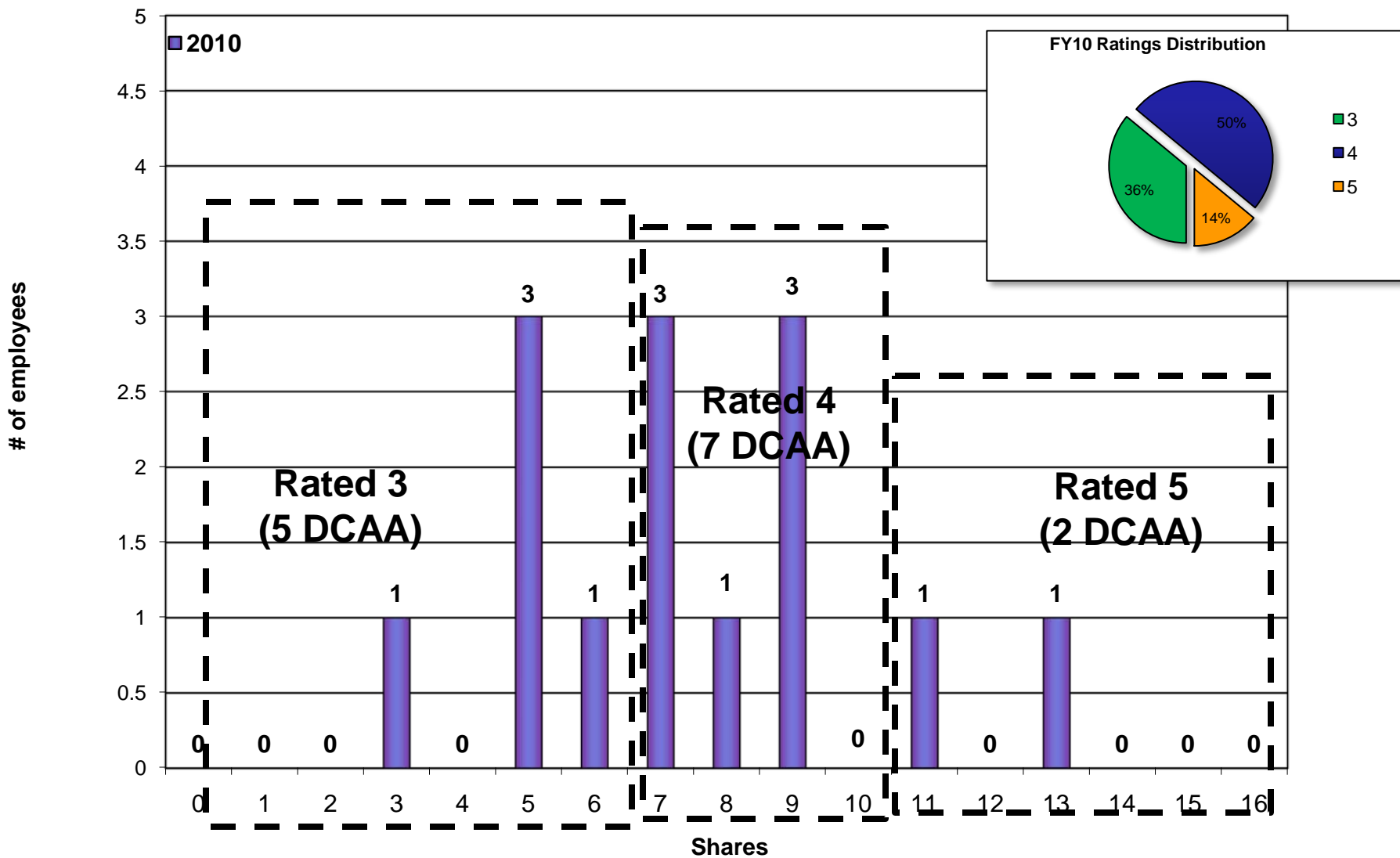


DCAA SES Ratings by Tier, FY10





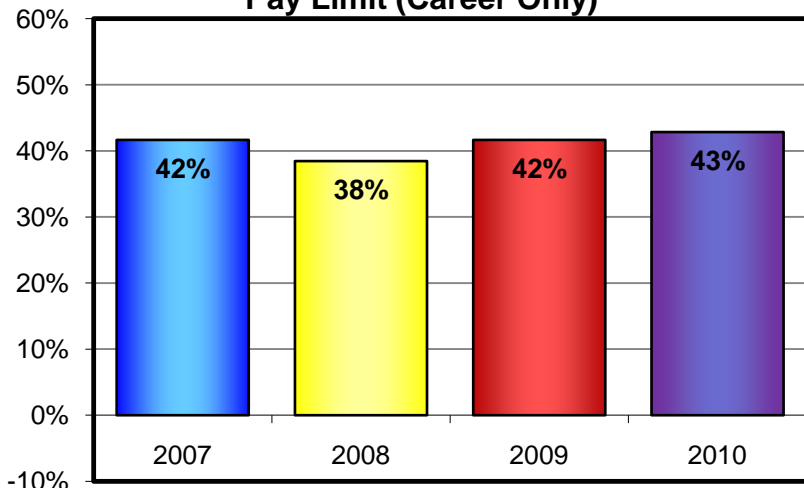
DCAA SES Share Distribution by Rating, FY10



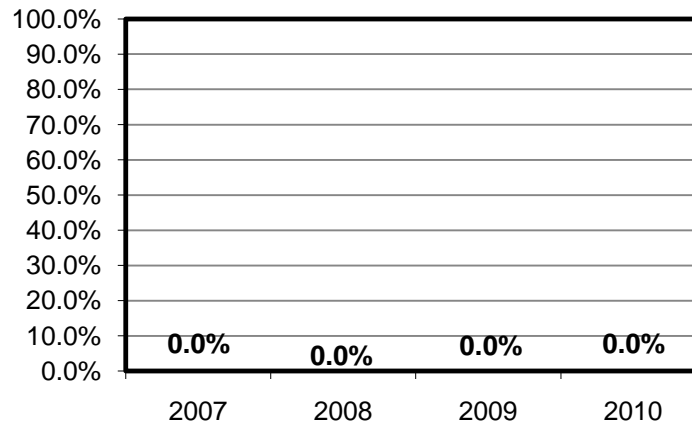


DCAA SES Average Basic Pay After Adjustment Trends, FY07 – FY10

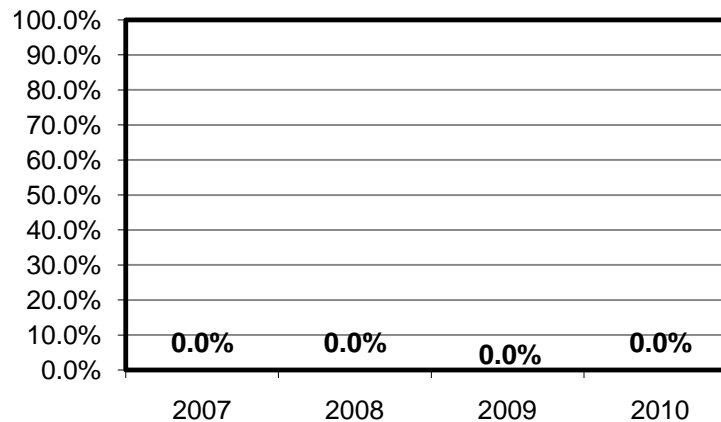
SES Salaries Above Exec. Level III Pay Limit (Career Only)



Tier 1, Over Exec. III Pay Limit (Career Only)



Tier 2, Over Tier 2 Pay Limit (Career Only)

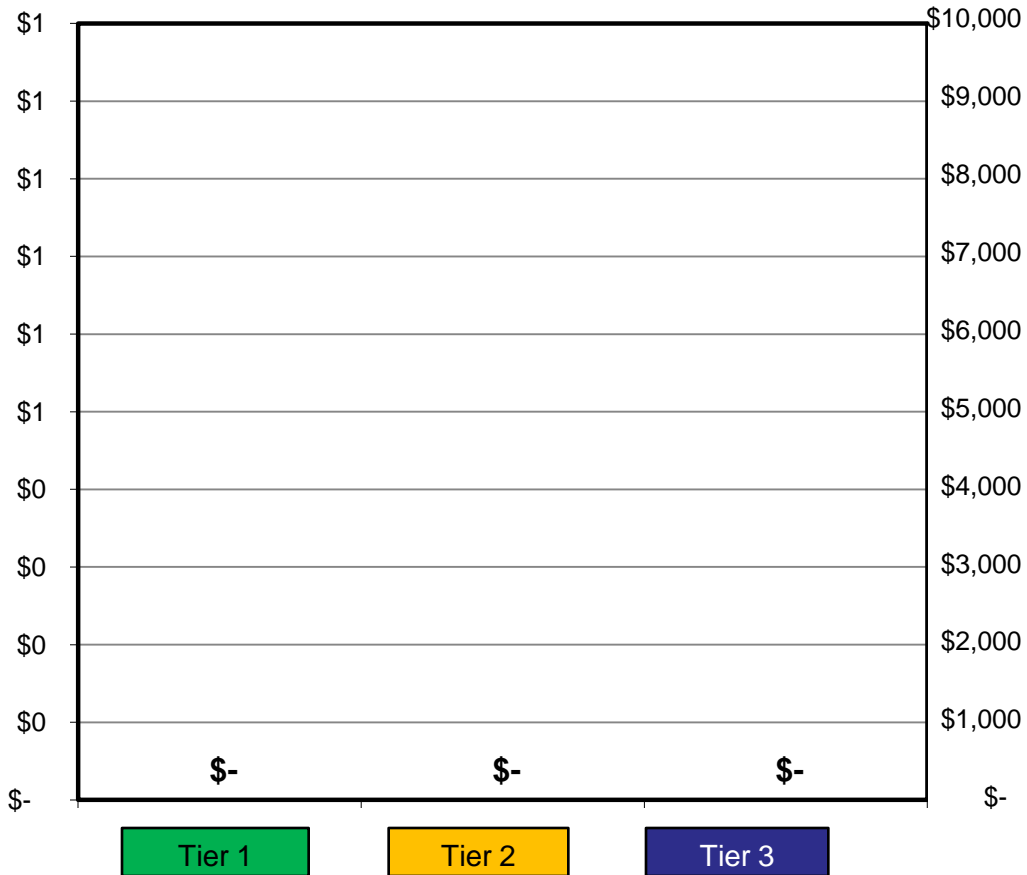


■ 2007 ■ 2008 ■ 2009 ■ 2010

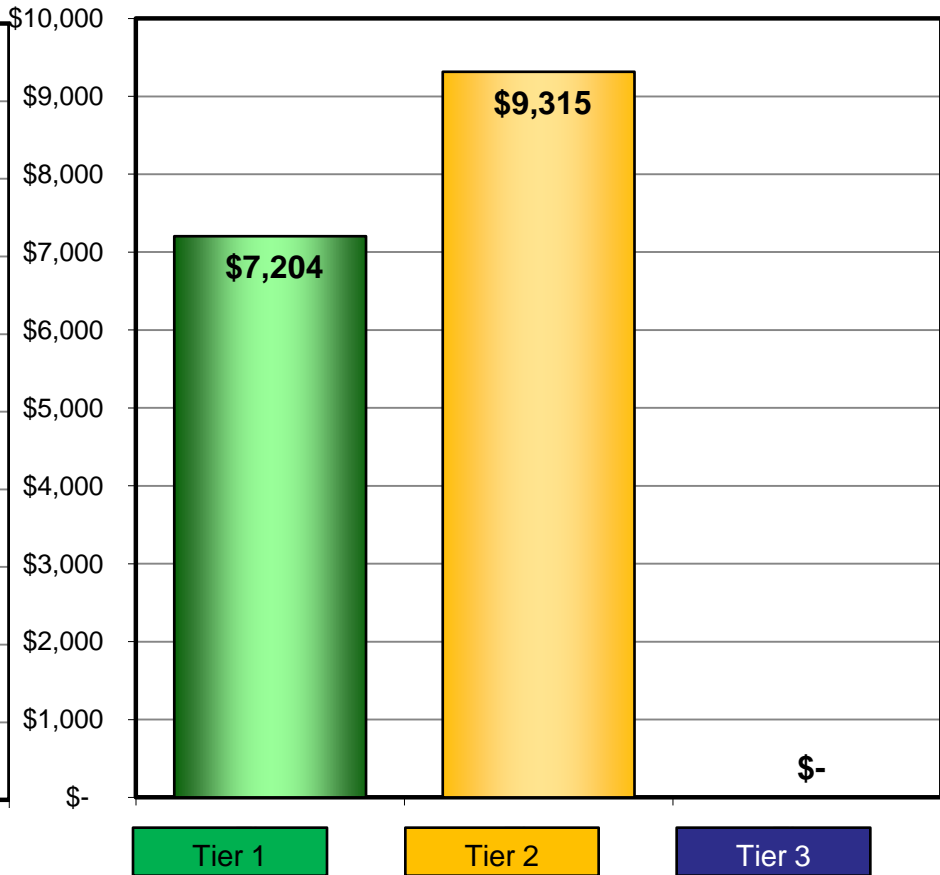


DCAA SES Average Performance Pay Adjustment and Bonus By Tier, FY10

Avg. FY10 Performance Pay Adjustment by Tier Level



Avg. FY10 Performance Bonus by Tier Level (Career Only)





DCAA Performance Payout Results at a Glance, FY07 – FY10

Results at a Glance (For Rated SES, unless otherwise noted):	FY07	FY08	FY09	FY10
Total Number (#) of SES/DISES Leaders	12	13	12	14
Total # Rated SES/DISES (career, non-career and limited term)	12	13	12	14
Number of Executives Rated/Not Rated	12 / 0	13 / 0	12 / 0	14 / 0
Performance Rating Levels	Level 2 (0%) Level 3 (25%) Level 4 (67%) Level 5 (8%)	Level 2 (0%) Level 3 (38%) Level 4 (54%) Level 5 (8%)	Level 2 (0%) Level 3 (25%) Level 4 (50%) Level 5 (25%)	Level 2 (0%) Level 3 (36%) Level 4 (50%) Level 5 (14%)
Total Salaries ALL SES (including Non-Rated SES)	\$1,784,665	\$1,980,891	\$1,892,475	\$2,275,461
Pay Pool Funding Factor (Pay Progression + PAEP + Performance Budget)	12%	Tier 1 – 7.8% Tier 2 – 13% Tier 3 – N/A	Tier 1 – 5.7% Tier 2 – 13% Tier 3 – N/A	Tier 1 – 5.75% Tier 2 – 6.75% Tier 3 – N/A
Pay Pool Value (Pay Pool Funding Factor X Total Salaries of all covered executives)	\$214,160	\$219,503	\$201,865	\$147,399
Unspent Pay Pool	\$5,198	\$47,975	\$2,321	\$25,437
Unspent Pay Pool (as % of Total Salaries)	0.3%	2.42%	0.1%	1.1%
Total Performance (Basic) Pay Increase Payouts	\$66,189	\$71,562	\$53,839	\$0
Avg. Performance (Basic) Pay Increase	\$5,516	\$5,505	\$4,487	\$0
Average Salary (after Performance Adjustments) (“New Basic Pay”)	\$154,238	\$157,881	\$162,193	\$162,533*
Number of Executives Paid Above Executive Level III (including Non-Rated SES)	5	5	5	6
Total Performance Pay Increase Payouts (as % of Total Salaries)	3.7%	3.61%	2.8%	0%
Total Performance Bonus Payouts (Career Only)	\$142,773	\$137,982	\$145,705	\$121,962
Avg. Bonus in dollars (\$) (Career Only, Zero Amounts Included)	\$15,864	\$10,614	\$12,142	\$8,712
Total Performance Bonus (as % of Total Salaries)	8.0%	7.0%	7.7%	5.4%
Percent of Rated SES Members Receiving a Bonus	75.0%	61.5%	75.0%	71.4%

While no performance-based pay increases occurred in FY 2010, the change in average salary is due to more onboard executives at DCAA

