

OMS Response to OP Proposals on Pay Inequity

1. Overall the OP presentation of the pros and cons of the available options to remedy current pay inequities in the SIS were balanced and constructive. The one notable exception to this is in the presentation of Option D (retaining the status quo), the proffered analysis of which is frankly biased and clearly designed to enhance the probability of this option being adopted.

2. Option A, instituting a series of "within grade steps," is