DFAS FY10



Legend For Following Sections

■ 2 ■ 3 ■ 4 ■ 5

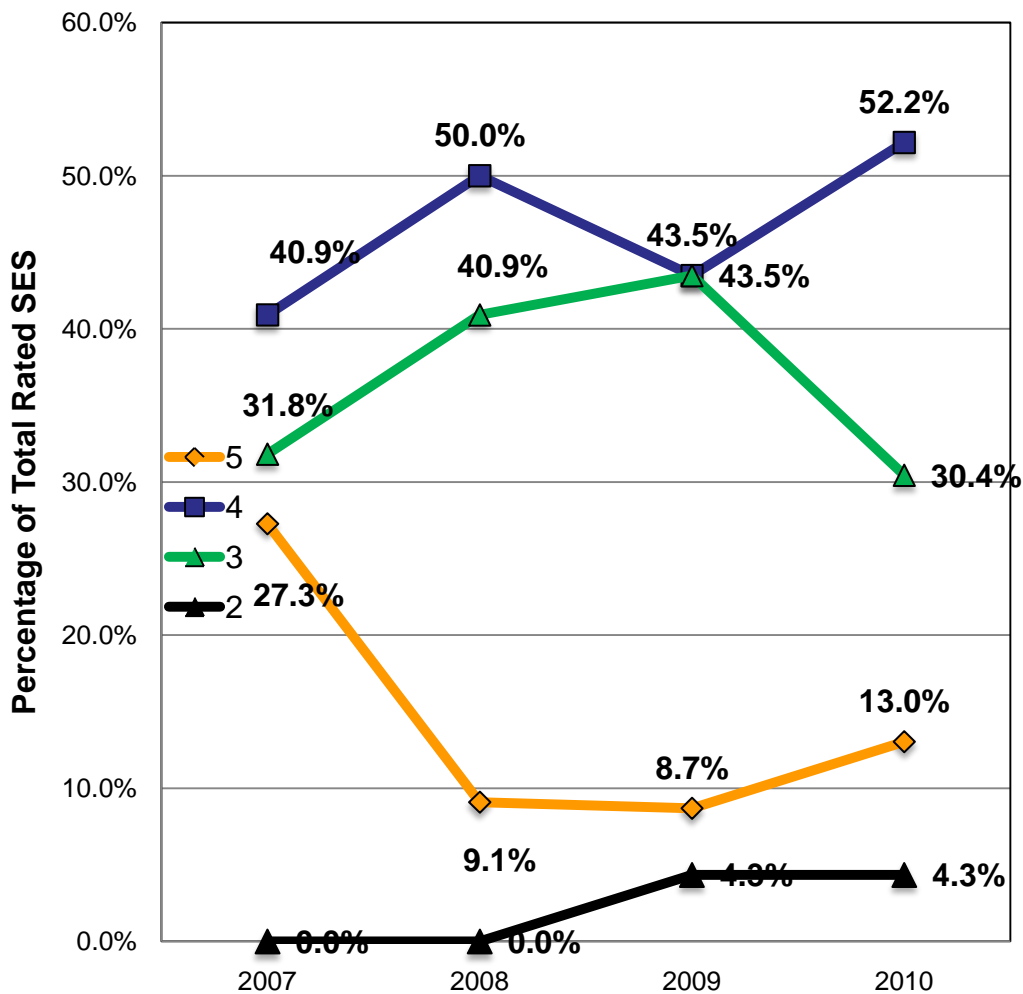
■ Tier1 ■ Tier2 ■ Tier3

■ 2005 ■ 2006 ■ 2007 ■ 2008 ■ 2009 ■ 2010

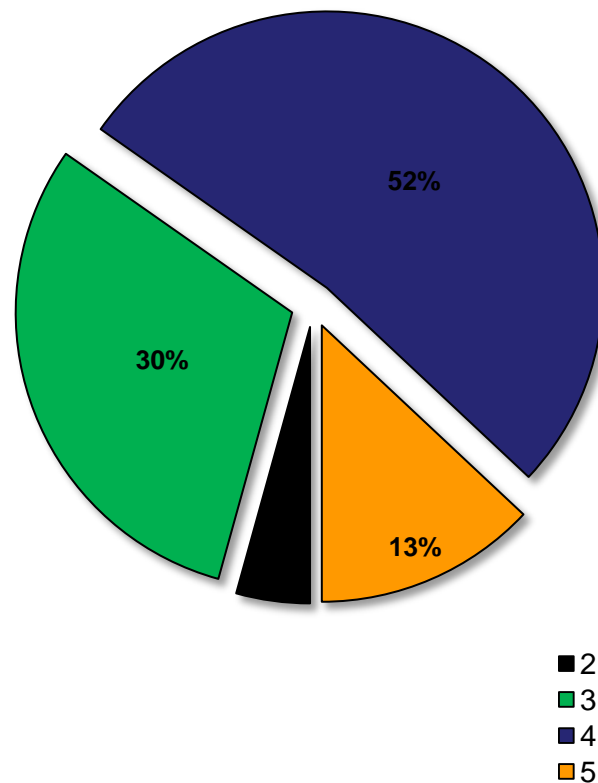


DFAS Ratings Year-to-Year Trends, FY07 – FY10

DFAS SES Ratings, FY07 – FY10

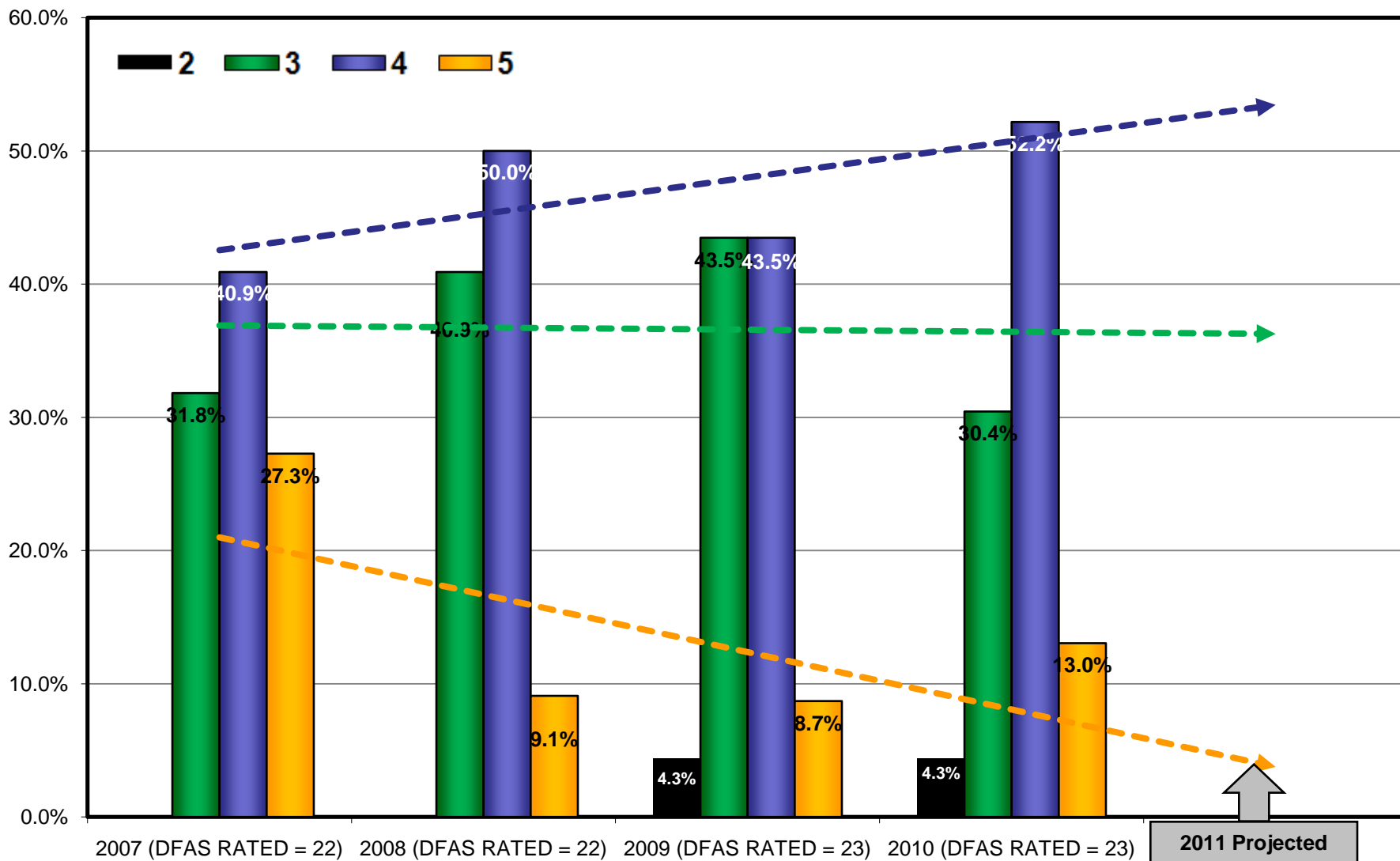


Avg. DFAS Ratings Distribution



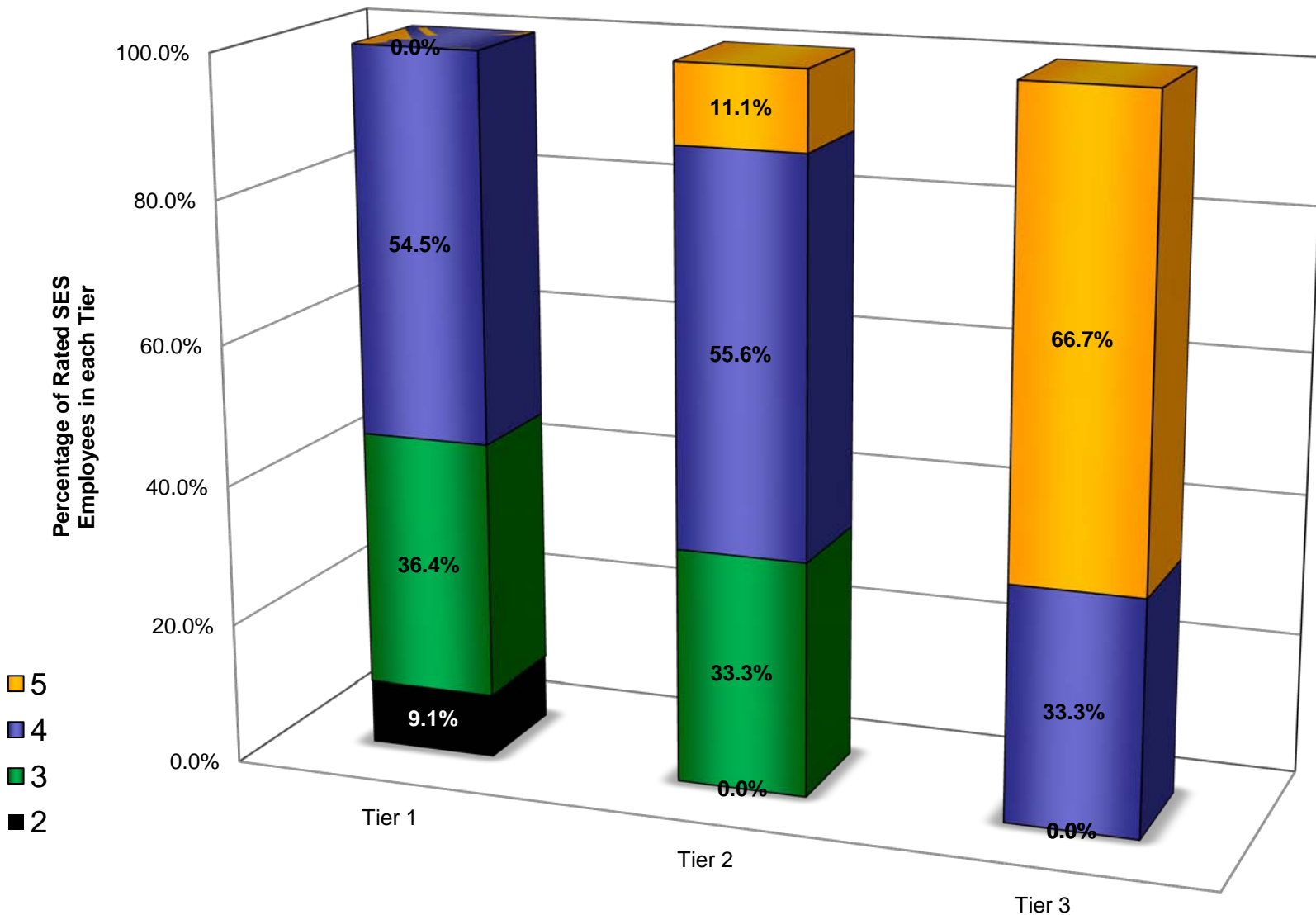


Distribution of DFAS SES Ratings Projected 1 Year Into Future, FY07 – FY10



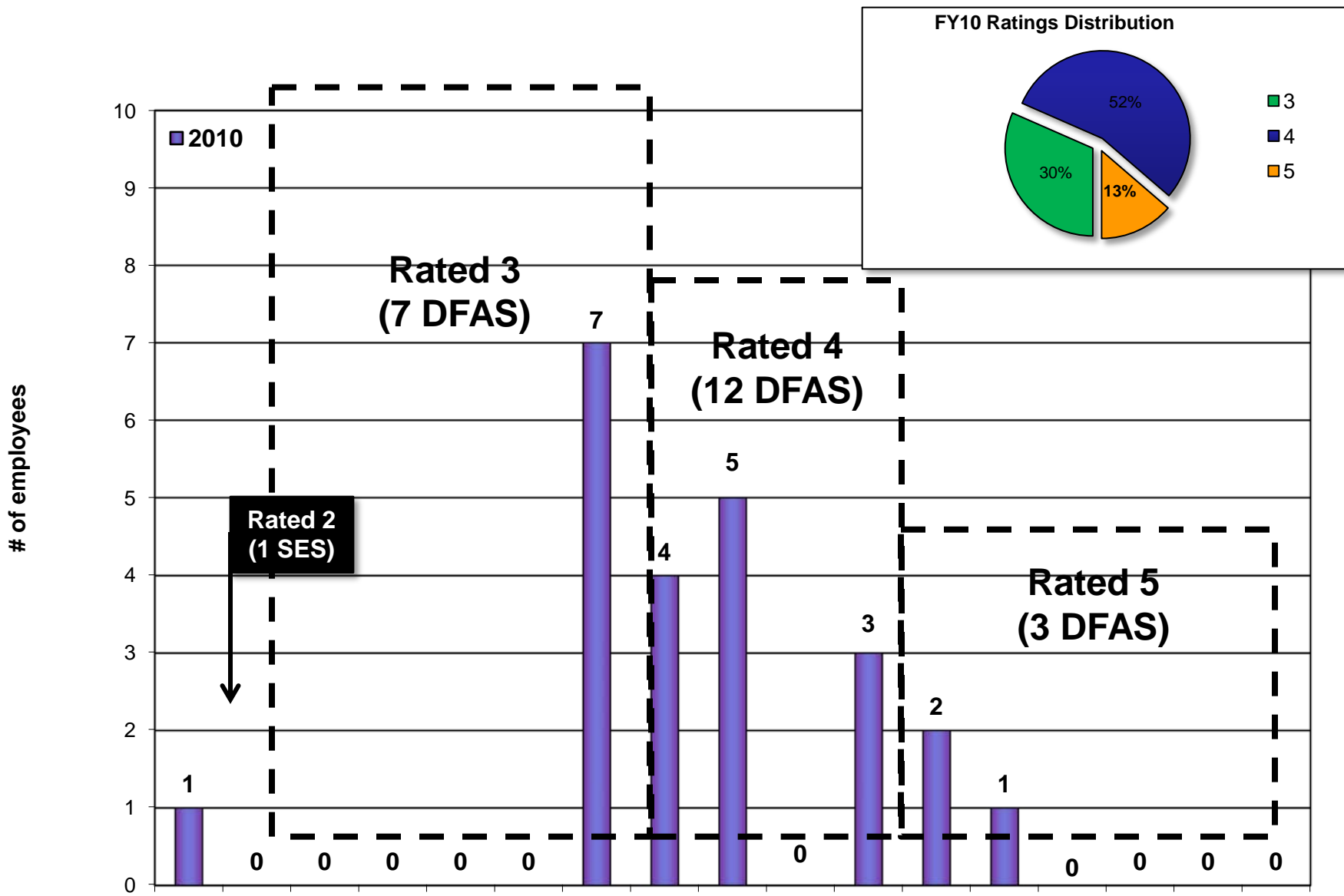


DFAS SES Ratings by Tier, FY10





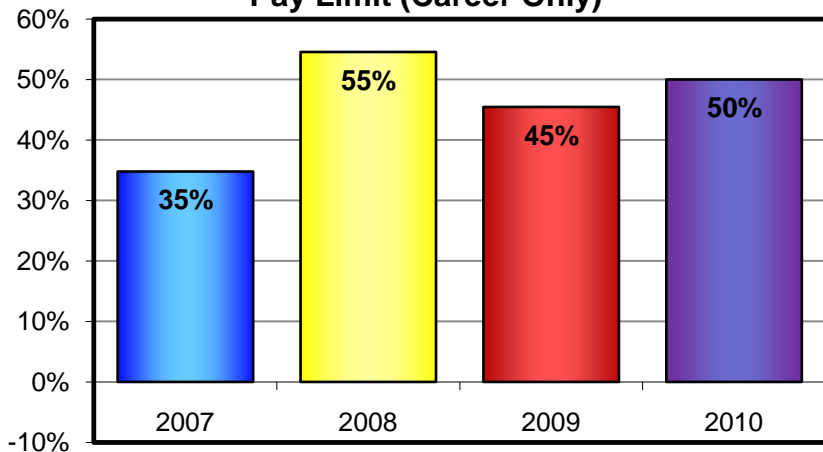
DFAS SES Share Distribution by Rating, FY10



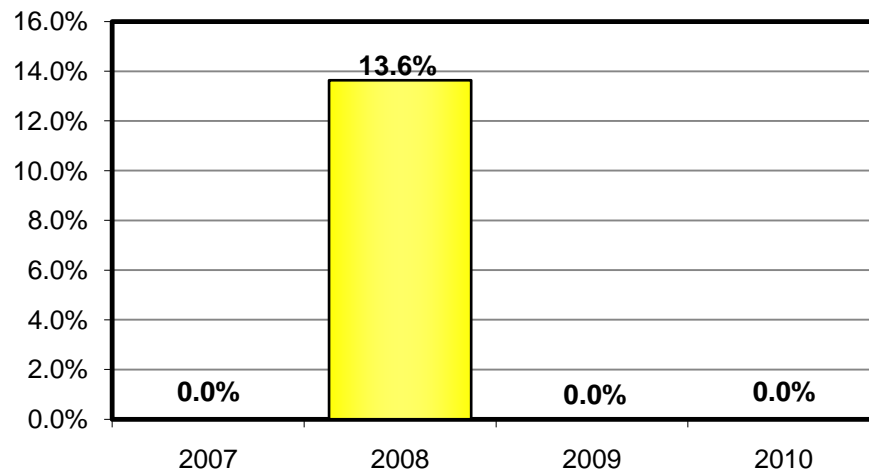


DFAS SES Average Basic Pay After Adjustment Trends, FY07 – FY10

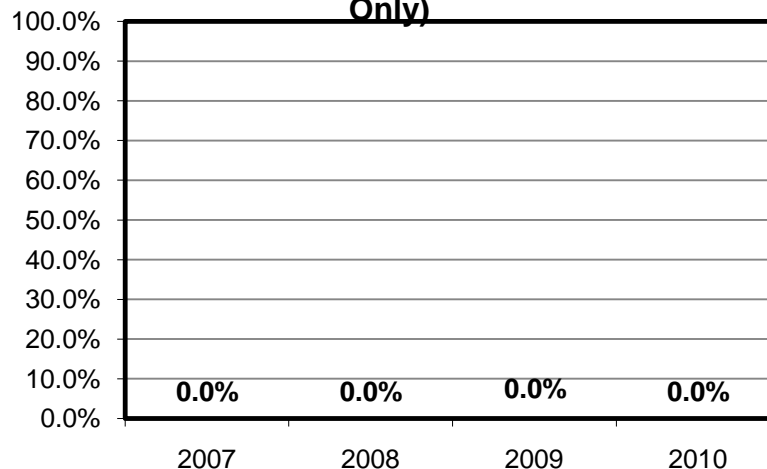
SES Salaries Above Exec. Level III Pay Limit (Career Only)



Tier 1, Over Exec. III Pay Limit (Career Only)



Tier 2, Over Tier 2 Pay Limit (Career Only)

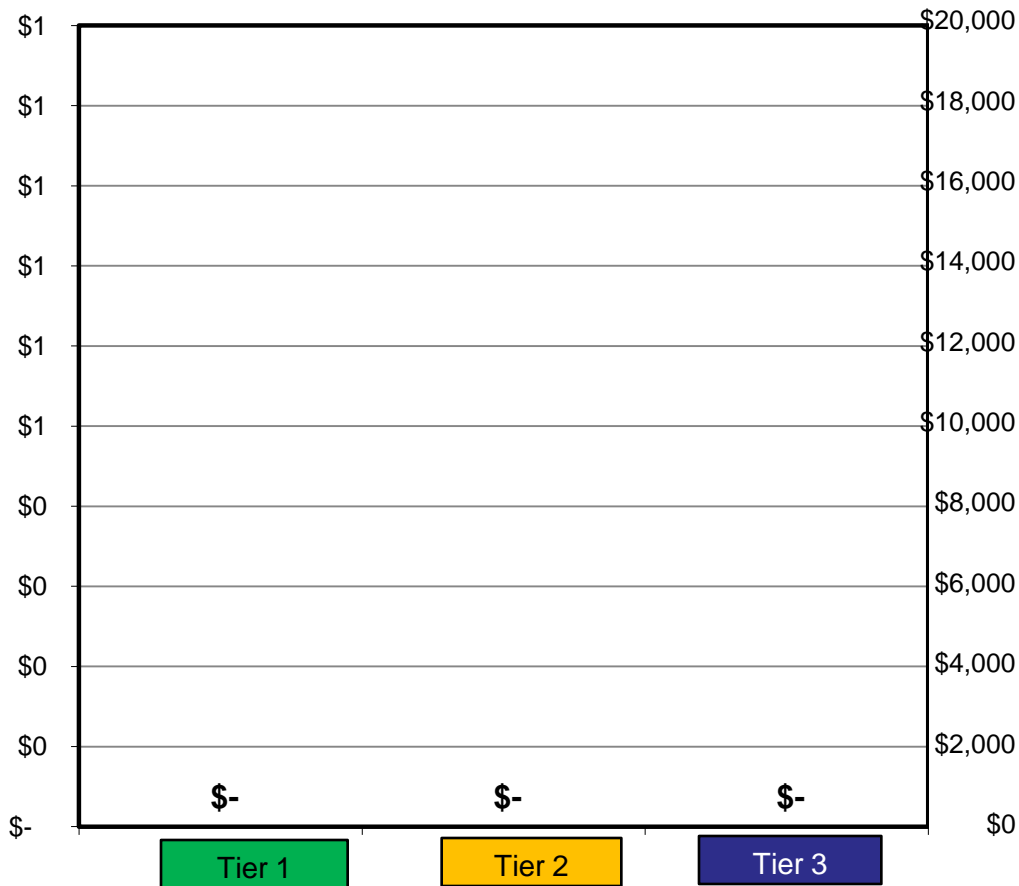


■ 2007 ■ 2008 ■ 2009 ■ 2010

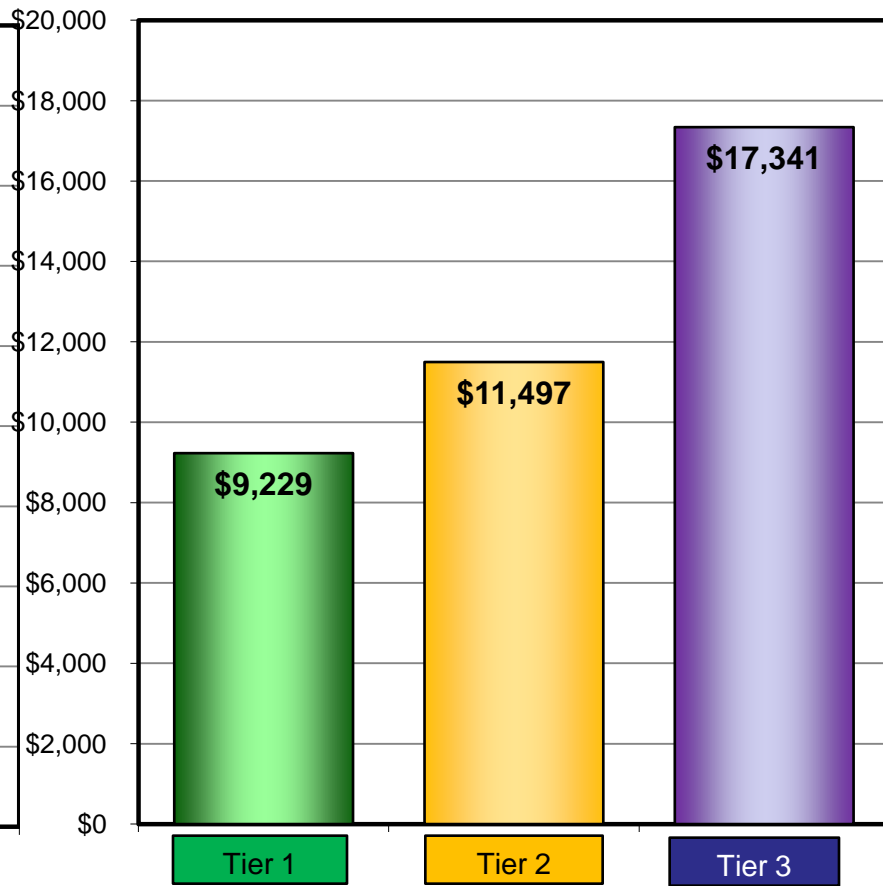


DFAS SES Average Performance Pay Adjustment and Bonus By Tier, FY10

Avg. FY10 Performance Pay Adjustment by Tier Level



Avg. FY10 Performance Bonus by Tier Level (Career Only)





DFAS Performance Payout Results at a Glance, FY07 – FY10

Results at a Glance (For Rated SES, unless otherwise noted):	FY07	FY08	FY09	FY10
Total Number (#) of SES/DISES Leaders	23	22	23	23
Total # Rated SES/DISES (career, non-career and limited term)	22	22	23	23
Number of Executives Rated/Not Rated	22 / 1	22 / 0	23 / 0	23 / 0
Performance Rating Levels	Level 2 (0%) Level 3 (32%) Level 4 (41%) Level 5 (27%)	Level 2 (0%) Level 3 (41%) Level 4 (50%) Level 5 (9%)	Level 2 (4%) Level 3 (44%) Level 4 (43%) Level 5 (9%)	Level 2 (4%) Level 3 (30%) Level 4 (52%) Level 5 (13%)
Total Salaries ALL SES (including Non-Rated SES)	\$3,299,265	\$3,429,209	\$3,711,015	\$3,831,974
Pay Pool Funding Factor (Pay Progression + PAEP + Performance Budget)	12%	Tier 1 – 11% Tier 2 – 13% Tier 3 – 17% DISES – 13%	Tier 1 – 11% Tier 2 – 13% Tier 3 – 17% DISES – 13%	Tier 1 – 5.75% Tier 2 – 6.75% Tier 3 – 9.75% DISES – 7.5%
Pay Pool Value (Pay Pool Funding Factor X Total Salaries of all covered executives)	\$395,912	\$422,797	\$482,432	\$287,398
Unspent Pay Pool	\$1,310	\$2,807	\$77,660	\$30,388
Unspent Pay Pool (as % of Total Salaries)	0.04%	0.1%	2.1%	0.8%
Total Performance (Basic) Pay Increase Payouts	\$134,791	\$120,077	\$104,781	\$0
Avg. Performance (Basic) Pay Increase	\$7,094	\$6,004	\$4,556	\$0
Average Salary (after Performance Adjustments) (“New Basic Pay”)	\$156,084	\$161,331	\$165,904	\$166,608*
Number of Executives Paid Above Executive Level III (including Non-Rated SES)	8	12	10	11
Total Performance Pay Increase Payouts (as % of Total Salaries)	4.1%	3.5%	2.8%	0%
Total Performance Bonus Payouts (Career Only)	\$259,811	\$299,913	\$299,991	\$257,010
Avg. Bonus in dollars (\$) (Career Only, Zero Amounts Included)	\$15,283	\$13,632	\$13,043	\$11,174
Total Performance Bonus (as % of Total Salaries)	7.9%	8.7%	8.1%	6.7%
Percent of Rated SES Members Receiving a Bonus	77.3%	100%	69.6%	96%

*While no performance-based pay adjustments were made for FY10, average salary has increased from FY09 due to initial pay setting for new hires.

DISA FY10



Legend For Following Sections

■ 2 ■ 3 ■ 4 ■ 5

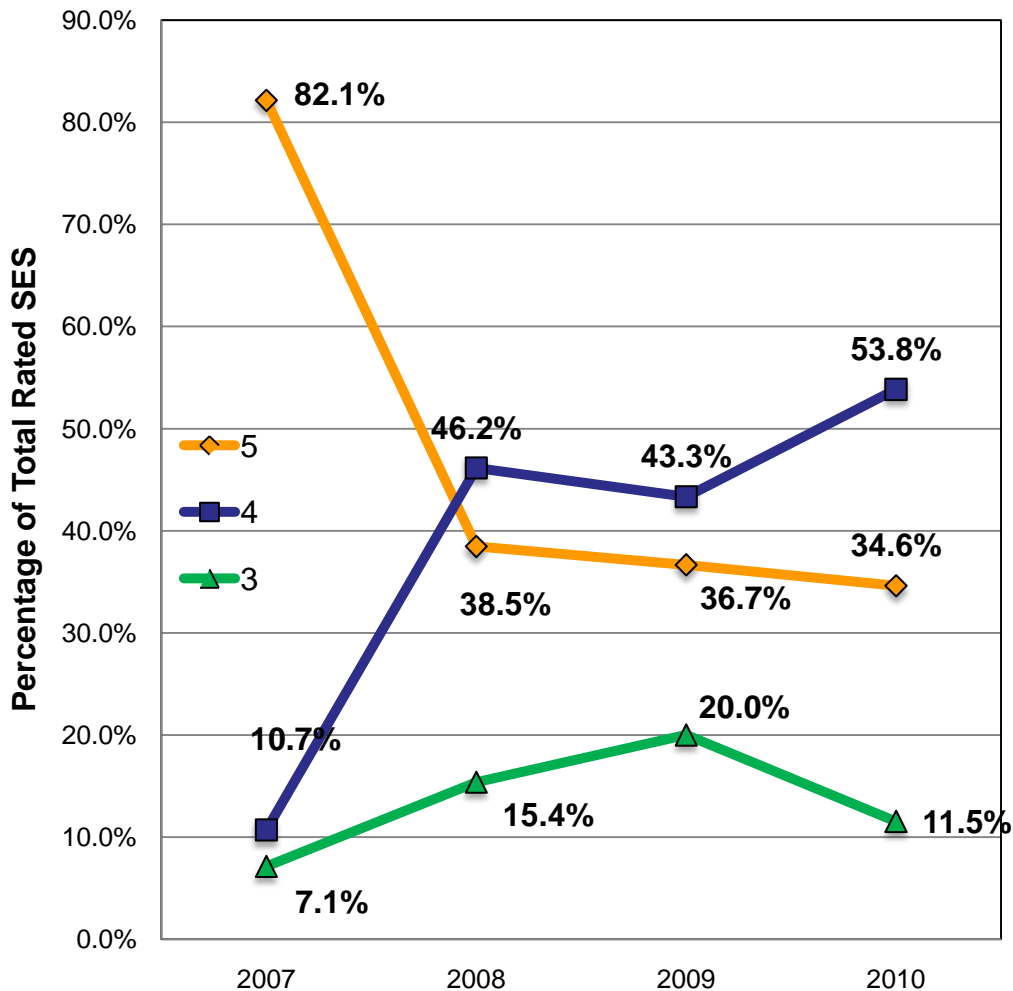
■ Tier1 ■ Tier2 ■ Tier3

■ 2005 ■ 2006 ■ 2007 ■ 2008 ■ 2009 ■ 2010

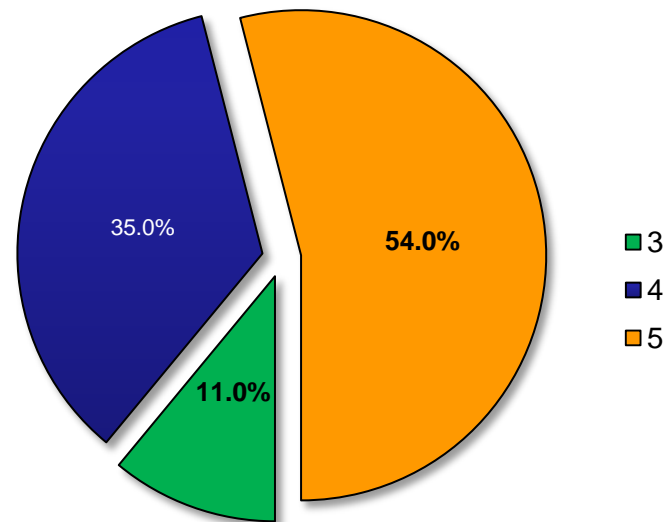


DISA Ratings Year-to-Year Trends, FY07 – FY10

DISA SES Ratings, FY07 – FY10

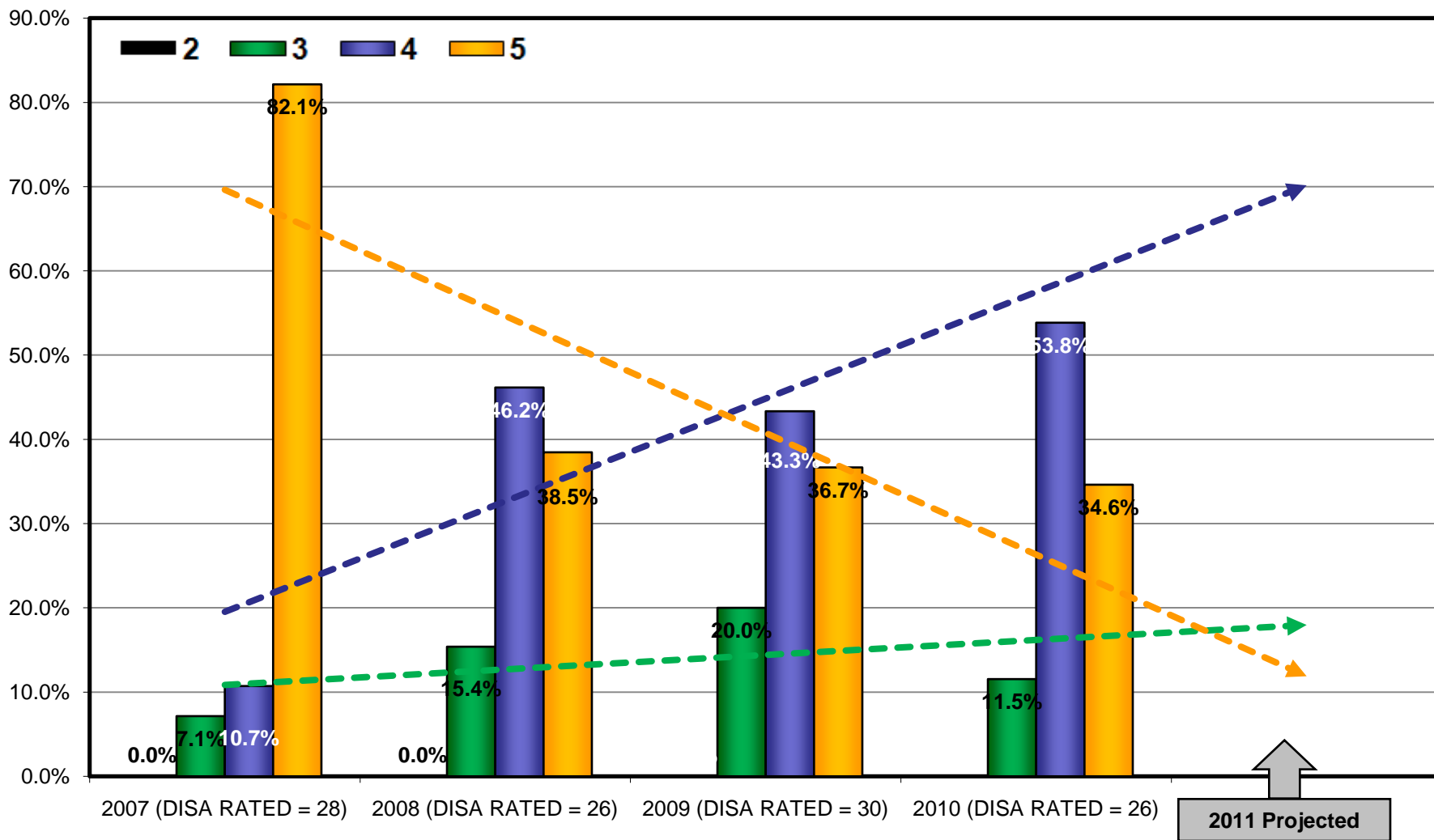


Avg. DISA Ratings Distribution



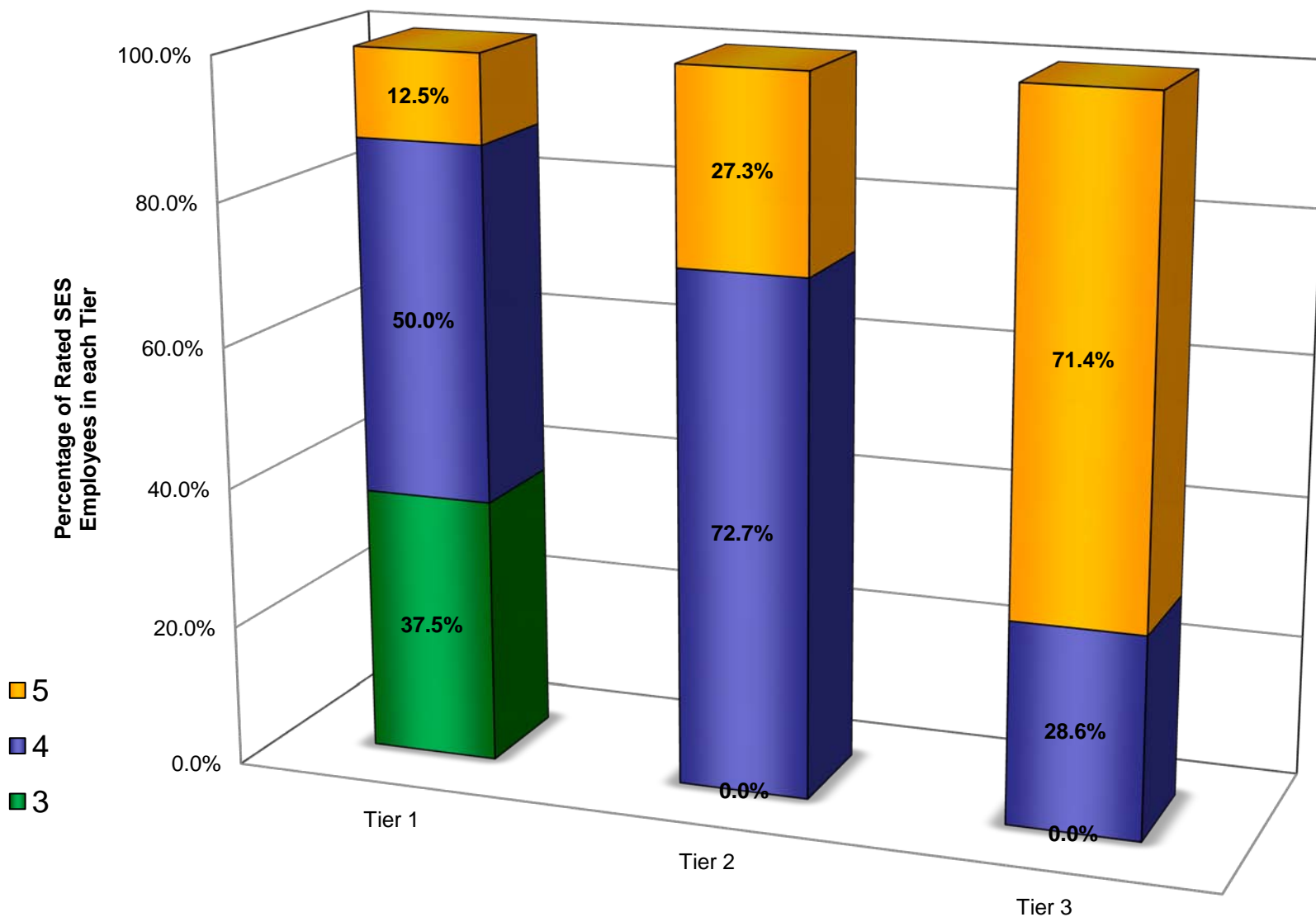


Distribution of DISA SES Ratings Projected 1 Year Into Future, FY07 – FY10



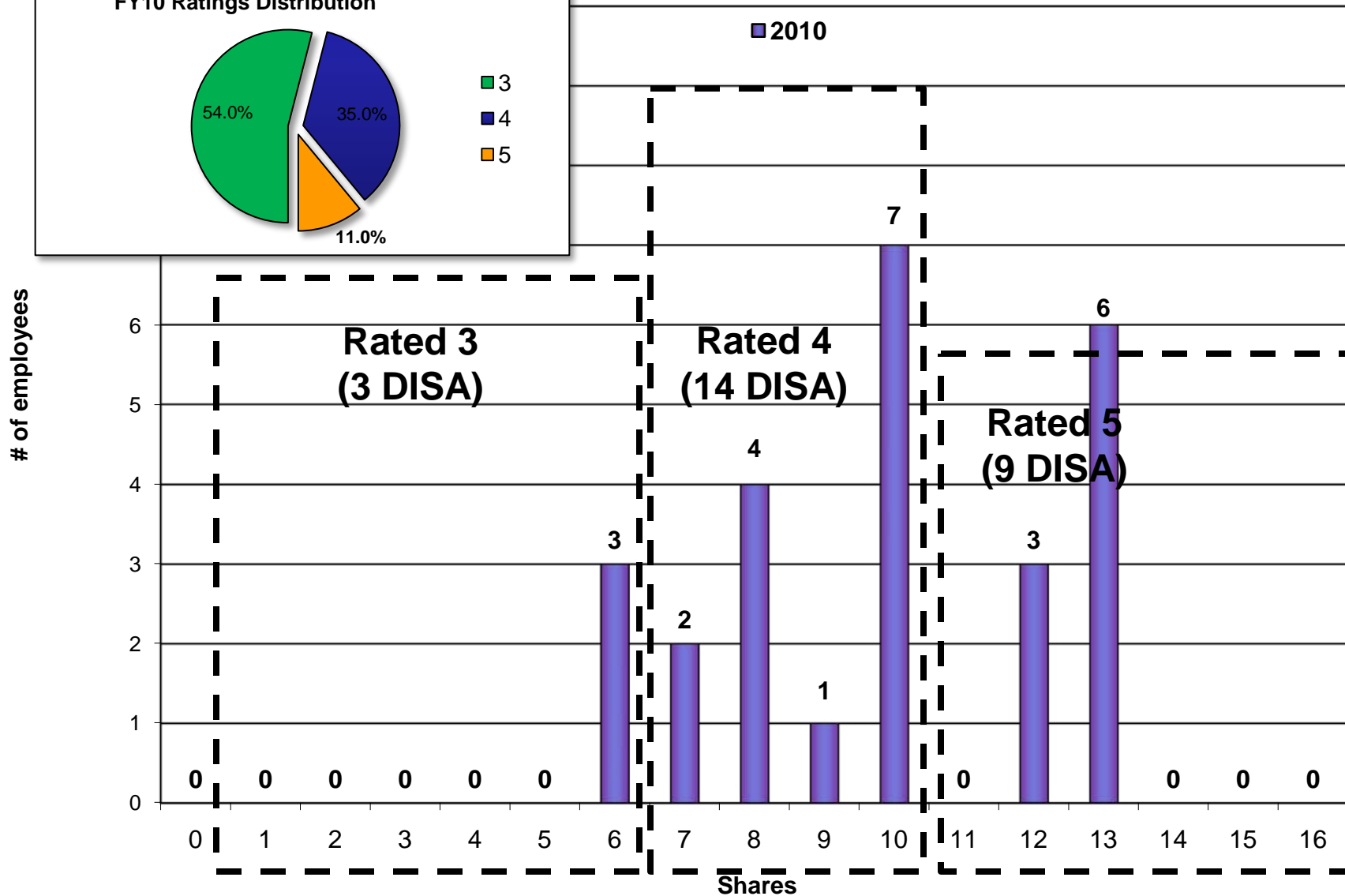
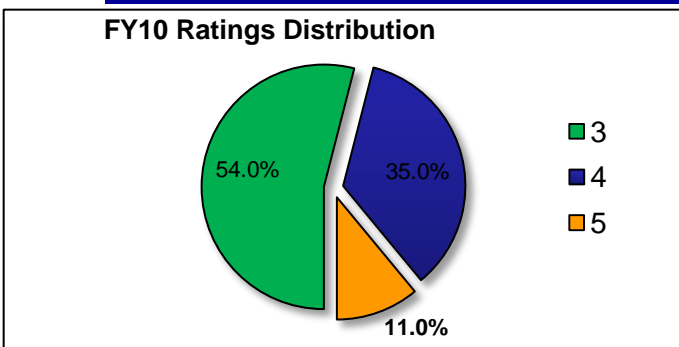


DISA SES Ratings by Tier, FY10





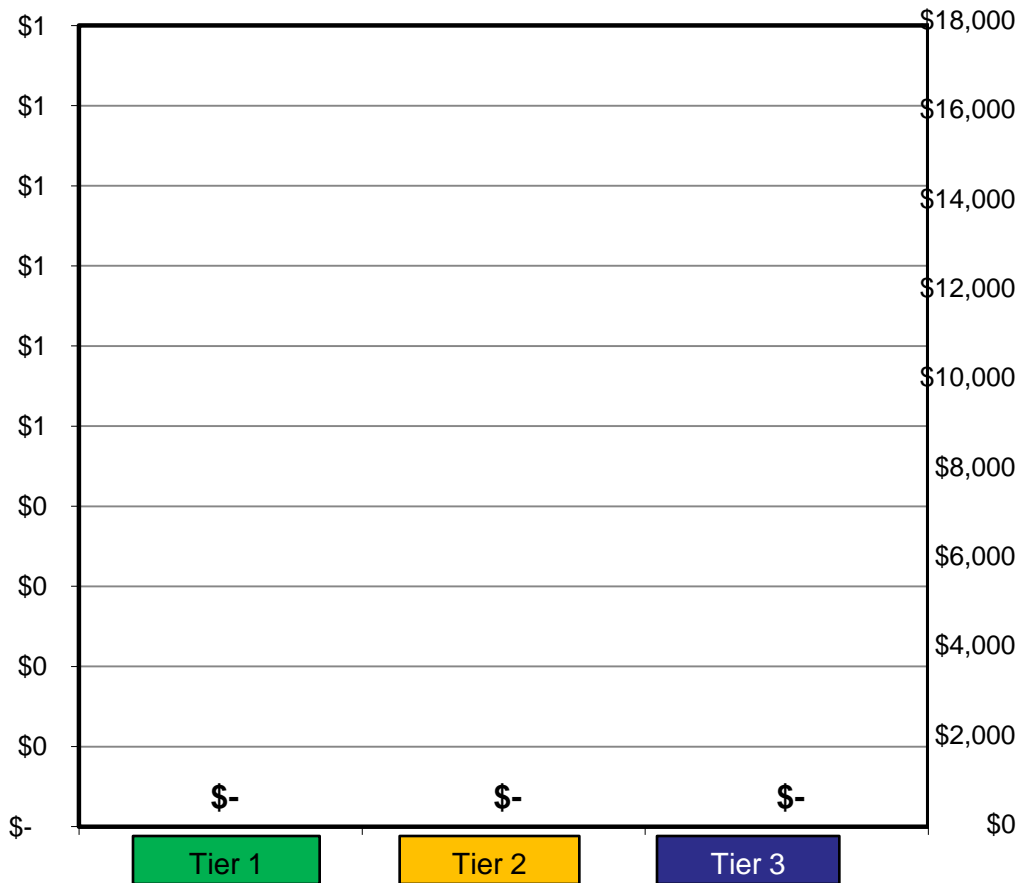
DISA SES Share Distribution by Rating, FY10



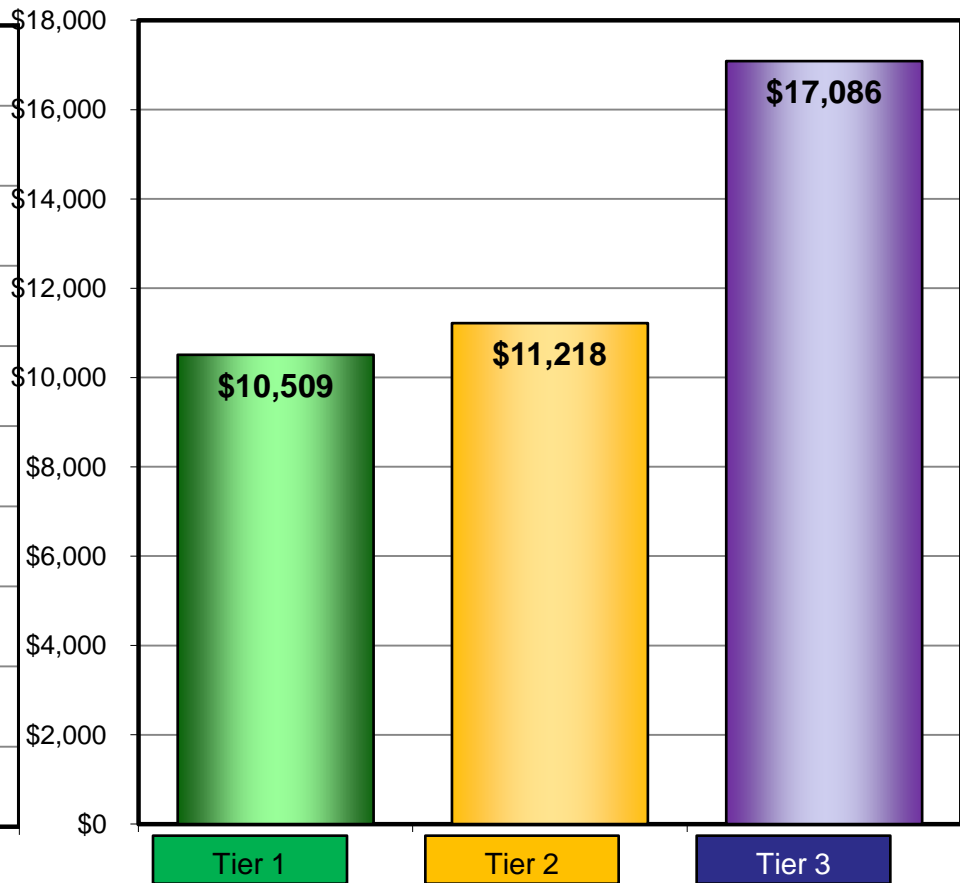


DISA SES Average Performance Pay Adjustment and Bonus By Tier, FY10

Avg. FY10 Performance Pay Adjustment by Tier Level



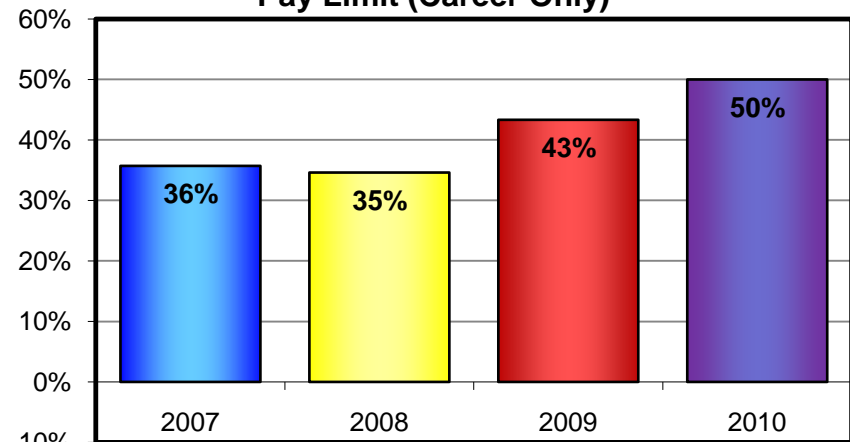
Avg. FY10 Performance Bonus by Tier Level (Career)



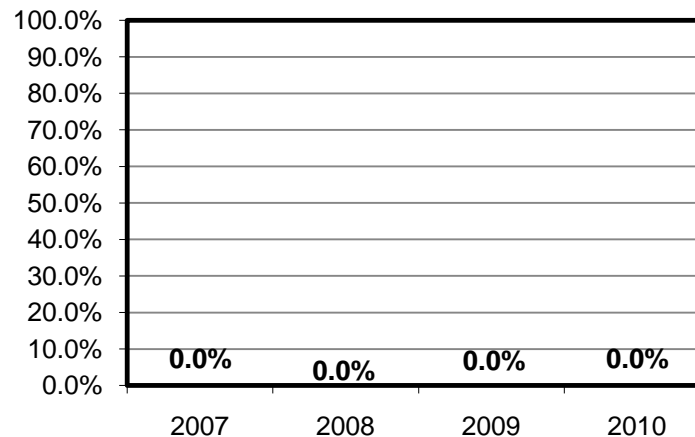


DISA SES Average Basic Pay After Adjustment Trends, FY07 – FY10

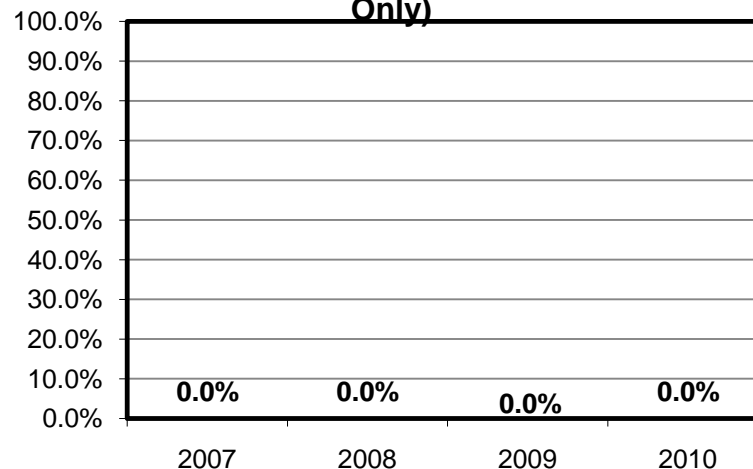
SES Salaries Above Exec. Level III Pay Limit (Career Only)



Tier 1, Over Exec. III Pay Limit (Career Only)



Tier 2, Over Tier 2 Pay Limit (Career Only)



■ 2007 ■ 2008 ■ 2009 ■ 2010



DISA Performance Payout Results at a Glance, FY07 – FY10

Results at a Glance (For Rated SES, unless otherwise noted):	FY07	FY08	FY09	FY10
Total Number (#) of SES/DISES Leaders	28	26	30	27
Total # Rated SES/DISES (career, non-career and limited term)	28	26	30	26
Number of Executives Rated/Not Rated	28 / 0	26 / 0	30 / 0	26/1
Performance Rating Levels	Level 2 (0%) Level 3 (7%) Level 4 (11%) Level 5 (82%)	Level 2 (0%) Level 3 (15%) Level 4 (46%) Level 5 (39%)	Level 2 (0%) Level 3 (20%) Level 4 (43%) Level 5 (37%)	Level 2 (0%) Level 3 (11.5%) Level 4 (53.8%) Level 5 (34.6%)
Total Salaries ALL SES (including Non-Rated SES)	\$4,214,326	\$4,041,113	\$4,841,938	\$4,516,820
Pay Pool Funding Factor (Pay Progression + PAEP + Performance Budget)	12%	Tier 1 – 11% Tier 2 – 13% Tier 3 – 17% DISES – 13%	Tier 1 – 11% Tier 2 – 13% Tier 3 – 17% DISES – 13%	Tier 1 – 5.75% Tier 2 – 6.75% Tier 3 – 9.75% DISES – X%
Pay Pool Value (Pay Pool Funding Factor X Total Salaries of all covered executives)	\$505,719	\$546,523	\$645,502	\$338,762
Unspent Pay Pool	\$7,486	\$21,200	\$16,099	\$11,696.45
Unspent Pay Pool (as % of Total Salaries)	0.2%	0.5%	0.3%	.26%
Total Performance (Basic) Pay Increase Payouts	\$161,087	\$154,068	\$161,031	\$0
Avg. Performance (Basic) Pay Increase	\$6,196	\$6,163	\$5368	\$0
Average Salary (after Performance Adjustments) (“New Basic Pay”)	\$156,265	\$161,353	\$166,766	\$167,290
Number of Executives Paid Above Executive Level III (including Non-Rated SES)	10	9	13	13
Total Performance Pay Increase Payouts (as % of Total Salaries)	3.8%	3.8%	3.3%	0%
Total Performance Bonus Payouts (Career Only)	\$337,146	\$371,255	\$468,372	\$327,065
Avg. Bonus in dollars (\$) (Career Only, Zero Amounts Included)	\$12,041	\$14,279	\$15,612	\$12,579
Total Performance Bonus (as % of Total Salaries)	8.0%	9.2%	9.7%	7.24%
Percent of Rated SES Members Receiving a Bonus	100%	100%	100%	100%

While no performance-based pay increases occurred in FY 2010, the change in average salary is due to initial pay setting as a result of executive turnover at DISA

DLA FY10



Legend For Following Sections

■ 2 ■ 3 ■ 4 ■ 5

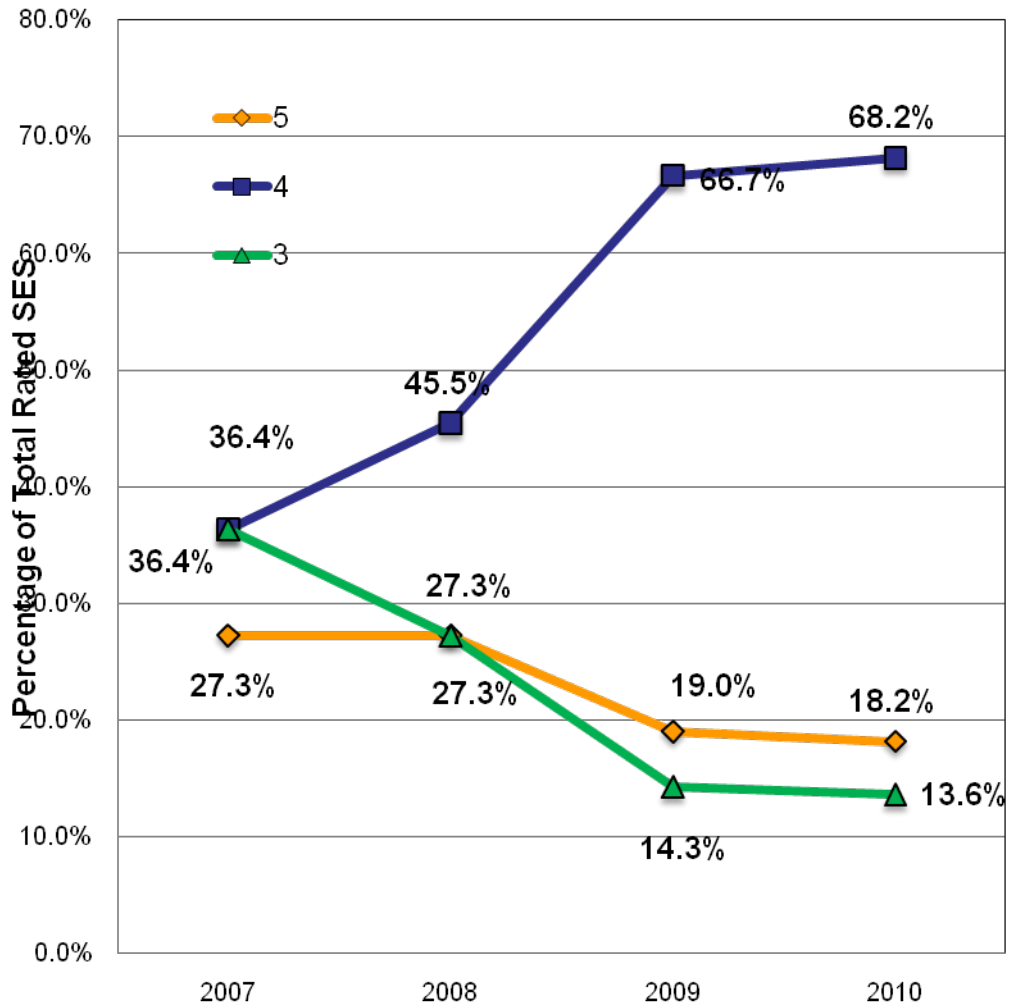
■ Tier1 ■ Tier2 ■ Tier3

■ 2005 ■ 2006 ■ 2007 ■ 2008 ■ 2009 ■ 2010

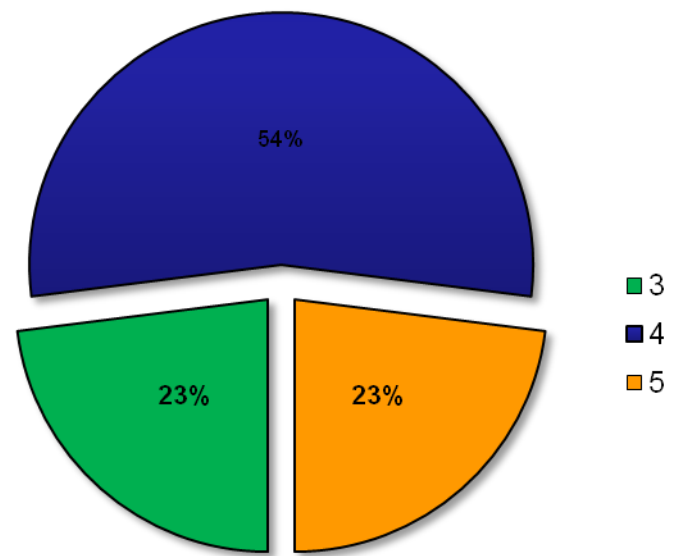


DLA Ratings Year-to-Year Trends, FY07 – FY10

DLA SES Ratings, FY07 – FY10

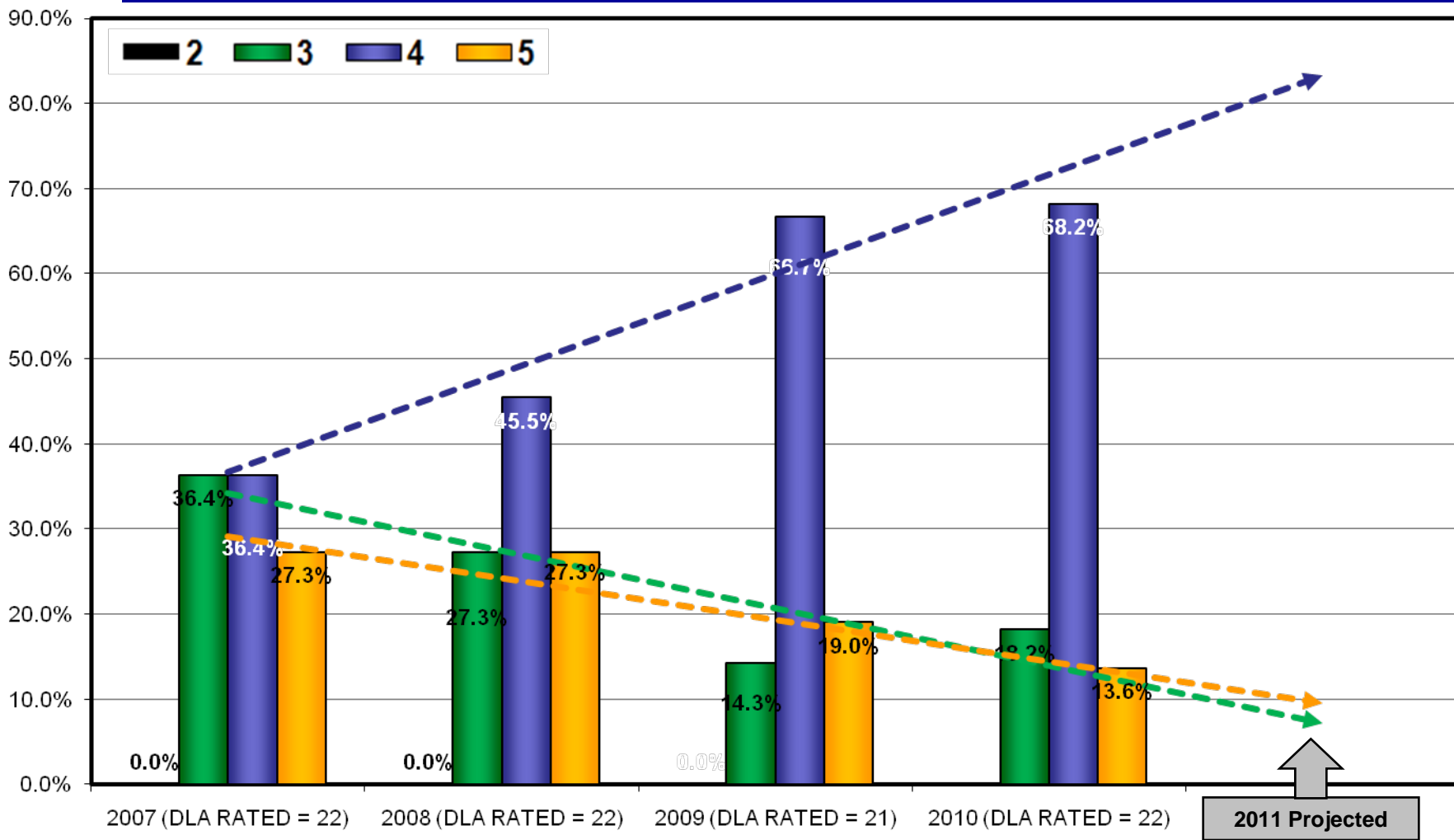


Avg. DLA Ratings Distribution



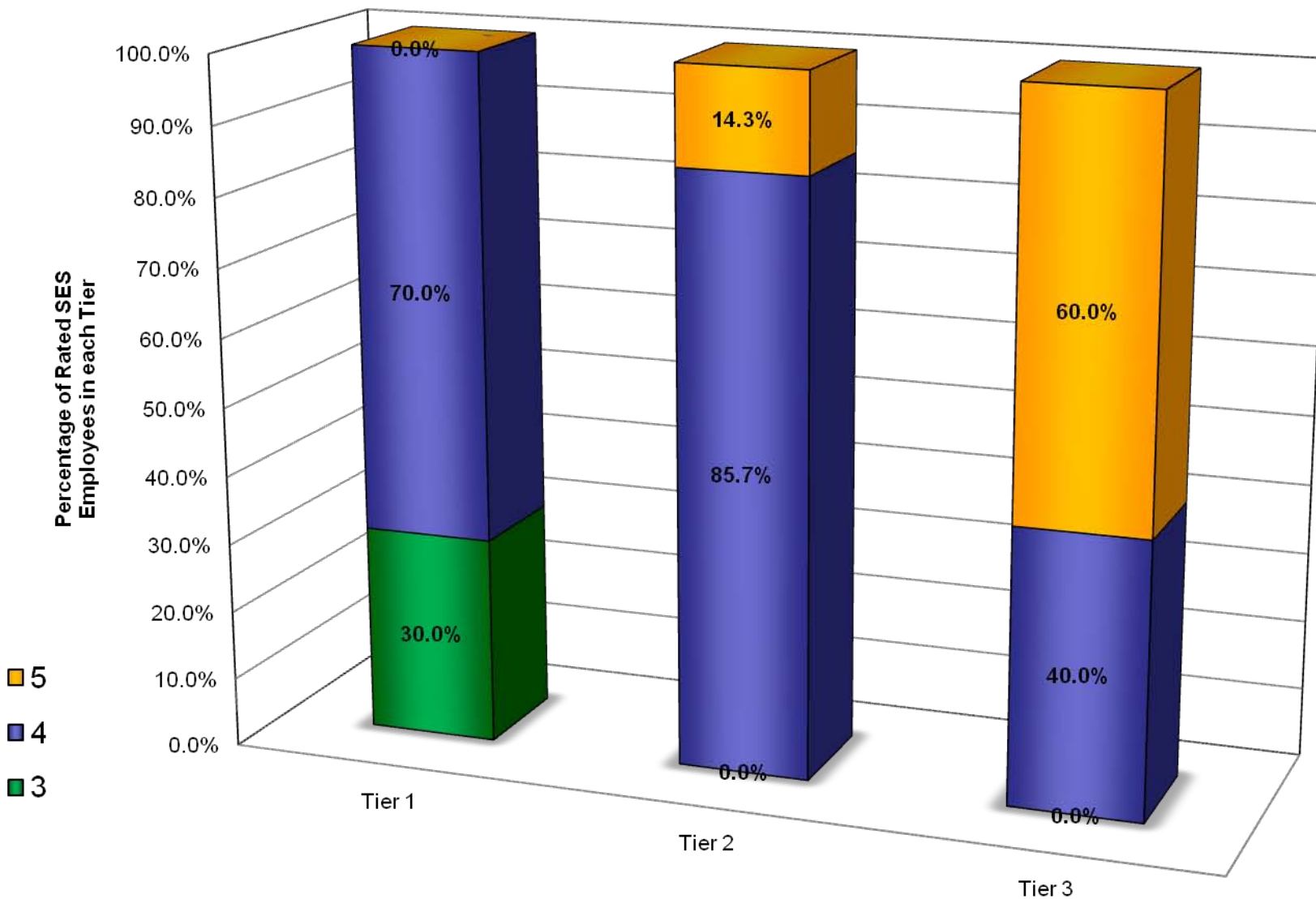


Distribution of DLA SES Ratings Projected 1 Year Into Future, FY07 – FY10



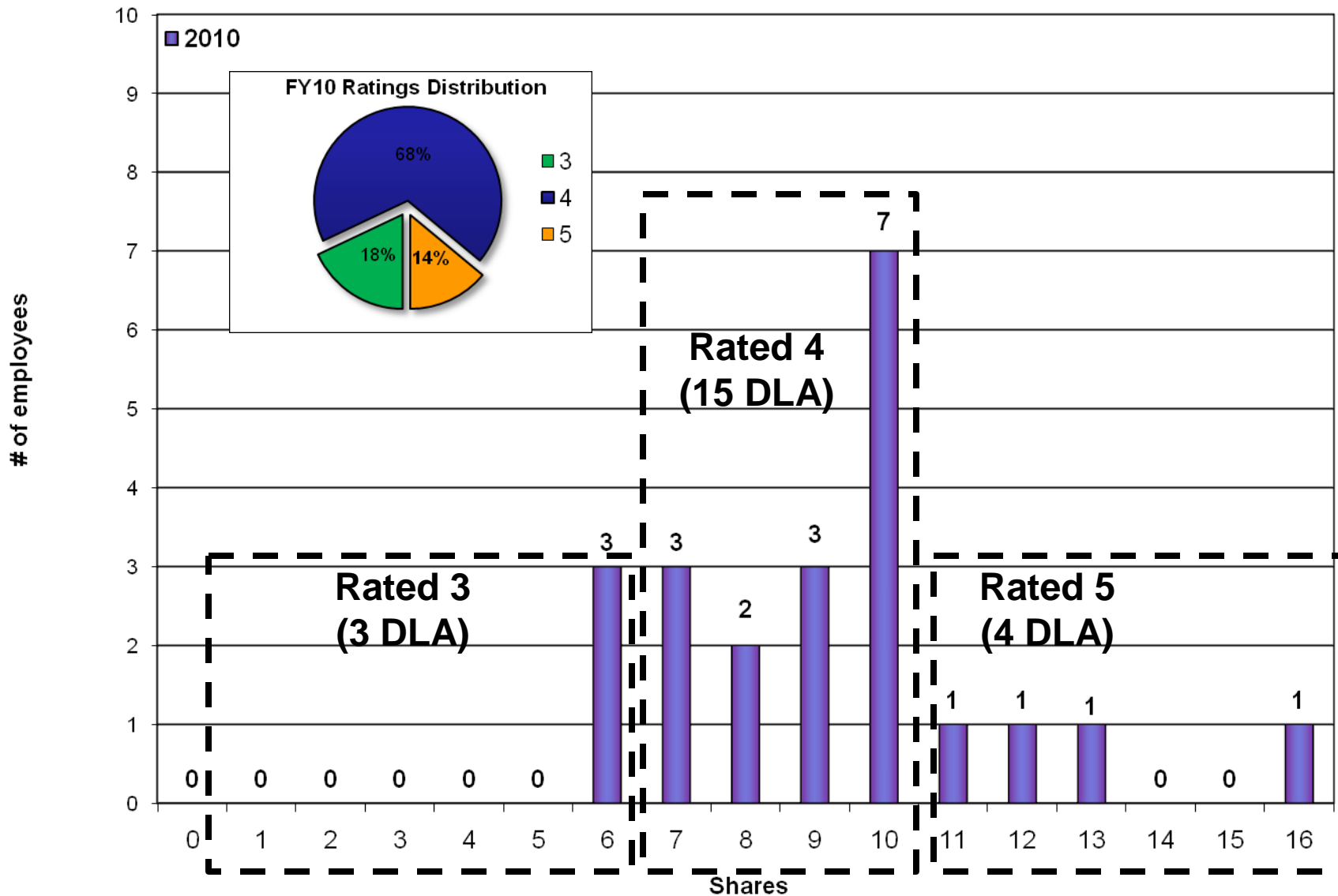


DLA SES Ratings by Tier, FY10





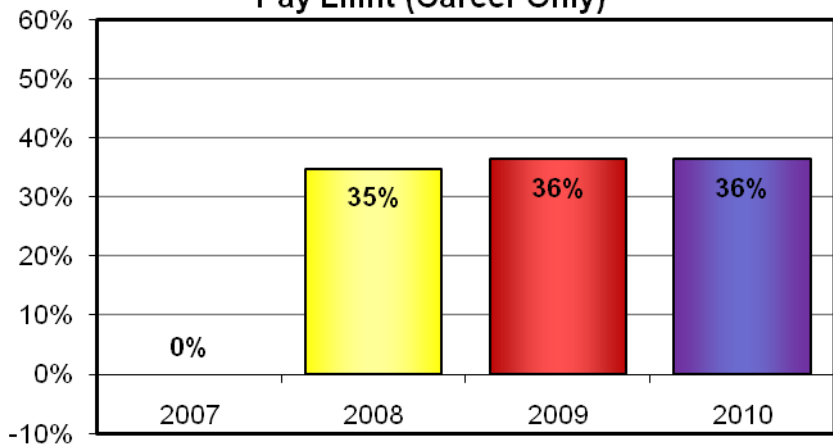
DLA SES Share Distribution by Rating, FY10



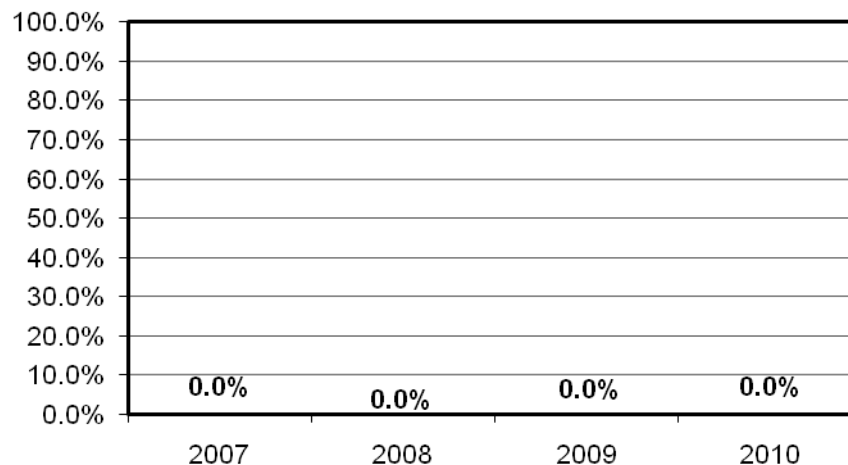


DLA SES Average Basic Pay After Adjustment Trends, FY07 – FY10

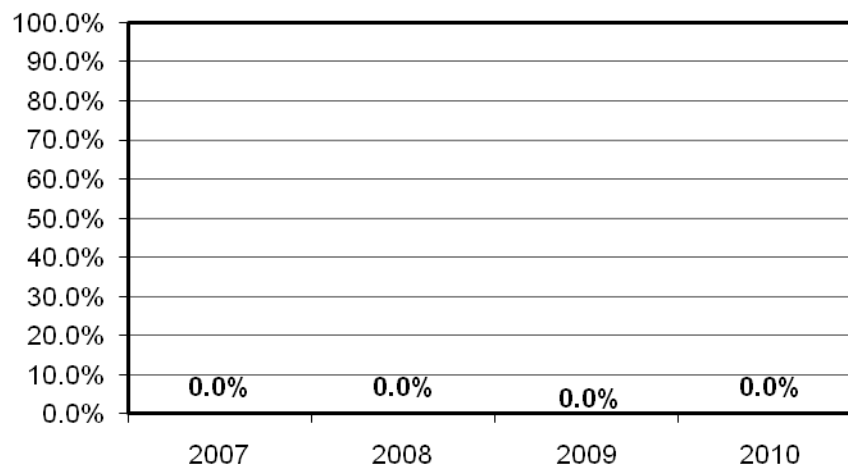
SES Salaries Above Exec. Level III Pay Limit (Career Only)



Tier 1, Over Exec. III Pay Limit (Career Only)



Tier 2, Over Tier 2 Pay Limit (Career Only)

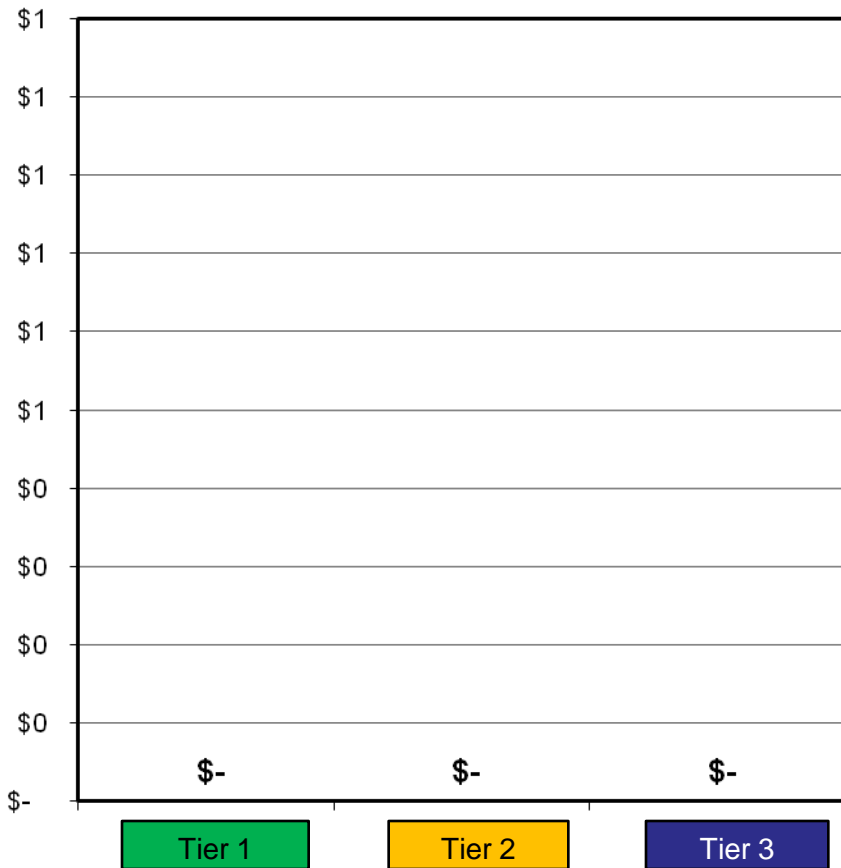


■ 2007 ■ 2008 ■ 2009 ■ 2010

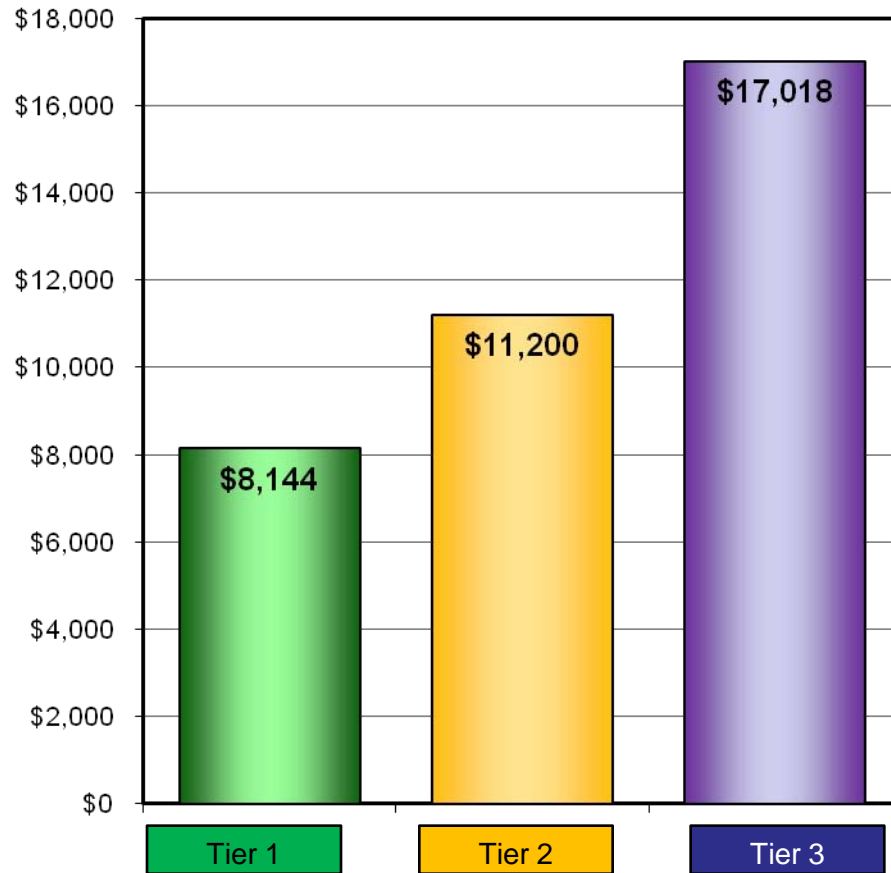


DLA SES Average Performance Pay Adjustment and Bonus By Tier, FY10

Avg. FY10 Performance Pay Adjustment by Tier Level



Avg. FY10 Performance Bonus by Tier Level (Career Only)





DLA Performance Payout Results at a Glance, FY07 – FY10

Results at a Glance (For Rated SES, unless otherwise noted):	FY07	FY08	FY09	FY10
Total Number (#) of SES/DISES Leaders	22	23	22	23
Total # Rated SES/DISES (career, non-career and limited term)	22	22	21	22
Number of Executives Rated/Not Rated	22 / 0	22 / 1	21 / 1	22 / 1
Performance Rating Levels	Level 2 (0%) Level 3 (36%) Level 4 (36%) Level 5 (27%)	Level 2 (0%) Level 3 (27%) Level 4 (46%) Level 5 (27%)	Level 2 (0%) Level 3 (14%) Level 4 (67%) Level 5 (19%)	Level 2 (0%) Level 3 (14%) Level 4 (68%) Level 5 (18%)
Total Salaries ALL SES (included Non-Rated SES)	\$3,339,751	\$3,542,000	\$3,480,050	\$3,779,558
Pay Pool Funding Factor (Pay Progression + PAEP + Performance Budget)	12%	Tier 1 – 11% Tier 2 – 13% Tier 3 – 17% DISES – 13%	Tier 1 – 11% Tier 2 – 13% Tier 3 – 17% DISES – 13%	Tier 1 – 5.75% Tier 2 – 6.75% Tier 3 – 9.75% DISES – NA%
Pay Pool Value (Pay Pool Funding Factor X Total Salaries of all covered executives)	\$400,770	\$464,284	\$452,407	\$283,467
Unspent Pay Pool	\$22,692	\$23,897	\$2,197	\$38,535
Unspent Pay Pool (as % of Total Salaries)	0.7%	0.7%	0.06%	1.02%
Total Performance (Basic) Pay Increase Payouts	\$88,649	\$115,650	\$124,463	\$0
Avg. Performance (Basic) Pay Increase	\$4,221	\$5,783	\$7,779	\$0
Average Salary (after Performance Adjustments) (“New Basic Pay”)	\$155,836	\$159,028	\$163,842	\$164,418*
Number of Executives Paid Above Executive Level III (including Non-Rated SES)	6	8	8	9
Total Performance Pay Increase Payouts (as % of Total Salaries)	2.7%	3.3%	3.6%	0%
Total Performance Bonus Payouts (Career Only)	\$289,429	\$325,457	\$325,747	\$244,932
Avg. Bonus in dollars (\$) (Career Only, Zero Amounts Included)	\$20,674	\$17,091	\$15,512	\$11,133
Total Performance Bonus (as % of Total Salaries)	8.7%	9.2%	9.4%	6.48%
Percent of Rated SES Members Receiving a Bonus	63.9%	86.4%	100%	90.9%

While no performance-based pay increases occurred in FY 2010, the change in average salary is due to more onboard executives at DLA and 2 out of cycle pay adjustments to positions with greater scope

DTRA FY10



Legend For Following Sections

■ 2 ■ 3 ■ 4 ■ 5

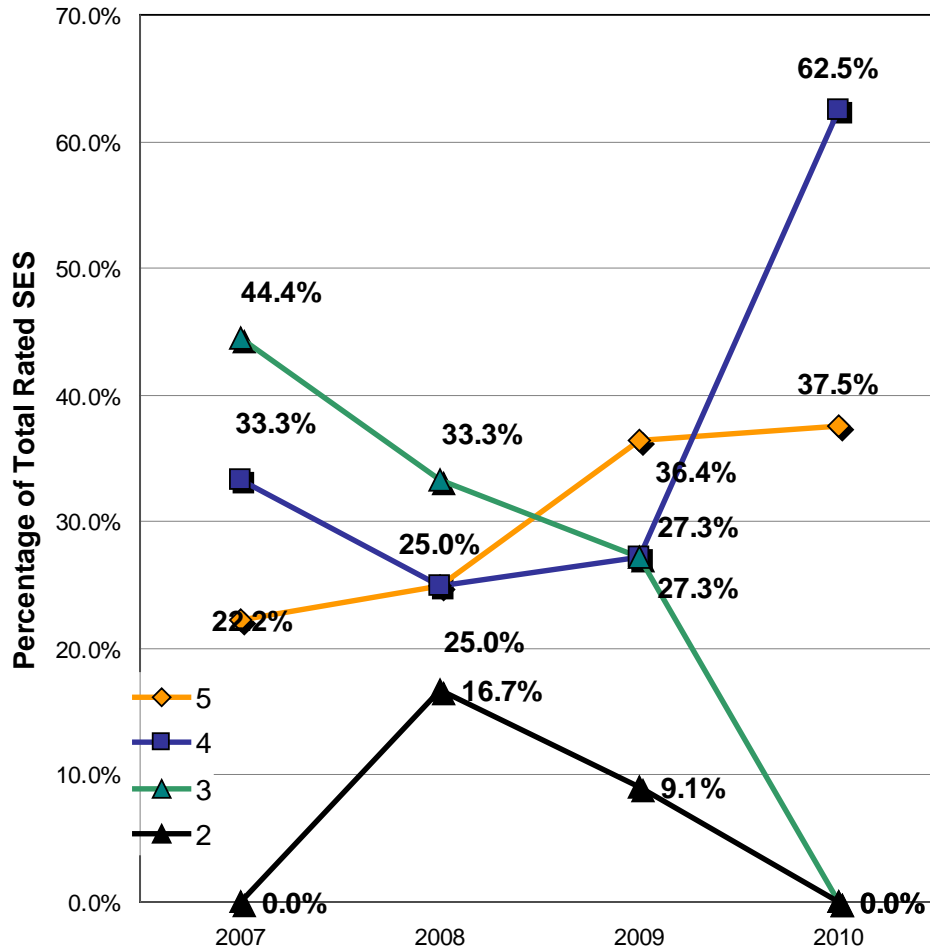
■ Tier1 ■ Tier2 ■ Tier3

■ 2005 ■ 2006 ■ 2007 ■ 2008 ■ 2009 ■ 2010

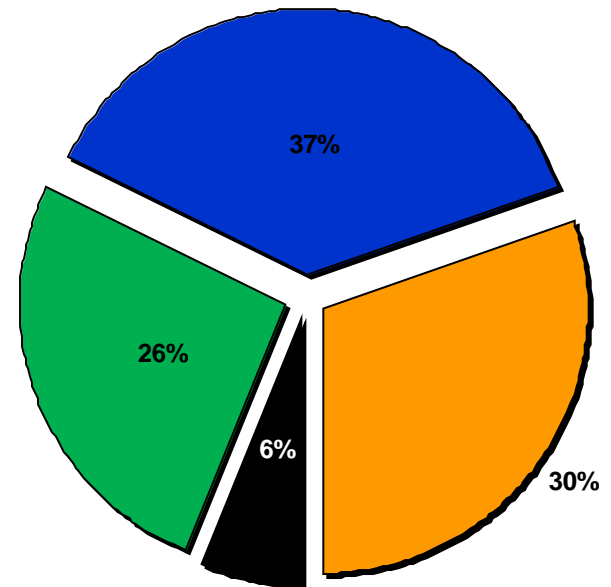


DTRA Ratings Year-to-Year Trends, FY07 – FY10

DTRA SES Ratings, FY07 – FY10

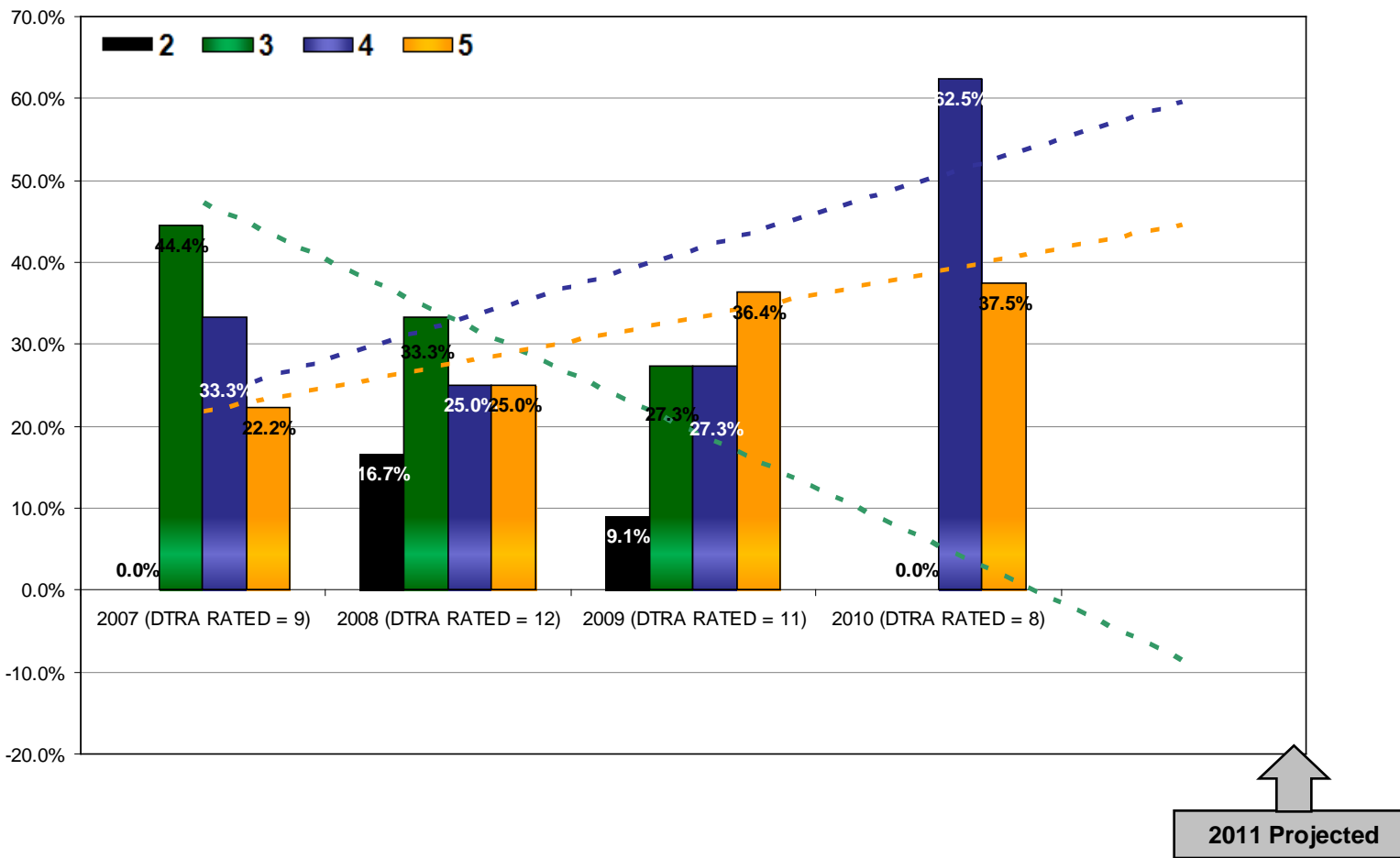


Avg. DTRA Ratings Distribution



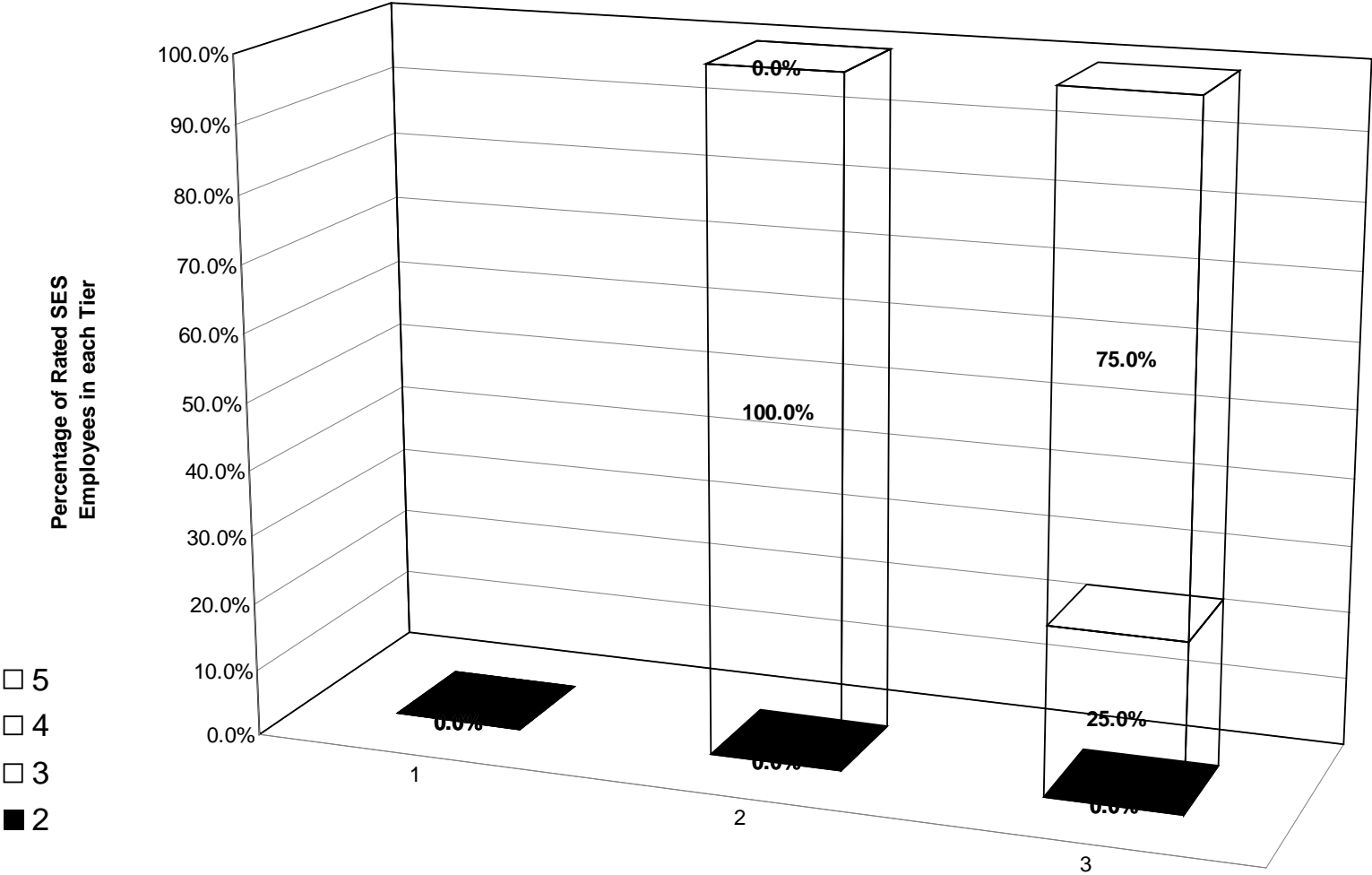


Distribution of DTRA SES Ratings Projected 1 Year Into Future, FY07 – FY10





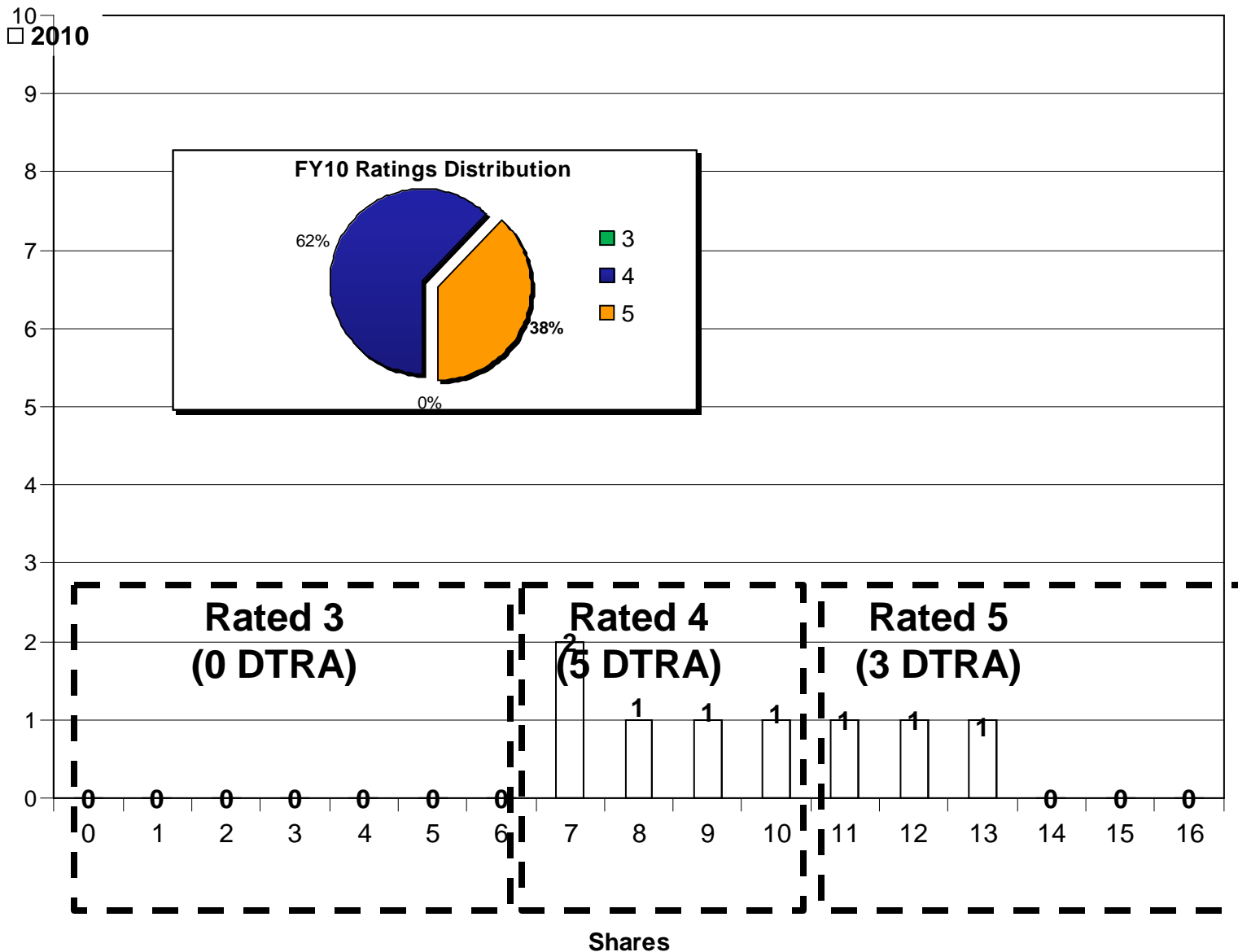
DTRA SES Ratings by Tier, FY10





DTRA SES Share Distribution by Rating, FY10

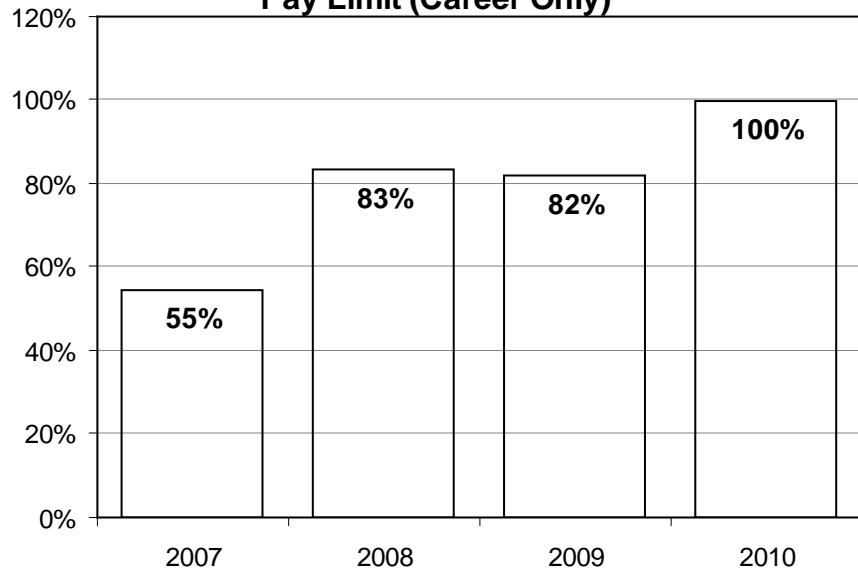
of employees



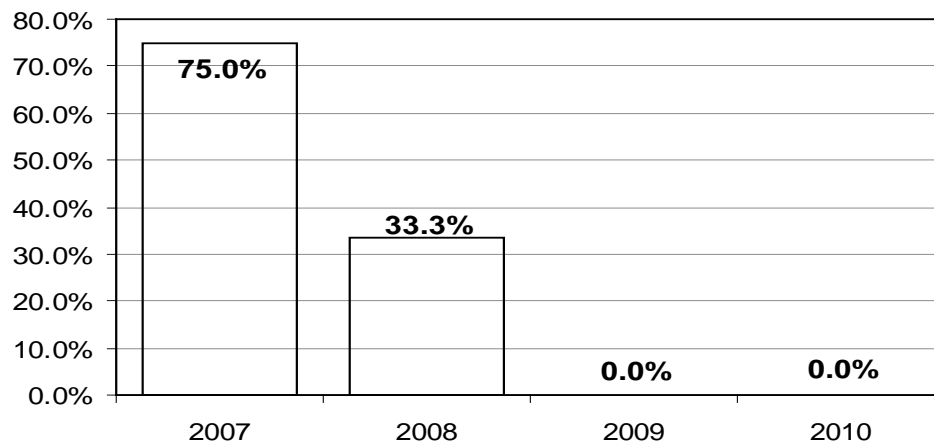


DTRA SES Average Basic Pay After Adjustment Trends, FY07 – FY10

SES Salaries Above Exec. Level III Pay Limit (Career Only)



Tier 1, Over Exec. III Pay Limit (Career Only)



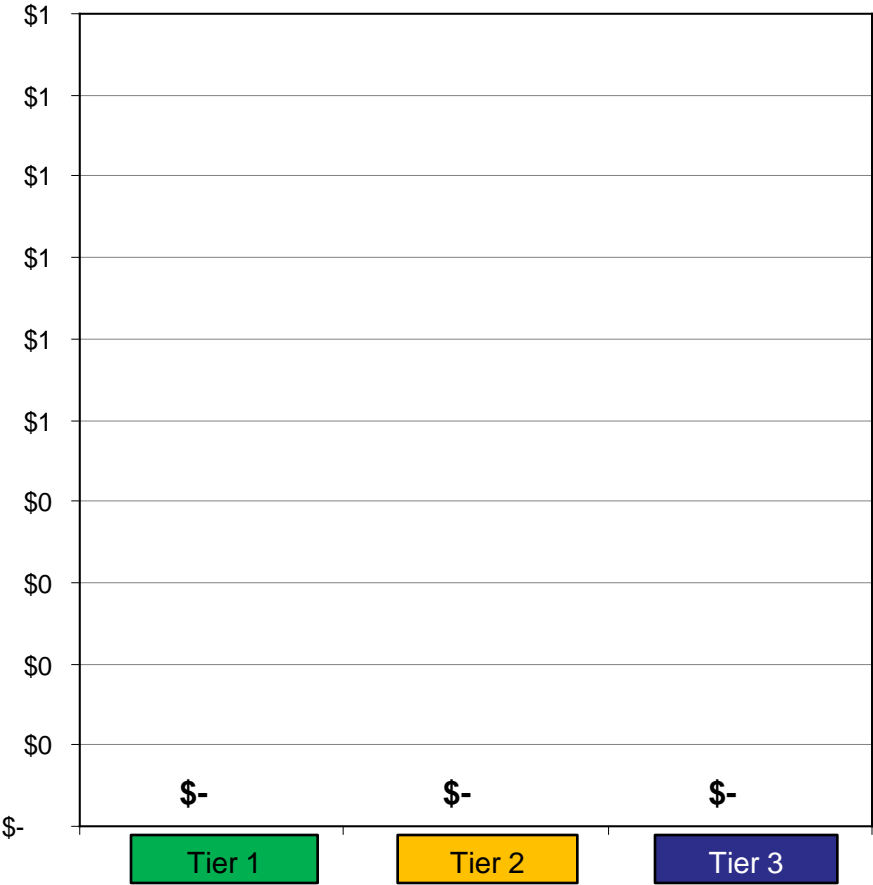
Tier 2, Over Tier 2 Pay Limit (Career Only)



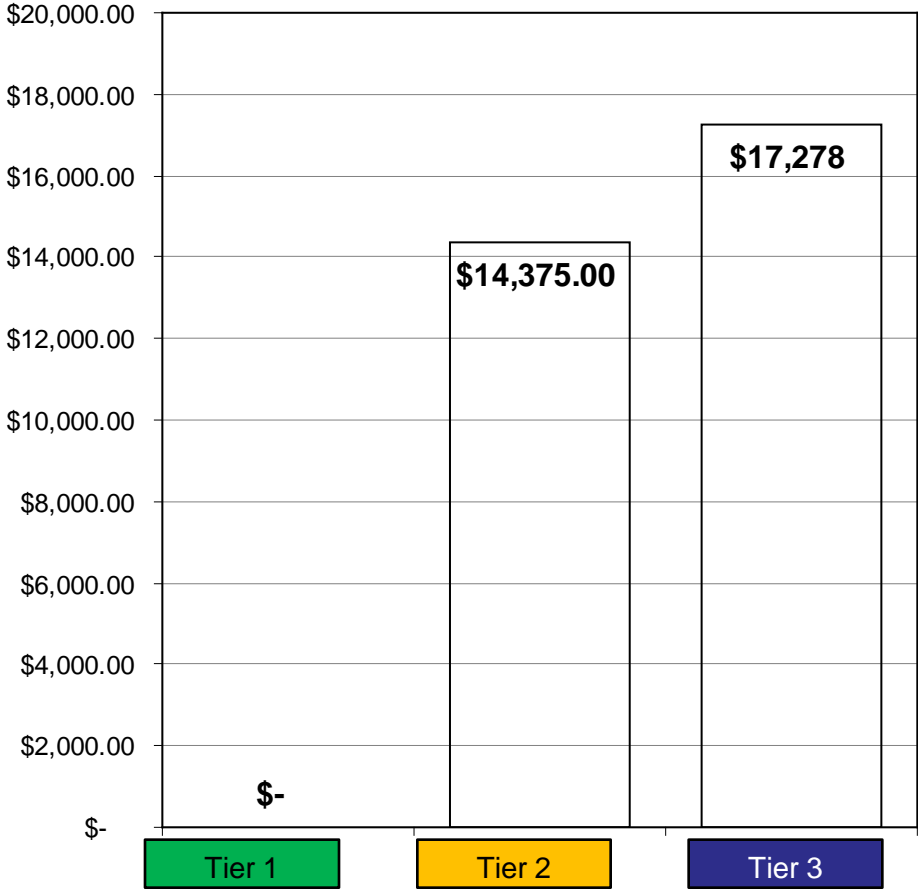


DTRA SES Average Performance Pay Adjustment and Bonus By Tier, FY10

Avg. FY10 Performance Pay Adjustment by Tier Level



Avg. FY10 Performance Bonus by Tier Level (Career Only)





DTRA Performance Payout Results at a Glance, FY07 – FY10

Results at a Glance (For Rated SES, unless otherwise noted):	FY07	FY08	FY09	FY10
Total Number (#) of SES/DISES Leaders	11	12	11	10
Total # Rated SES/DISES (career, non-career and limited term)	9	12	11	8
Number of Executives Rated/Not Rated	9 / 2	12 / 0	11 / 0	8 / 2
Performance Rating Levels	Level 2 (0%) Level 3 (44%) Level 4 (33%) Level 5 (22%)	Level 2 (17%) Level 3 (33%) Level 4 (25%) Level 5 (25%)	Level 2 (9%) Level 3 (27%) Level 4 (27%) Level 5 (36%)	Level 2 (0%) Level 3 (0%) Level 4 (62.5%) Level 5 (37.5%)
Total Salaries ALL SES (including Non-Rated SES)	\$1,738,543	\$1,918,623	\$1,818,866	\$1,736,721
Pay Pool Funding Factor (Pay Progression + PAEP + Performance Budget)	12%	Tier 1 – 11% Tier 2 – 13% Tier 3 – 17% DISES – N/A	Tier 1 – 11% Tier 2 – 13% Tier 3 – 17% DISES – N/A	Tier 1 – 5.75% Tier 2 – 6.75% Tier 3 – 9.75% DISES – NA
Pay Pool Value (Pay Pool Funding Factor X Total Salaries of all covered executives)	\$208,625	\$260,161	\$247,420	\$130,254
Unspent Pay Pool	\$6,615	\$74,671	\$20,208	\$3,644
Unspent Pay Pool (as % of Total Salaries)	0.4%	3.9%	1.1%	0.002%
Total Performance (Basic) Pay Increase Payouts	\$32,700	\$60,583	\$49,500	\$0
Avg. Performance (Basic) Pay Increase	\$4,088	\$6,731	\$6,188	\$0
Average Salary (after Performance Adjustments) (“New Basic Pay”)	\$161,022	\$164,934	\$169,851	\$173,672
Number of Executives Paid Above Executive Level III (including Non-Rated SES)	6	10	9	9
Total Performance Pay Increase Payouts (as % of Total Salaries)	1.9%	3.2%	2.7%	0%
Total Performance Bonus Payouts (Career Only)	\$169,310	\$124,907	\$177,712	\$126,610
Avg. Bonus in dollars (\$) (Career Only, Zero Amounts Included)	\$18,812	\$12,491	\$17,771	\$15,826
Total Performance Bonus (as % of Total Career Salaries)	9.7%	6.5%	9.8%	7%
Percent of Career Rated SES Members Receiving a Bonus	100%	83.3%	90.9%	100%

MDA FY10 SES



Legend For Following Sections

■ 2 ■ 3 ■ 4 ■ 5

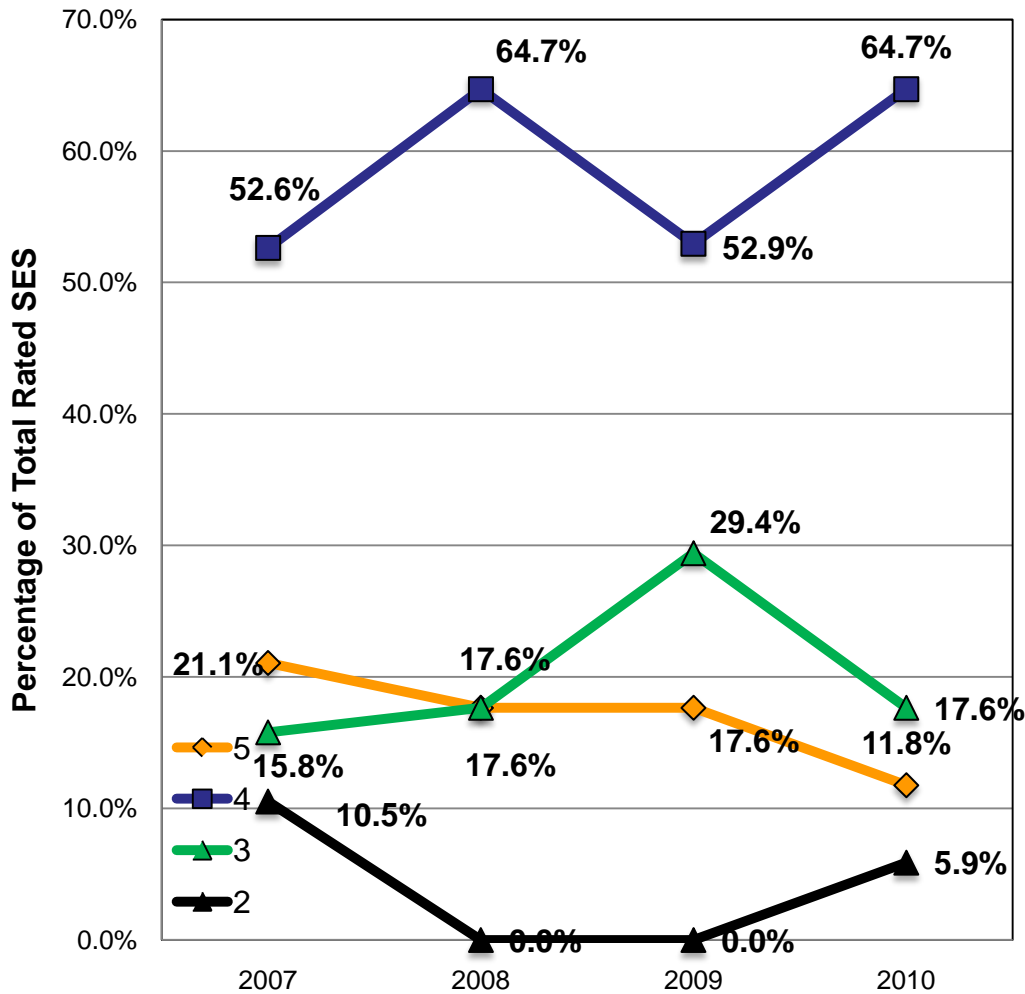
■ Tier1 ■ Tier2 ■ Tier3

■ 2005 ■ 2006 ■ 2007 ■ 2008 ■ 2009 ■ 2010

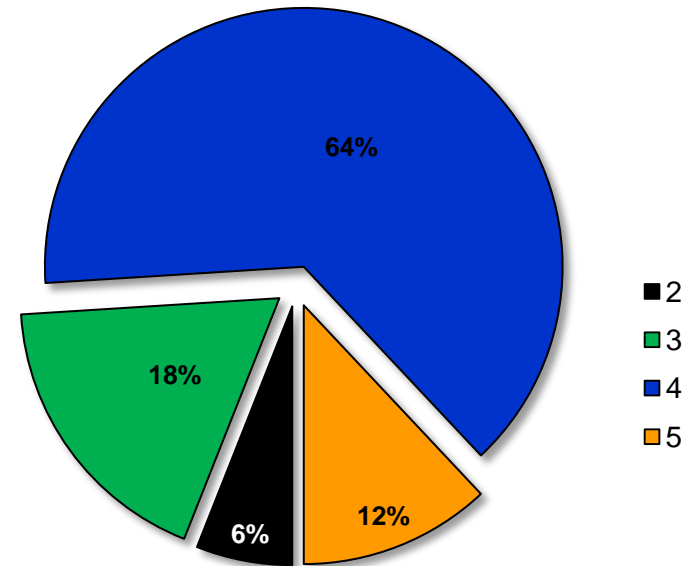


MDA Ratings Year-to-Year Trends, FY07 – FY10

MDA SES Ratings, FY07 – FY10

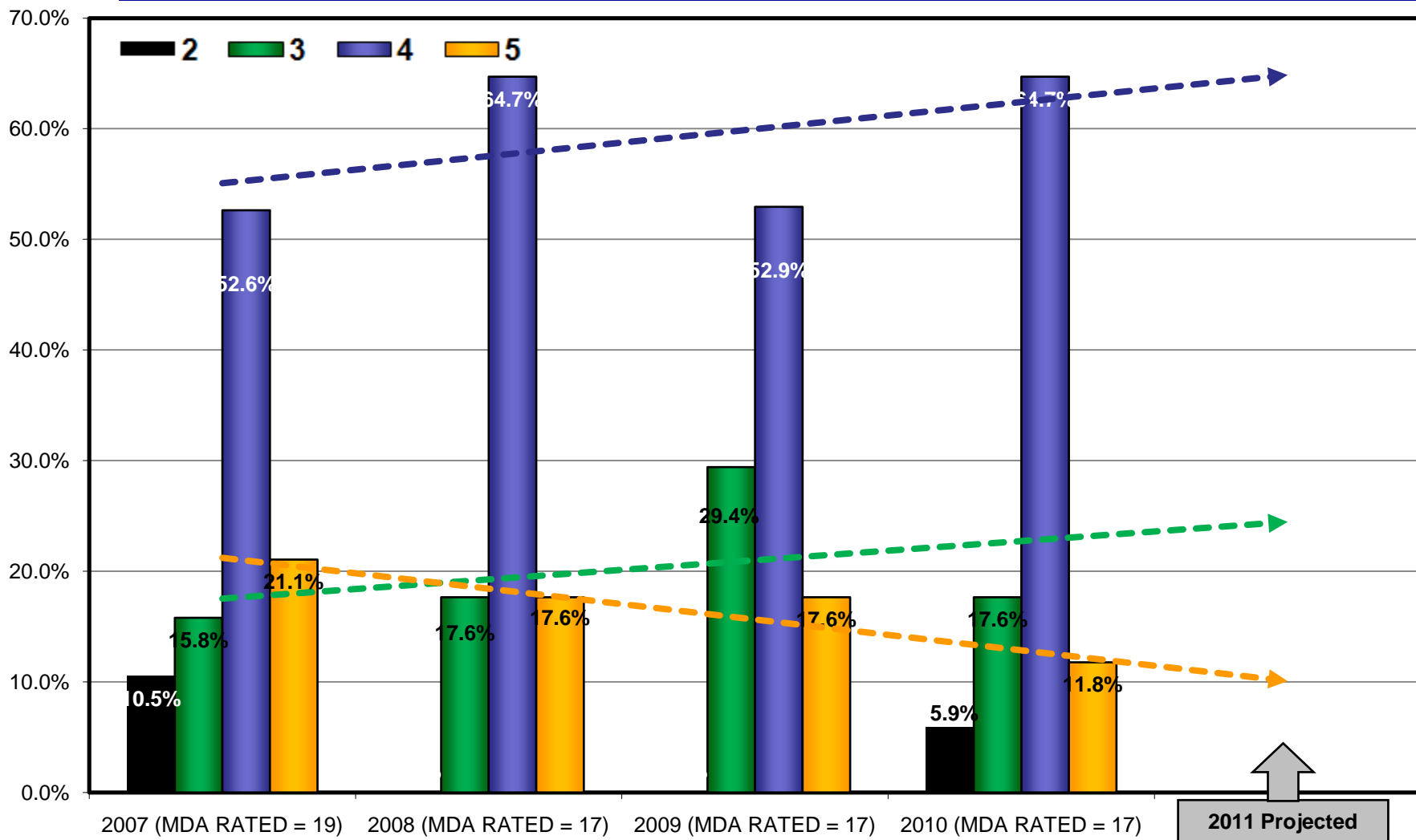


Avg. MDA Ratings Distribution



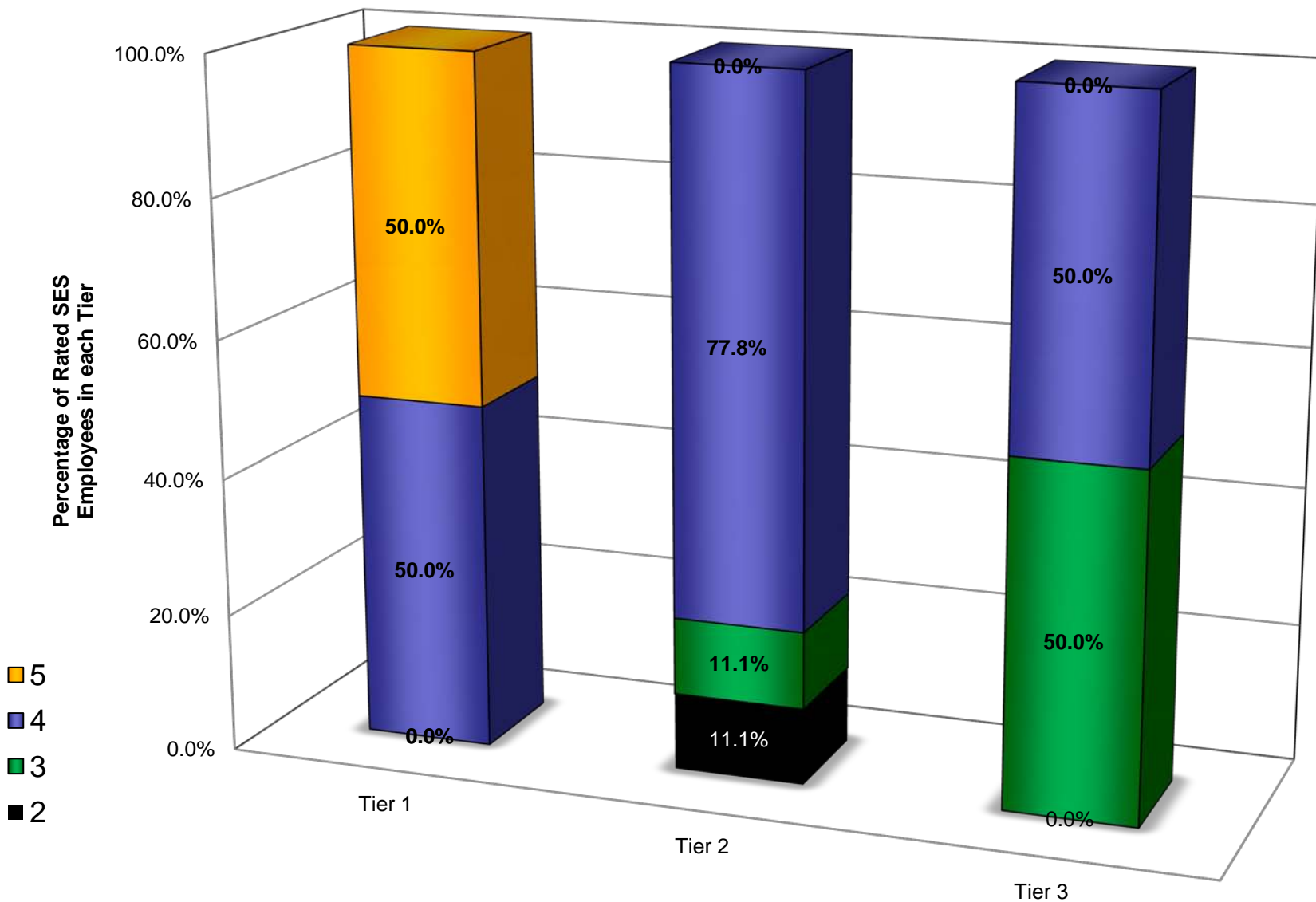


Distribution of MDA SES Ratings Projected 1 Year Into Future, FY07 – FY10



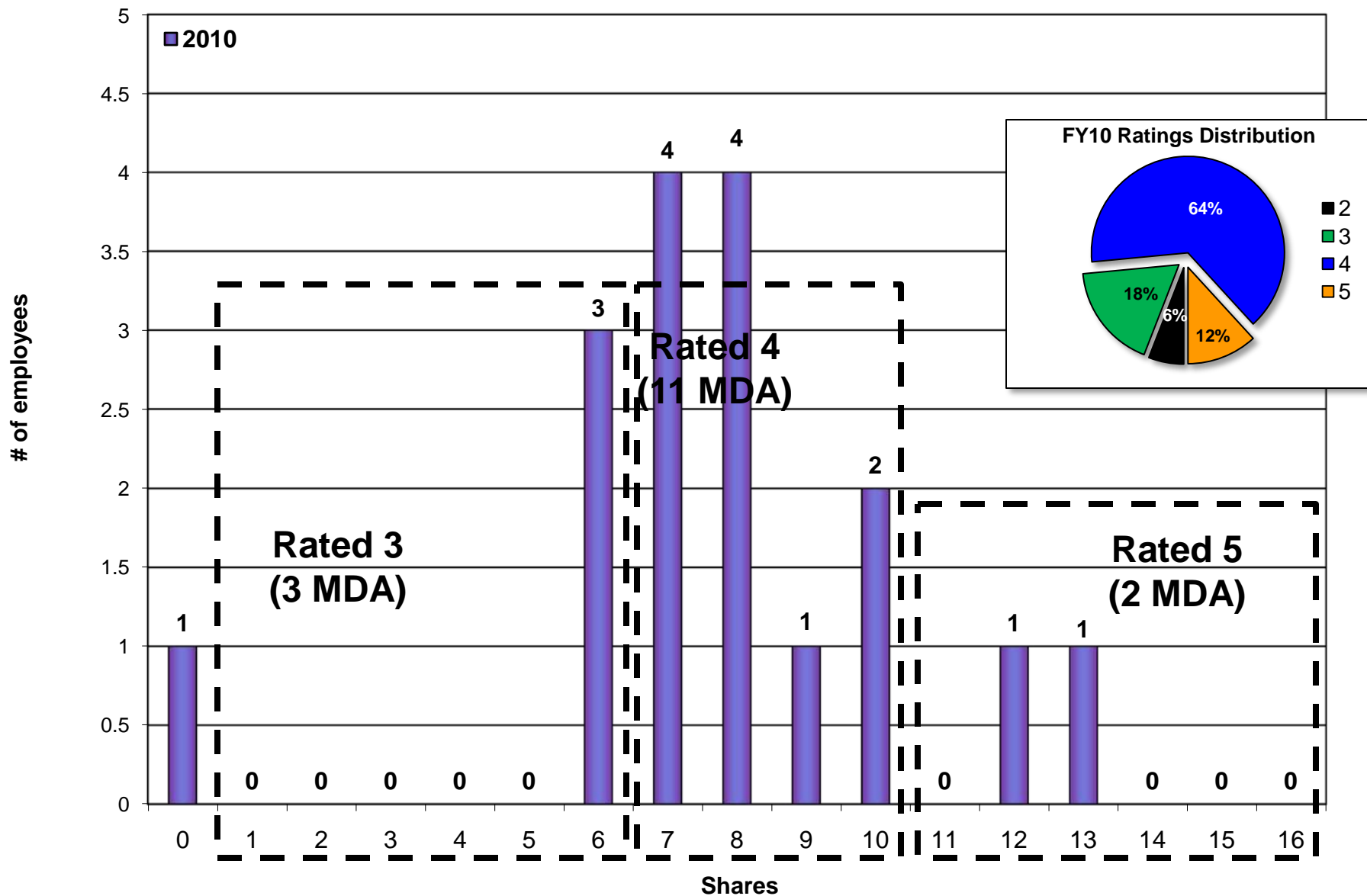


MDA SES Ratings by Tier, FY10





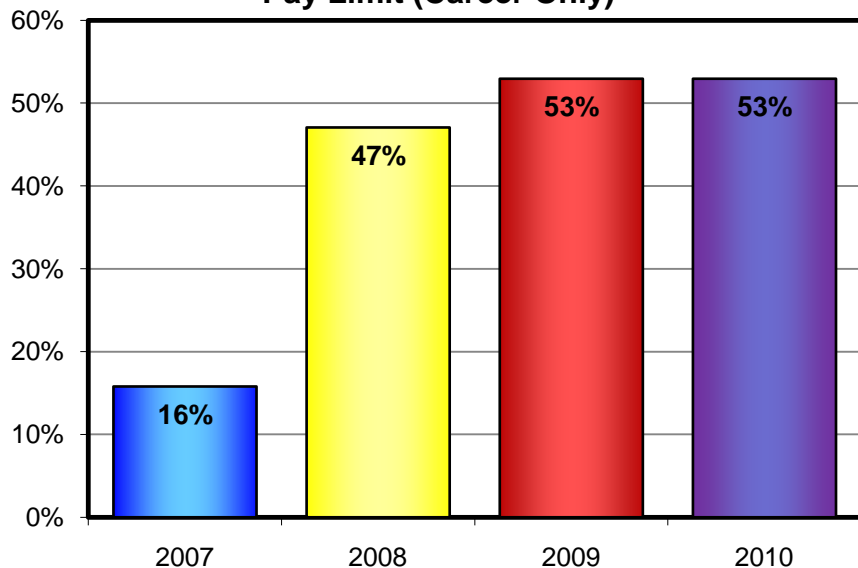
MDA SES Share Distribution by Rating, FY10



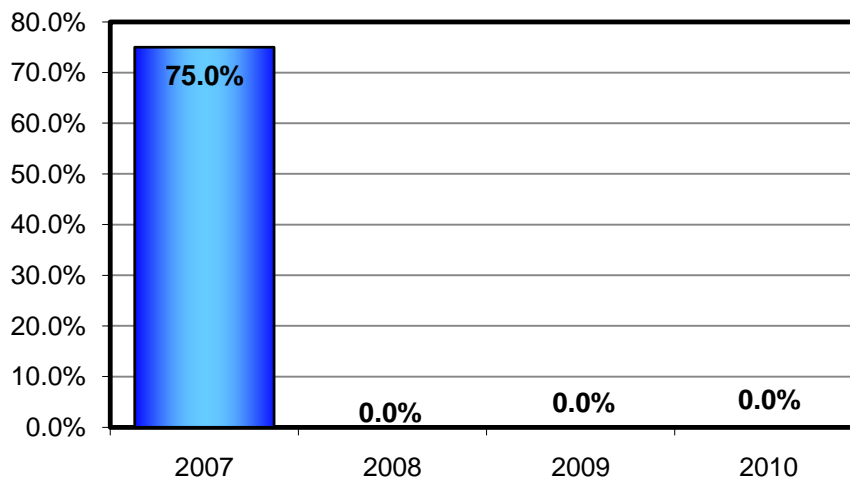


MDA SES Average Basic Pay After Adjustment Trends, FY07 – FY10

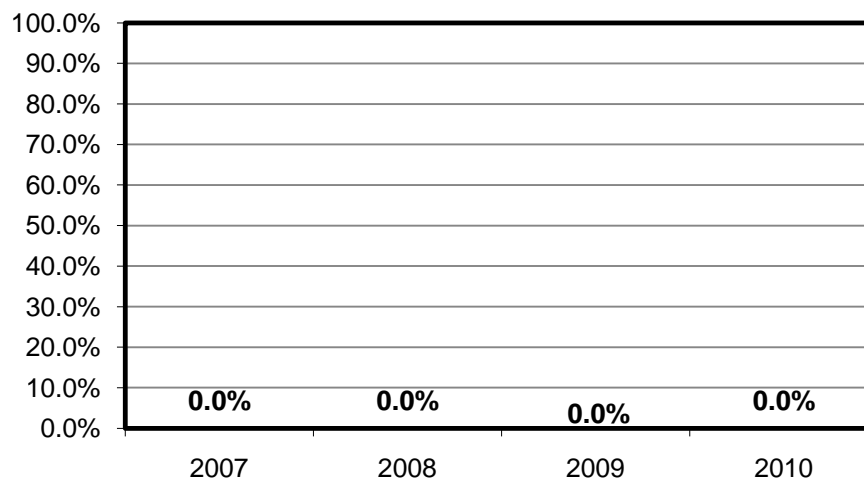
SES Salaries Above Exec. Level III Pay Limit (Career Only)



Tier 1, Over Exec. III Pay Limit (Career Only)



Tier 2, Over Tier 2 Pay Limit (Career Only)

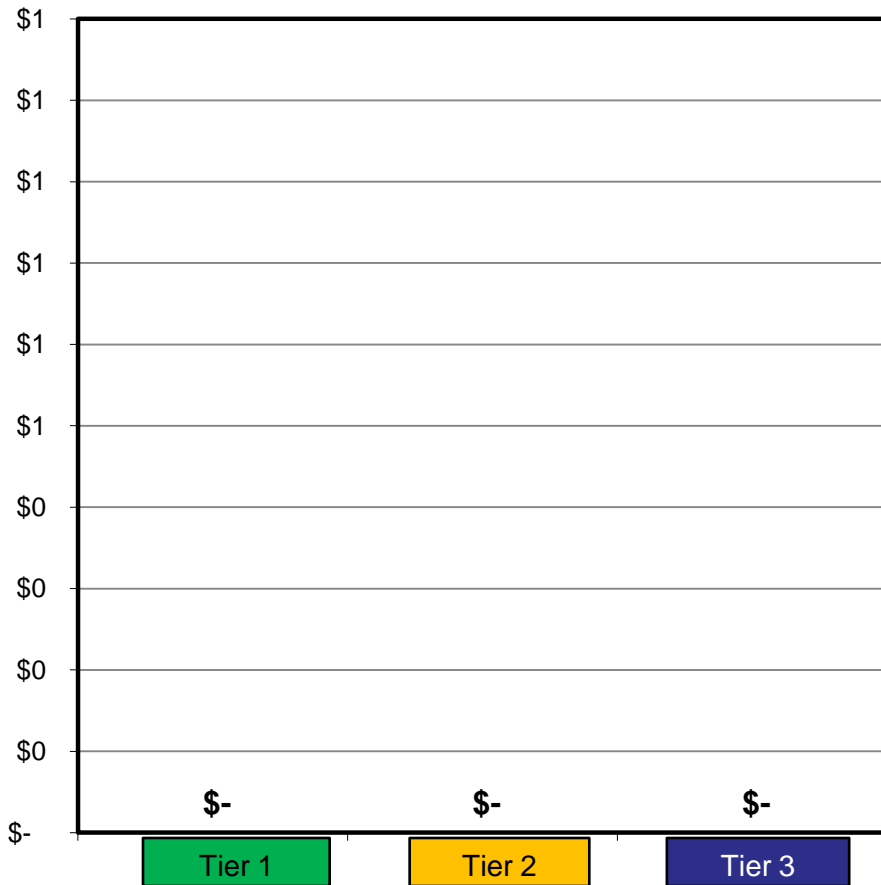


■ 2007 ■ 2008 ■ 2009 ■ 2010

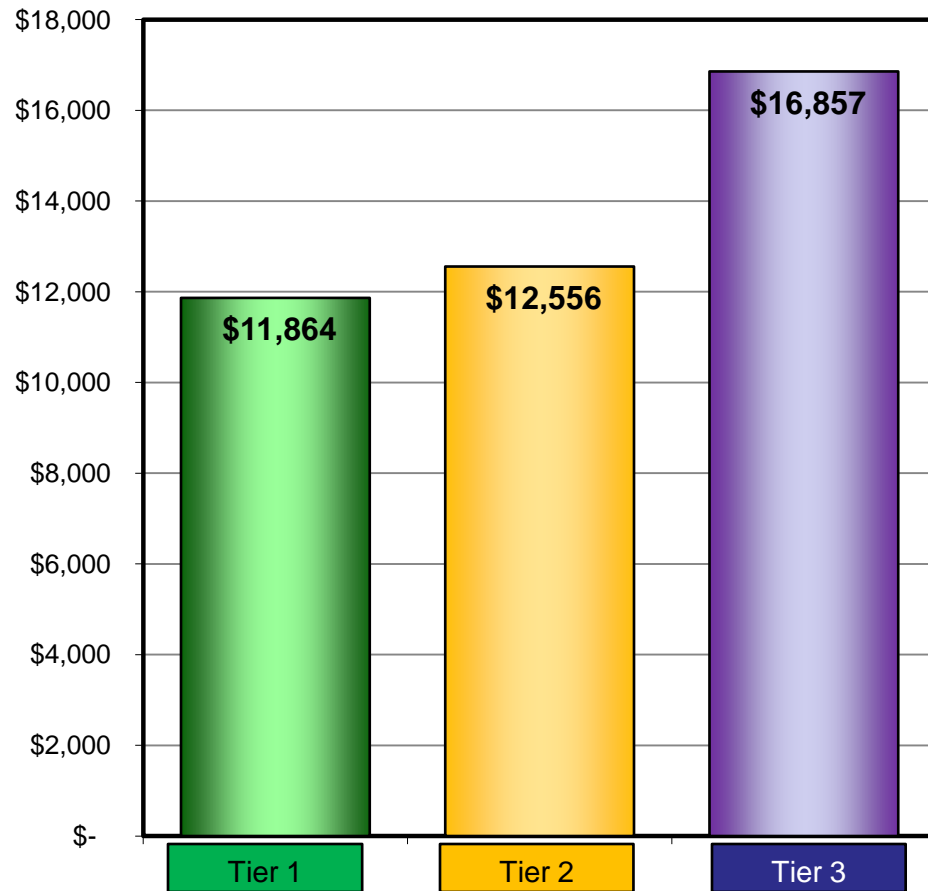


MDA SES Average Performance Pay Adjustment and Bonus By Tier, FY10

Avg. FY10 Performance Pay Adjustment by Tier Level



Avg. FY10 Performance Bonus by Tier Level (Career Only)





MDA Performance Payout Results at a Glance, FY07 – FY10

Results at a Glance (For Rated SES, unless otherwise noted):	FY07	FY08	FY09	FY10
Total Number (#) of SES/DISES Leaders	19	17	17	18
Total # Rated SES/DISES (career, non-career and limited term)	19	17	17	17
Number of Executives Rated/Not Rated	19 / 0	17 / 0	17 / 0	17/1
Performance Rating Levels	Level 2 (8%) Level 3 (16%) Level 4 (53%) Level 5 (23%)	Level 2 (0%) Level 3 (11%) Level 4 (65%) Level 5 (18%)	Level 2 (0%) Level 3 (29%) Level 4 (53%) Level 5 (18%)	Level 2 (6%) Level 3 (18%) Level 4 (64%) Level 5 (12%)
Total Salaries ALL SES (including Non-Rated SES)	\$2,848,877	\$2,667,170	\$2,782,478	\$3,004,969
Pay Pool Funding Factor (Pay Progression + PAEP + Performance Budget)	12%	Tier 1 – 11% Tier 2 – 13% Tier 3 – 17% DISES – N/A	Tier 1 – 11% Tier 2 – 13% Tier 3 – 17% DISES – N/A	Tier 1 – 9.75% Tier 2 – 6.75% Tier 3 – 5.75% DISES – N/A
Pay Pool Value (Pay Pool Funding Factor X Total Salaries of all covered executives)	\$341,865	\$394,260	\$376,267	\$225,373
Unspent Pay Pool	\$10,459	\$47,528	\$24,846	\$10,043
Unspent Pay Pool (as % of Total Salaries)	0.4%	1.8%	0.9%	0.33%
Total Performance (Basic) Pay Increase Payouts	\$65,935	\$96,738	\$73,173	\$0
Avg. Performance (Basic) Pay Increase	\$4,710	\$5,690	\$4,304	\$0
Average Salary (after Performance Adjustments) (“New Basic Pay”)	\$153,962	\$162,583	\$167,979	\$166,943*
Number of Executives Paid Above Executive Level III (including Non-Rated SES)	3	8	9	9
Total Performance Pay Increase Payouts (as % of Total Salaries)	2.3%	3.6%	2.6%	0.00%
Total Performance Bonus Payouts (Career Only)	\$265,471	\$249,994	\$278,248	\$215,332
Avg. Bonus in dollars (\$) (Career Only, Zero Amounts Included)	\$18,962	\$15,625	\$16,368	\$11,963
Total Performance Bonus (as % of Total Salaries)	9.3%	9.4%	10.0%	7.17%
Percent of Rated SES Members Receiving a Bonus	73.7%	94.1%	100%	94.1%

While no performance-based pay increases occurred in FY 2010, the change in average salary is due to initial pay setting as a result of executive turnover at MDA

OSD SES



Legend For Following Sections

■ 2 ■ 3 ■ 4 ■ 5

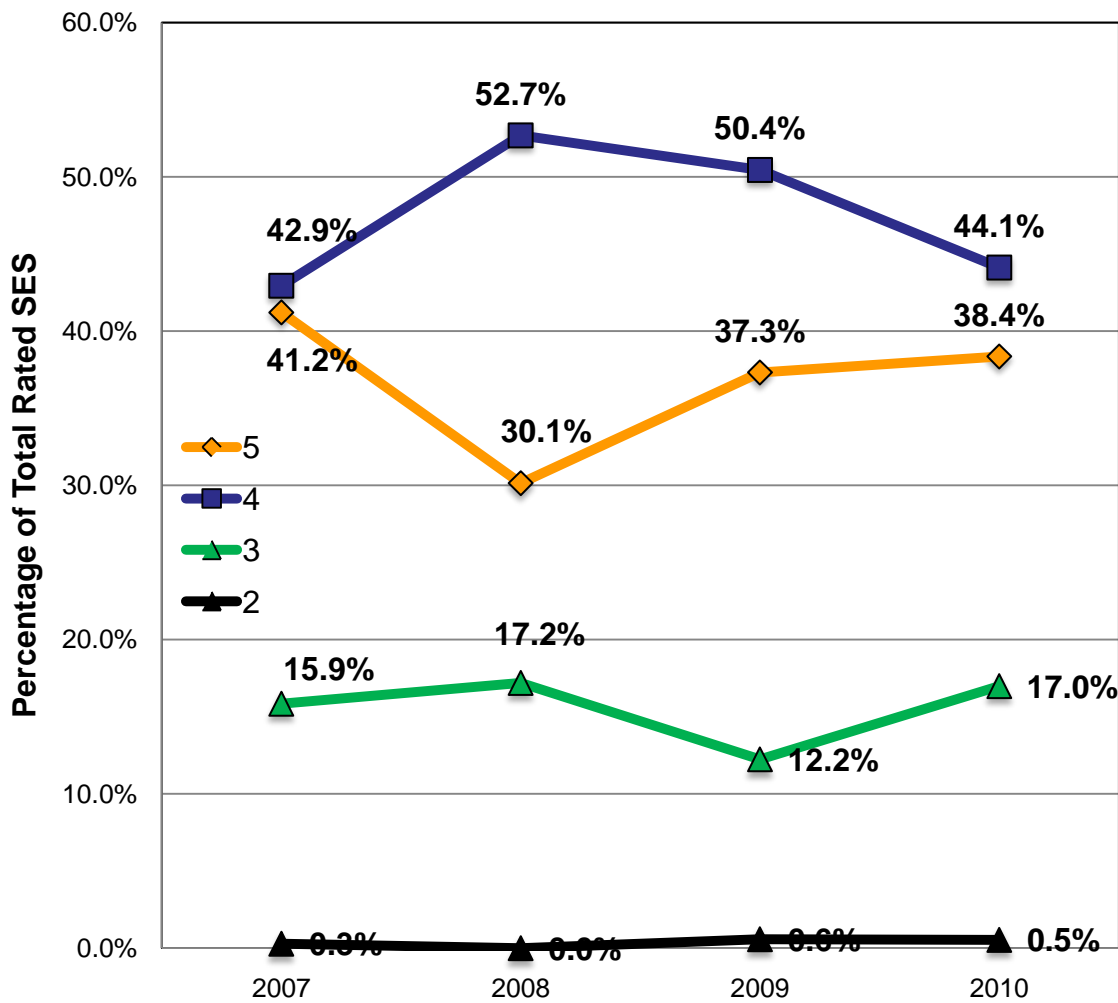
■ Tier1 ■ Tier2 ■ Tier3

■ 2005 ■ 2006 ■ 2007 ■ 2008 ■ 2009 ■ 2010

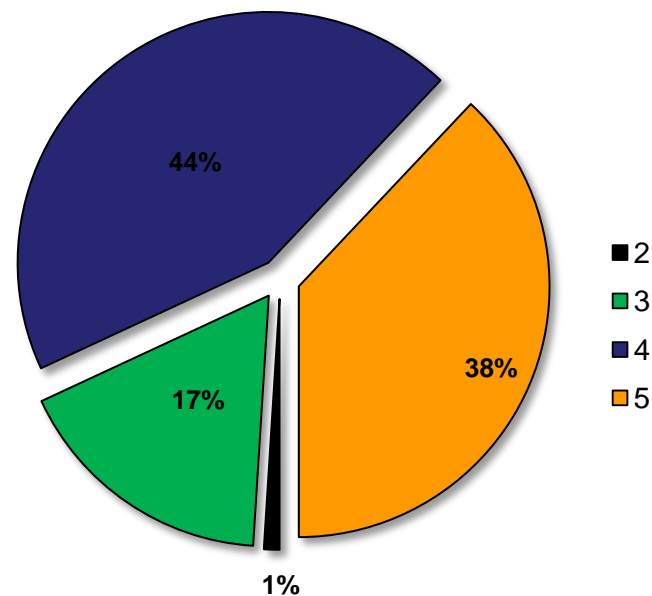


OSD Ratings Year-to-Year Trends, FY07 – FY10

OSD SES Ratings, FY07 – FY10



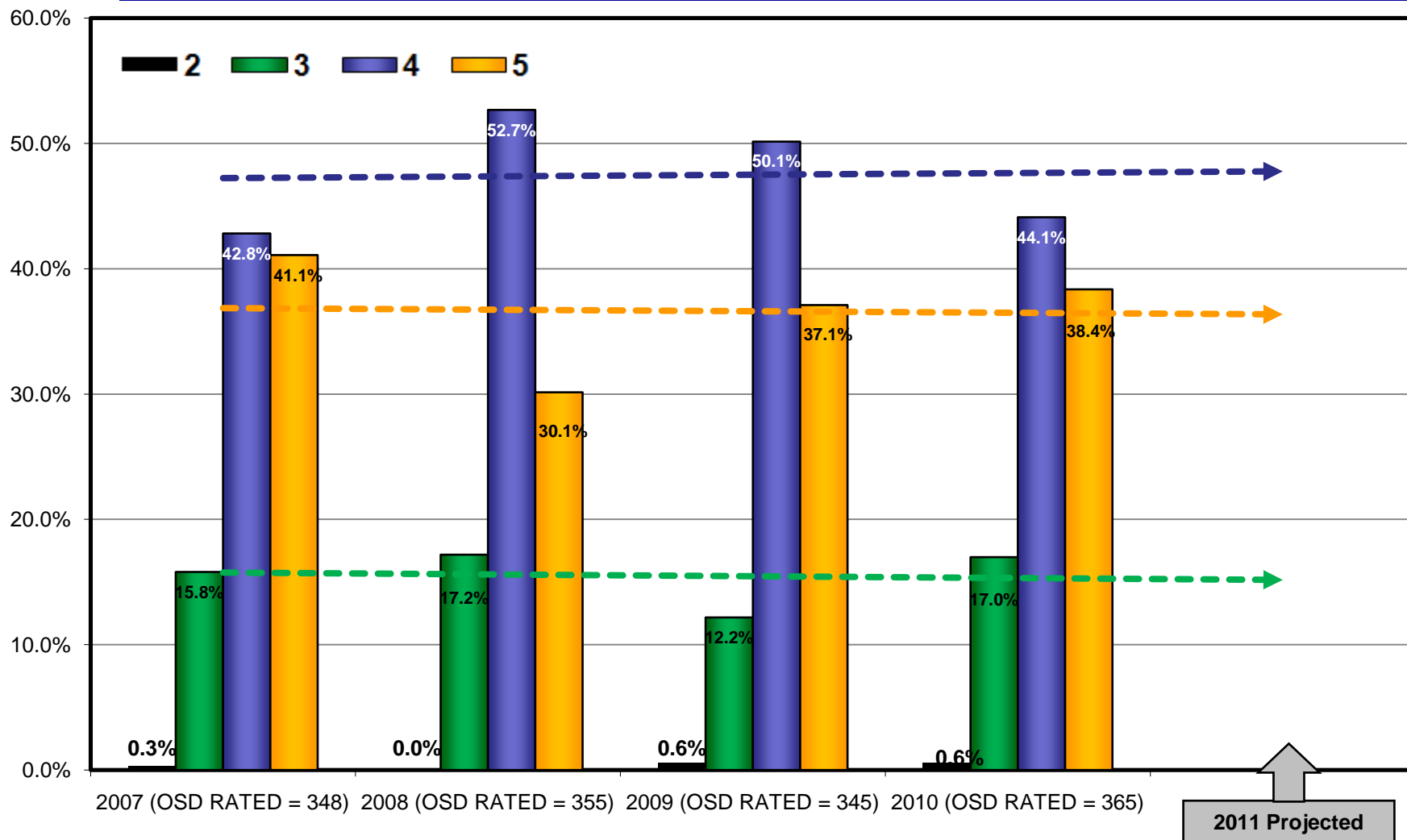
Avg. OSD Ratings Distribution



• One SES is rated Level 1 for FY10
 • 365 total SES rated



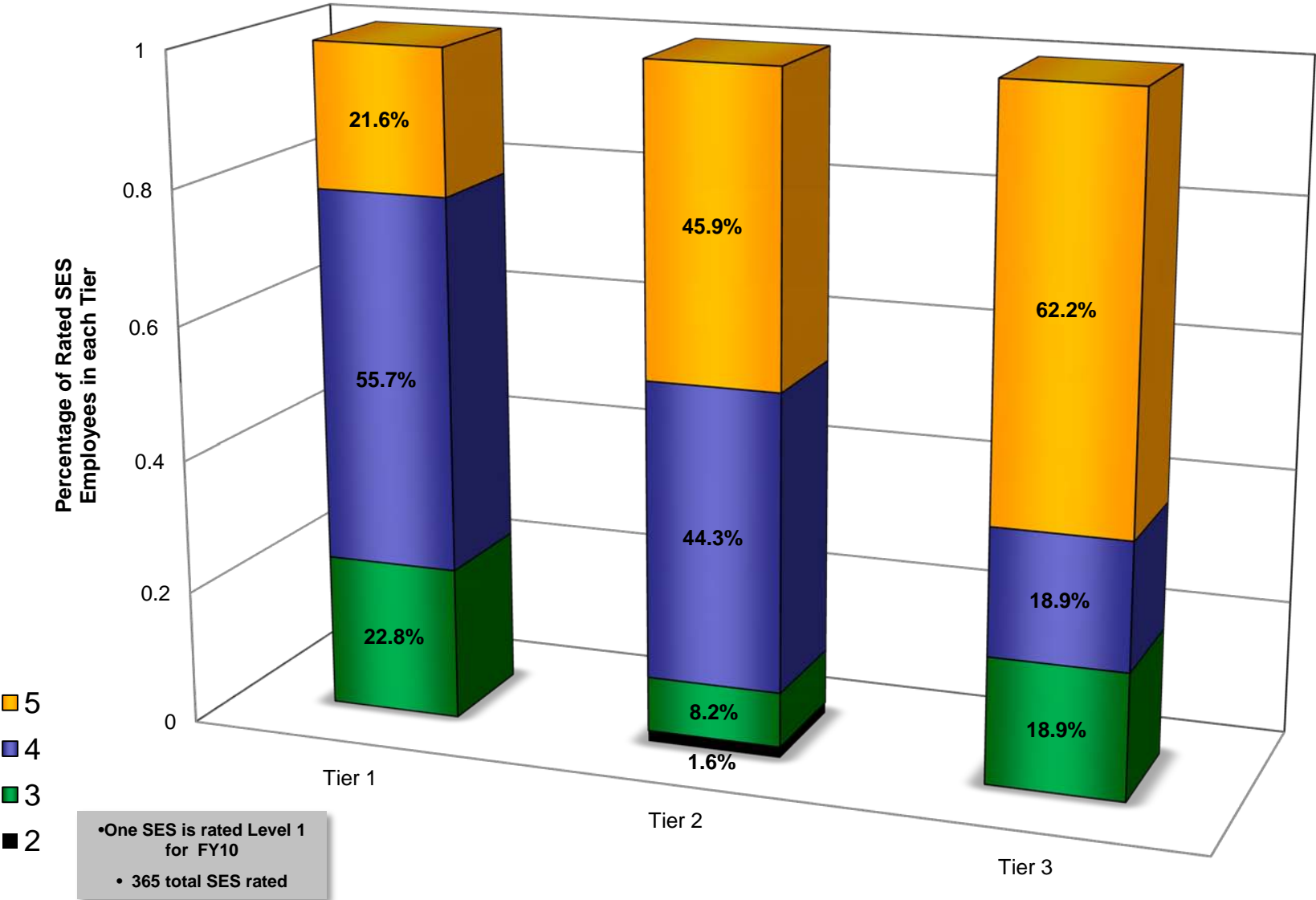
Distribution of OSD SES Ratings Projected 1 Year Into Future, FY07 – FY10



• One SES is rated Level 1 for FY10
• 365 total SES rated

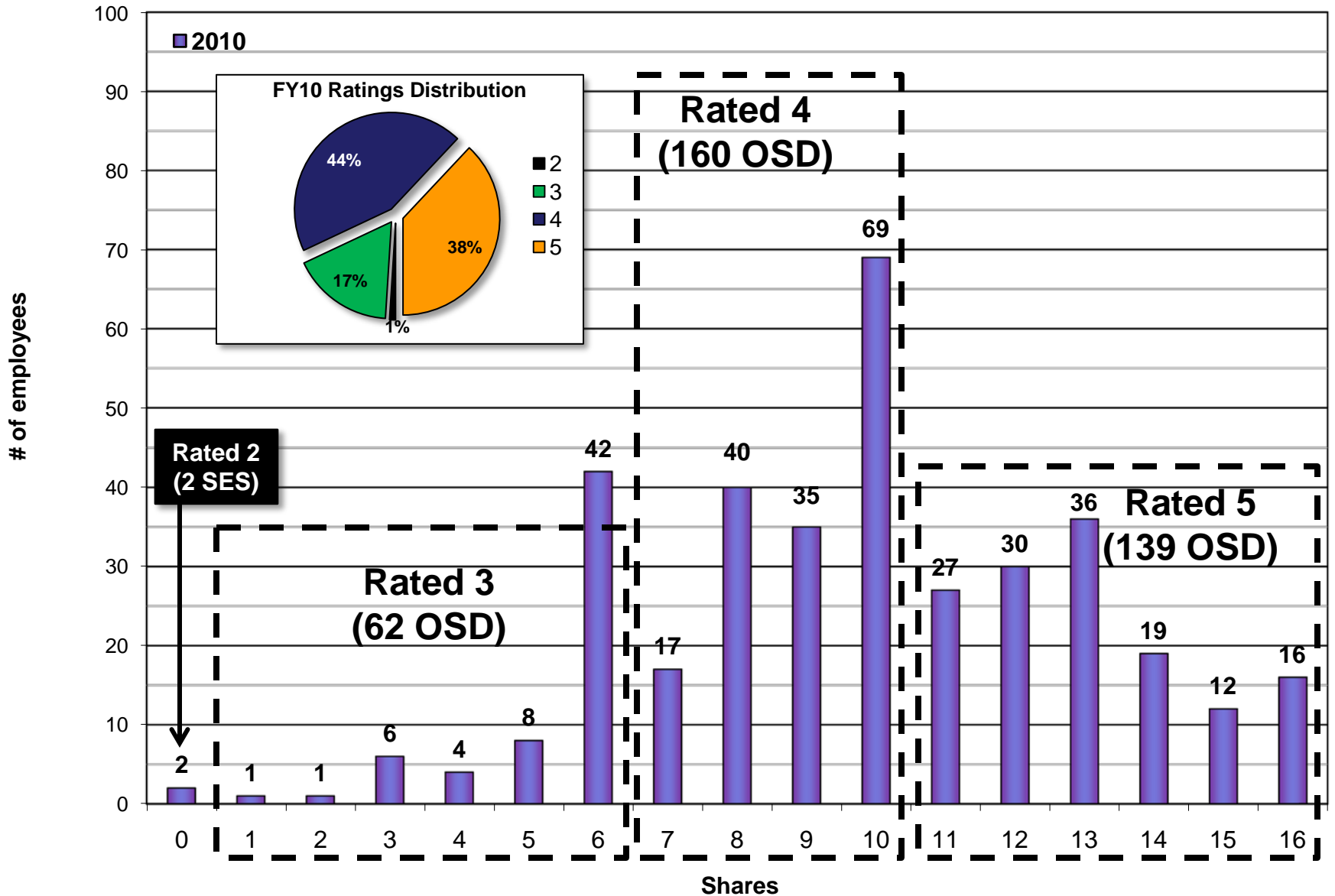


OSD SES Ratings by Tier, FY10





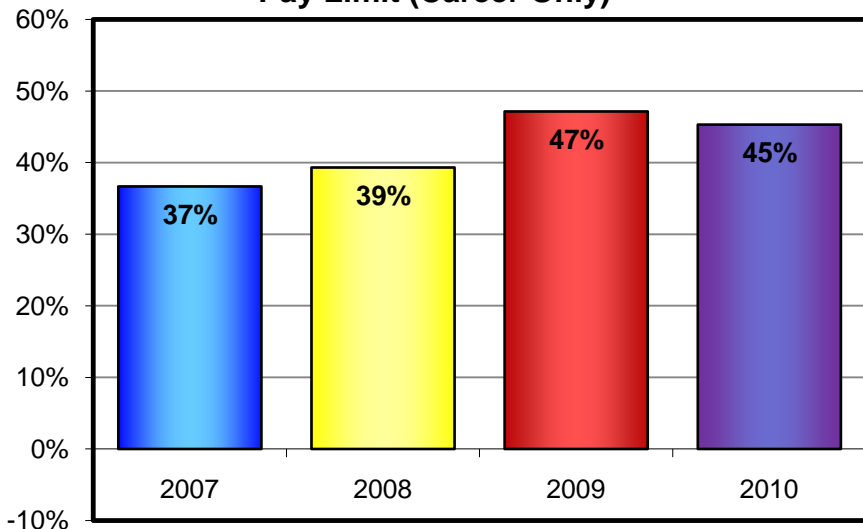
OSD SES Share Distribution by Rating, FY10



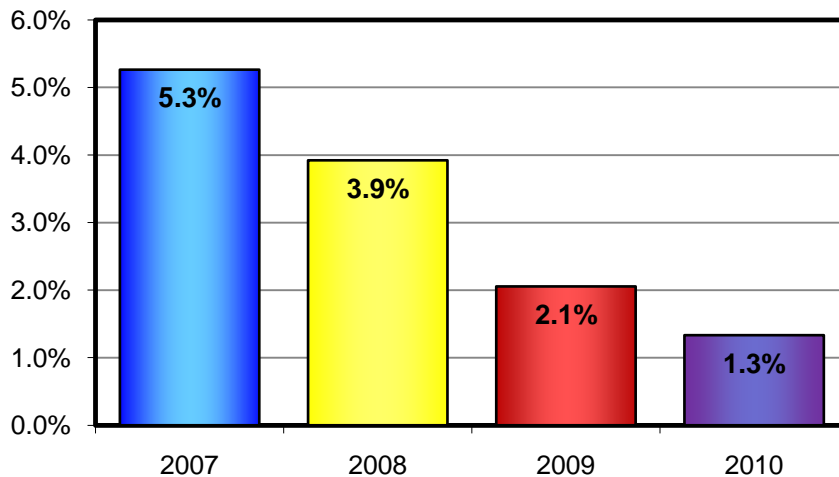


OSD SES Average Basic Pay After Adjustment Trends, FY07 – FY10

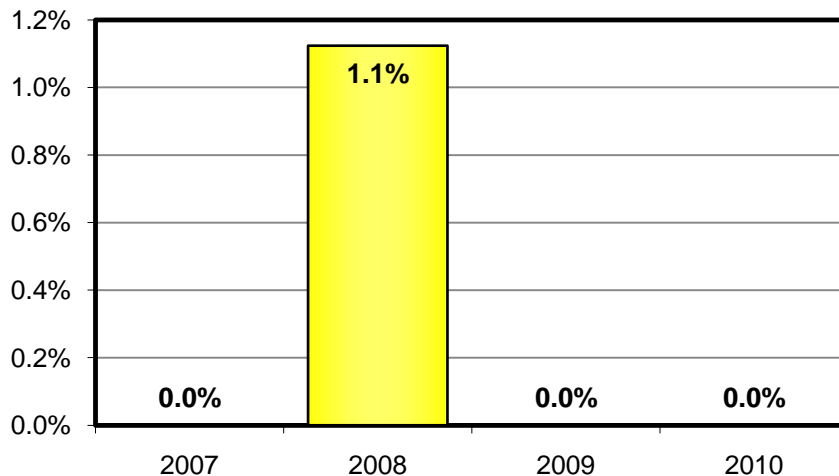
SES Salaries Above Exec. Level III Pay Limit (Career Only)



Tier 1, Over Exec. III Pay Limit (Career Only)



Tier 2, Over Tier 2 Pay Limit (Career Only)

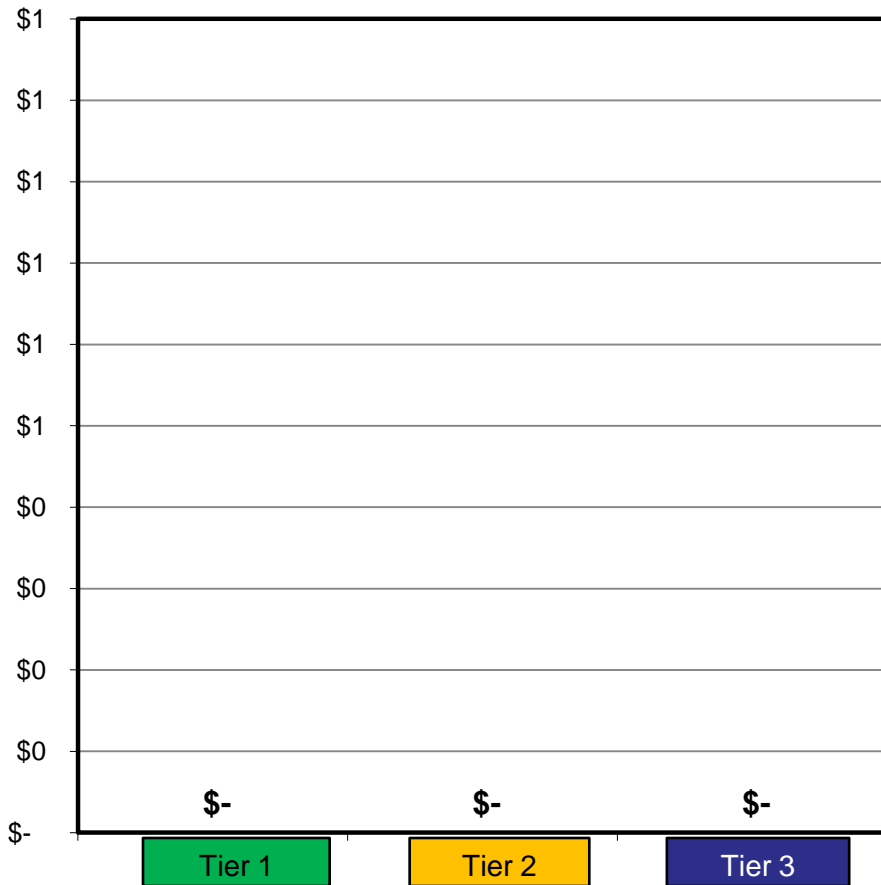


■ 2007 ■ 2008 ■ 2009 ■ 2010

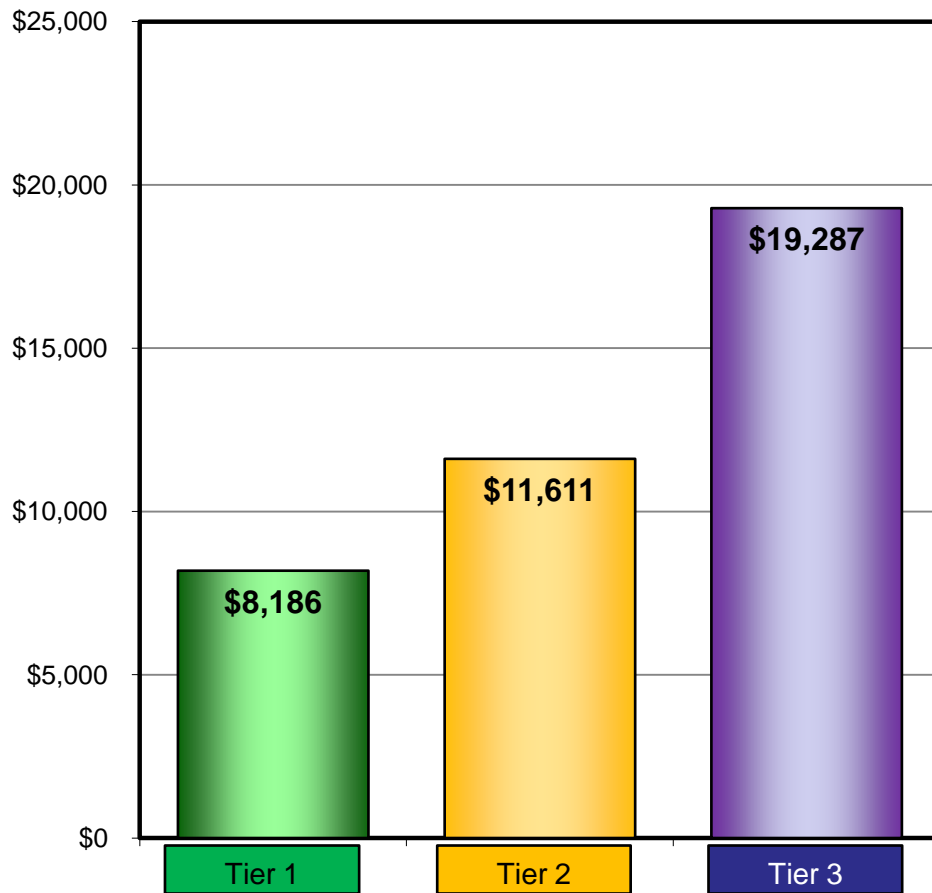


OSD SES Average Performance Pay Adjustment and Bonus By Tier, FY10

Avg. FY10 Performance Pay Adjustment by Tier Level



Avg. FY10 Performance Bonus by Tier Level (Career Only)





OSD Performance Payout Results at a Glance, FY07 – FY10

Results at a Glance (For Rated SES, unless otherwise noted):	FY07	FY08	FY09	FY10
Total Number (#) of SES/DISES Leaders	365	383	370	382
Total # Rated SES/DISES (career, non-career and limited term)	348	355	345	365
Number of Executives Rated/Not Rated	348 / 17	355 / 28	345 / 25	365 / 17
Performance Rating Levels	Level 2 (0.2%) Level 3 (16%) Level 4 (43%) Level 5 (41%)	Level 2 (0%) Level 3 (17%) Level 4 (53%) Level 5 (30%)	Level 2 (1%) Level 3 (12%) Level 4 (50%) Level 5 (37%)	Level 2 (.3%) Level 3 (17%) Level 4 (44%) Level 5 (38%)
Total Salaries ALL SES (including Non-Rated SES)	\$55,144,955	\$59,763,533	\$60,123,601	\$63,537,960
Pay Pool Funding Factor (Pay Progression + PAEP + Performance Budget)	12%	Tier 1 – 11% Tier 2 – 13% Tier 3 – 17% Overall – 13%	Tier 1 – 11% Tier 2 – 13% Tier 3 – 17% Overall – 13%	Tier 1 – 5.75% Tier 2 – 6.75% Tier 3 – 9.75% Overall – 7.5%
Pay Pool Value (Pay Pool Funding Factor X Total Salaries of all covered executives)	\$6,617,395	\$7,642,456	\$7,786,610	\$4,765,347
Unspent Pay Pool	\$1,179,266	\$1,054,669	\$1,171,472	\$1,385,578
Unspent Pay Pool (as % of Total Salaries)	2.1%	1.8%	1.9%	2.2%
Total Performance (Basic) Pay Increase Payouts	\$1,929,844	\$2,245,485	\$1,696,195	\$0
Avg. Performance (Basic) Pay Increase	\$5,902	\$6,825	\$5,109	\$0
Average Salary (after Performance Adjustments) (“New Basic Pay”)	\$156,369	\$161,903	\$167,081	\$166,330
Number of Executives Paid Above Executive Level III (including Non-Rated SES)	131	146	170	171
Total Performance Pay Increase Payouts (as % of Total Salaries)	3.5%	3.8%	2.8%	\$0
Total Performance Bonus Payouts (Career Only)	\$3,508,285	\$4,342,302	\$4,918,943	\$3,379,769
Avg. Bonus in dollars (\$) (Career Only, Zero Amounts Included)	\$13,758	\$15,344	\$17,259	\$11,266
Total Performance Bonus (as % of Total Salaries)	6.4%	7.3%	8.2%	5.3%
Percent of Career Rated SES Members Receiving a Bonus	94.4%	97.2%	95.9%	70.4%

OUSD(I) DISES FY10



Legend For Following Sections

■ 2 ■ 3 ■ 4 ■ 5

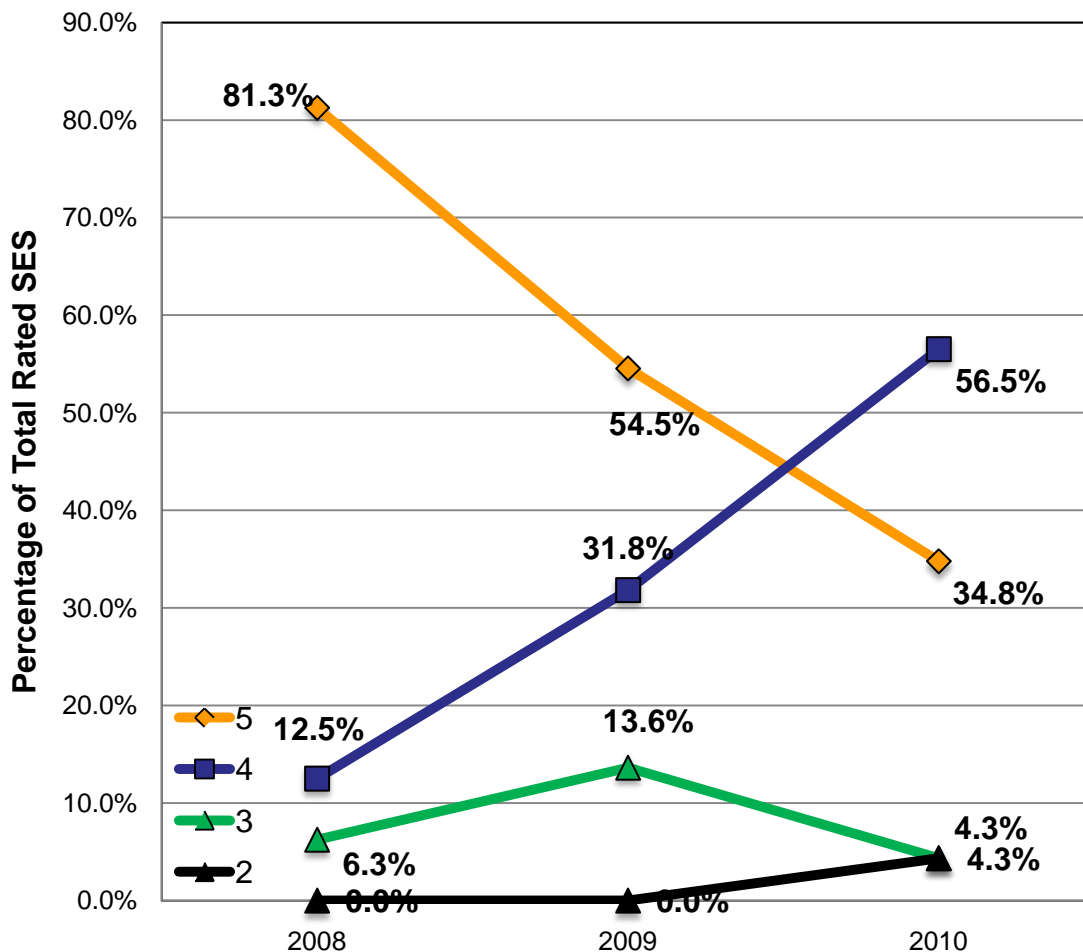
■ Tier1 ■ Tier2 ■ Tier3

■ 2005 ■ 2006 ■ 2007 ■ 2008 ■ 2009 ■ 2010

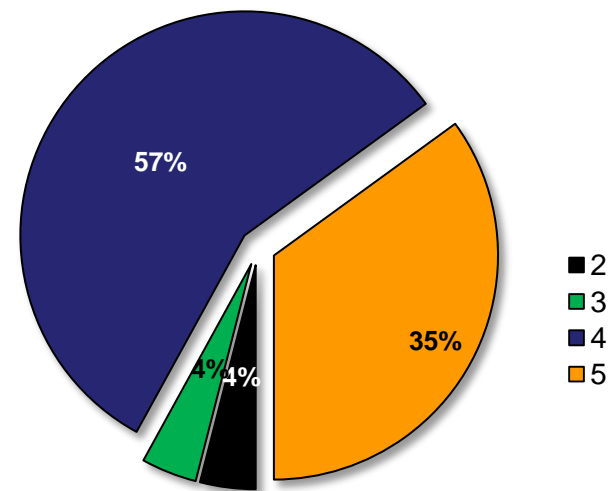


OUSD(I) Ratings Year-to-Year Trends, FY08 – FY10

OUSD(I) SES Ratings, FY08 – FY10

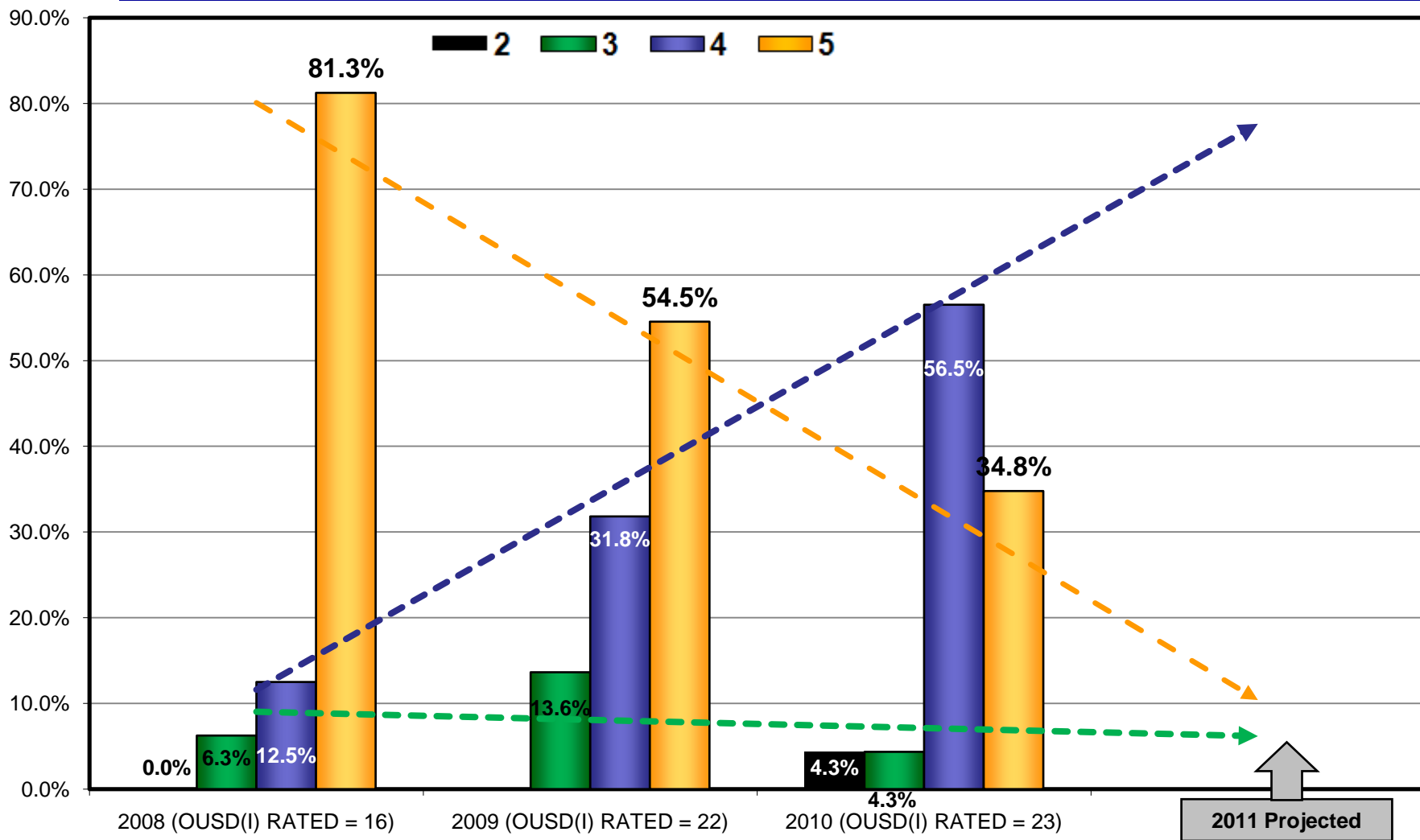


Avg. OUSD(I) Ratings Distribution



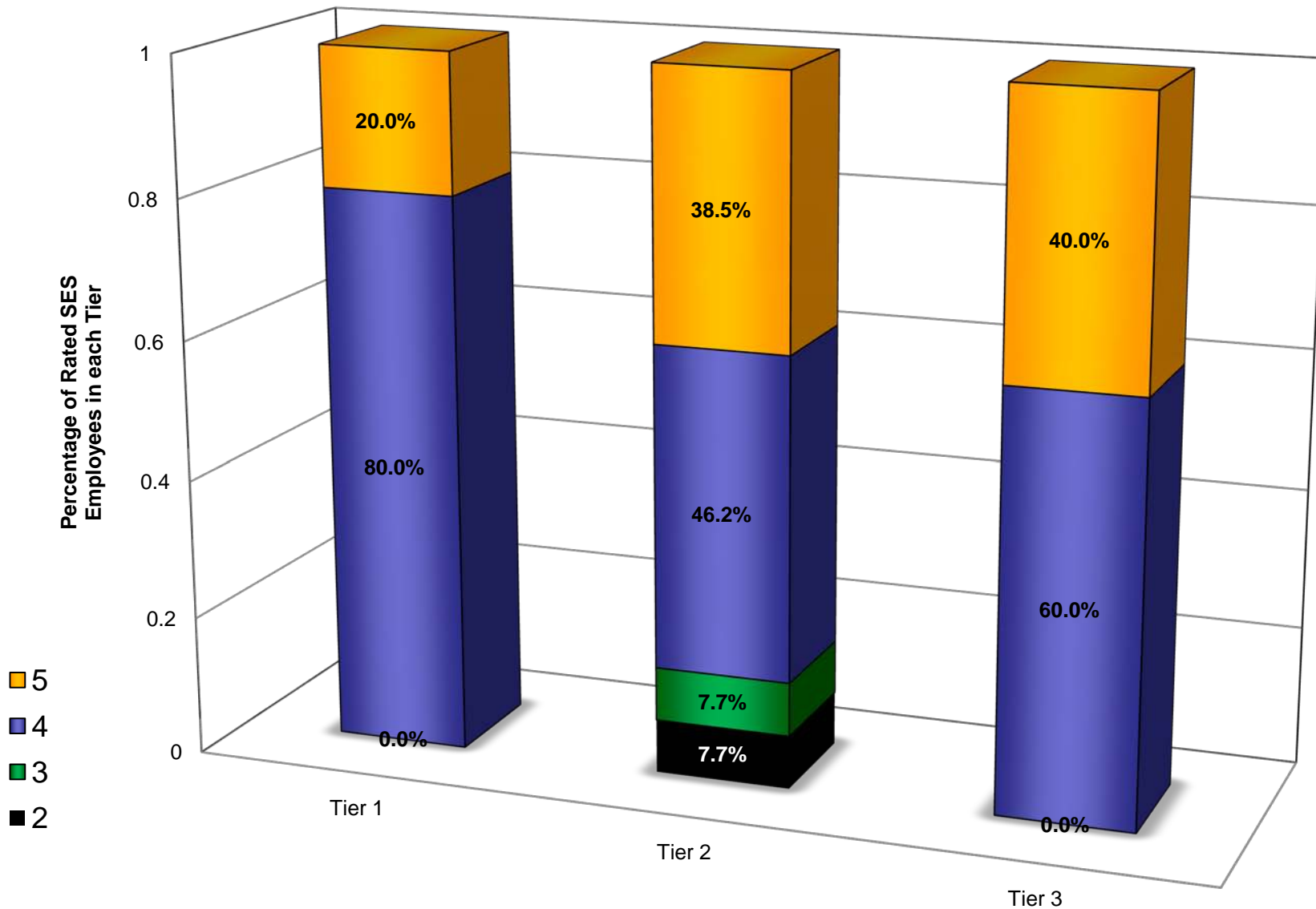


Distribution of OUSD(I) SES Ratings Projected 1 Year Into Future, FY07 – FY10



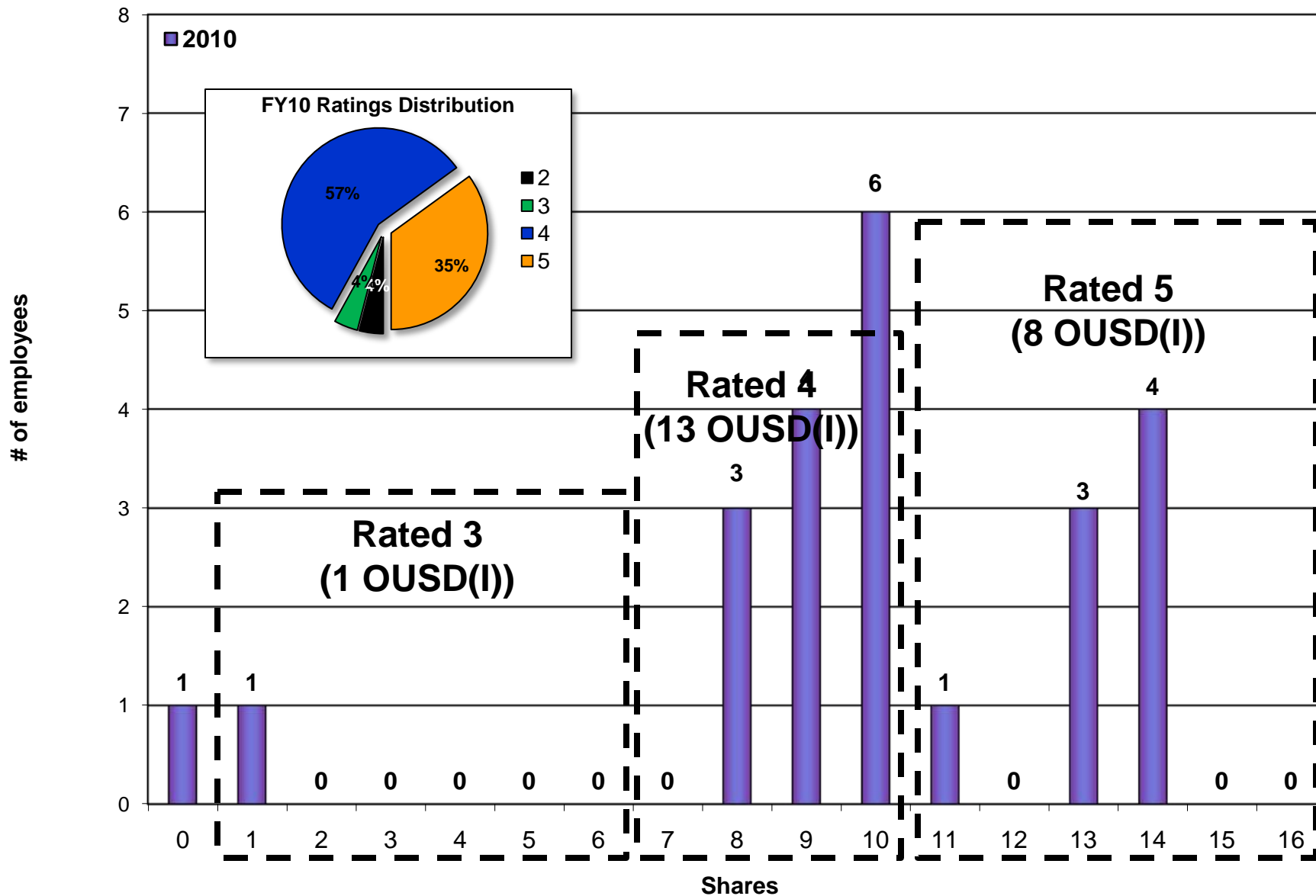


OUSD(I) SES Ratings by Tier, FY10





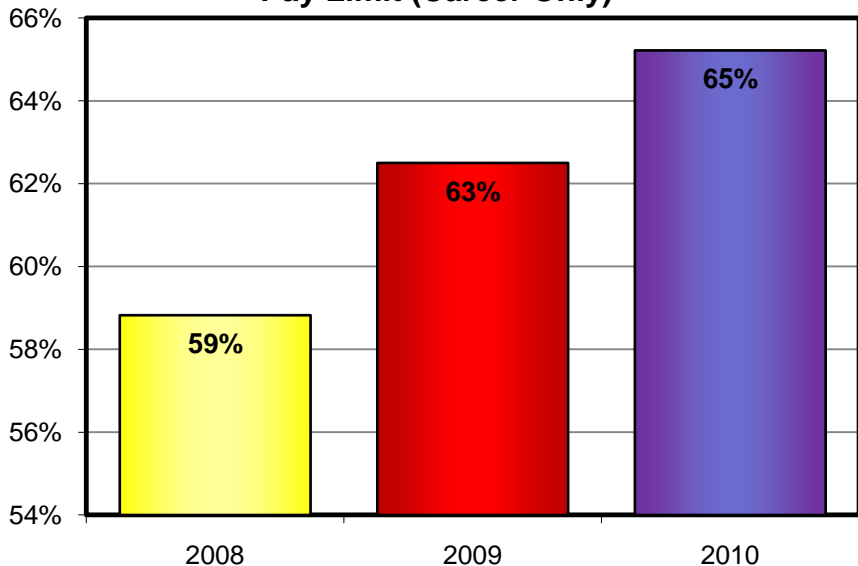
OUSD(I) SES Share Distribution by Rating, FY10



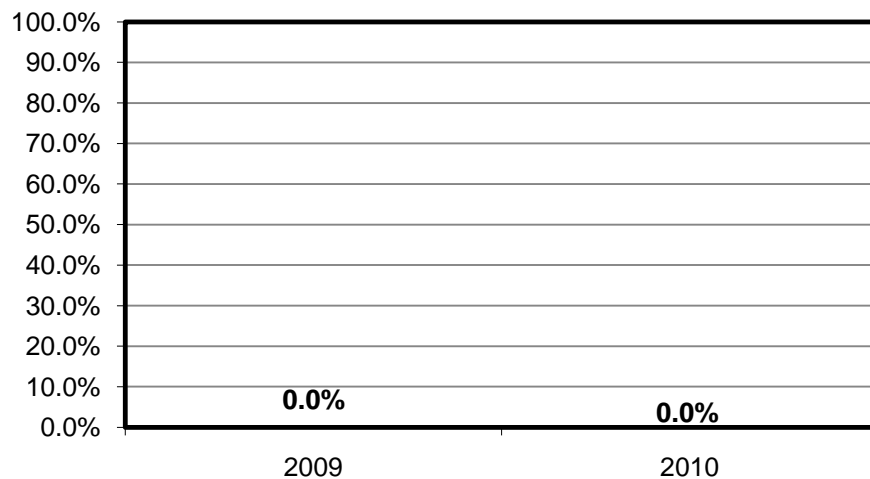


OUSD(I) SES Average Basic Pay After Adjustment Trends, FY07 – FY10

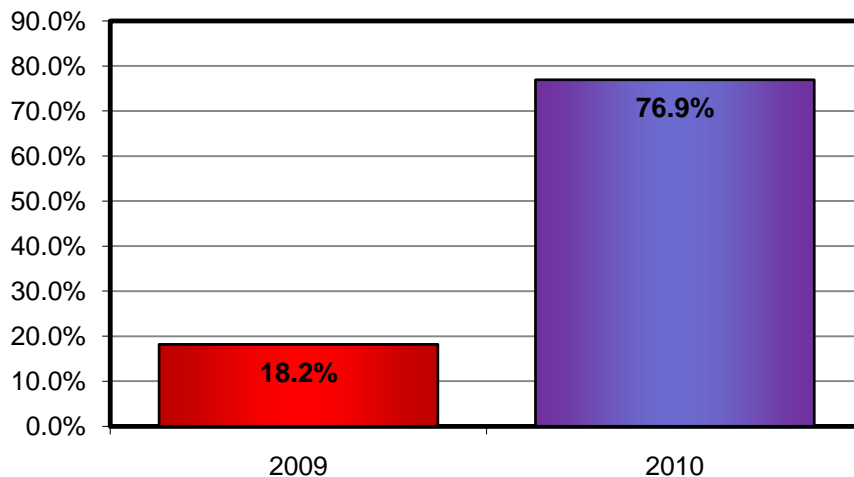
SES Salaries Above Exec. Level III Pay Limit (Career Only)



Tier 1, Over Exec. III Pay Limit (Career Only)



Tier 2, Over Tier 2 Pay Limit (Career Only)

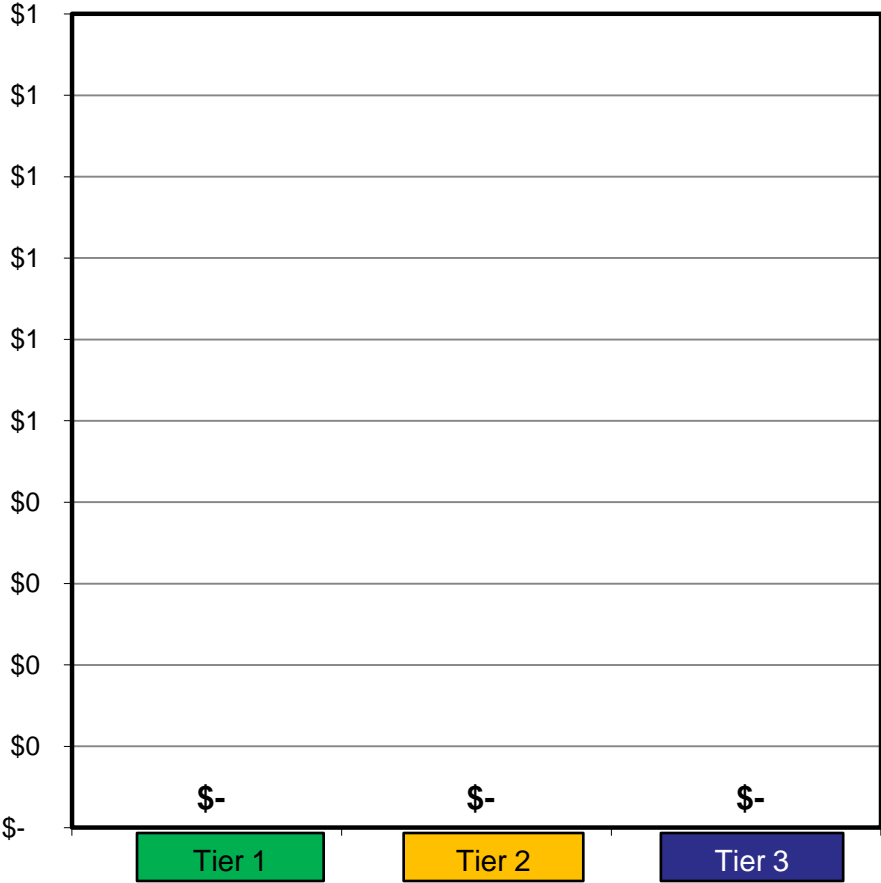


■ 2007 ■ 2008 ■ 2009 ■ 2010

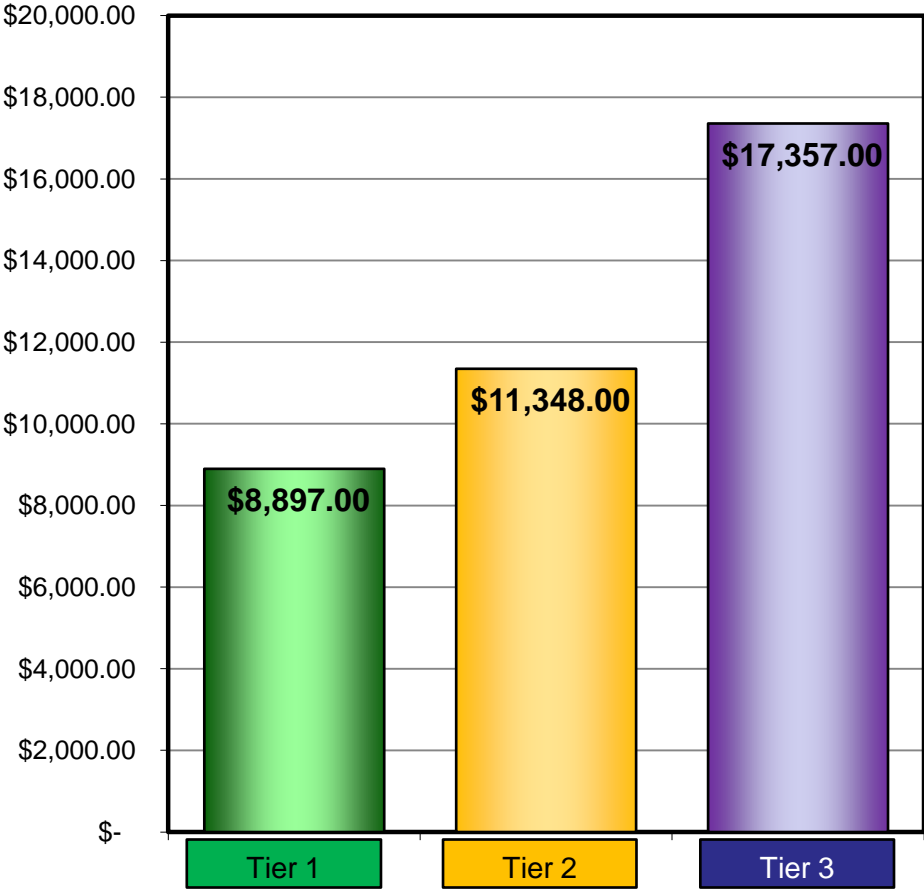


OUSD(I) SES Average Performance Pay Adjustment and Bonus By Tier, FY10

Avg. FY10 Performance Pay Adjustment by Tier Level



Avg. FY10 Performance Bonus by Tier Level (Career Only)





OUSD(I) Performance Payout Results at a Glance, FY08 – FY10

Results at a Glance (For Rated SES, unless otherwise noted):	FY08	FY09	FY10
Total Number (#) of SES/DISES Leaders	17	24	23
Total # Rated SES/DISES (career, non-career and limited term)	16	22	23
Number of Executives Rated/Not Rated	16 / 1	22 / 2	23/0
Performance Rating Levels	Level 2 (0%) Level 3 (6%) Level 4 (13%) Level 5 (81%)	Level 2 (0%) Level 3 (14%) Level 4 (32%) Level 5 (55%)	Level 2 (4%) Level 3 (4%) Level 4 (57%) Level 5 (35%)
Total Salaries ALL SES (including Non-Rated SES)	\$2,628,797	\$3,900,803	\$3,870,858
Pay Pool Funding Factor (Pay Progression + PAEP + Performance Budget)	Tier 1 – 11% Tier 2 – 13% Tier 3 – 17% DISES – 13%	Tier 1 – 11% Tier 2 – 13% Tier 3 – 17% DISES – 13%	Tier 1 – 5.75% Tier 2 – 6.75% Tier 3 – 9.75X% DISES – 7.50%
Pay Pool Value (Pay Pool Funding Factor X Total Salaries of all covered executives)	\$341,744	\$527,629	\$290,314
Unspent Pay Pool	\$9,161	\$68,785	\$15,602
Unspent Pay Pool (as % of Total Salaries)	0.3%	1.8%	.6%
Total Performance (Basic) Pay Increase Payouts	\$166,346	\$146,204	0
Avg. Performance (Basic) Pay Increase	\$11,090	\$6,646	0
Average Salary (after Performance Adjustments) (“New Basic Pay”)	\$164,420	\$168,625	\$168,298
Number of Executives Paid Above Executive Level III (including Non-Rated SES)	10	15	0
Total Performance Pay Increase Payouts (as % of Total Salaries)	6.3%	3.7%	0
Total Performance Bonus Payouts (Career Only)	\$166,237	\$312,640	\$261,438
Avg. Bonus in dollars (\$) (Career Only, Zero Amounts Included)	\$11,874	\$16,455	\$11,367
Total Performance Bonus (as % of Total Salaries)	6.3%	8.0%	6.8%
Percent of Rated SES Members Receiving a Bonus	87.5%	86.4%	87%

While no performance-based pay increases occurred in FY 2010, the change in average salary is due to initial pay setting as a result of executive turnover at OUSD(I)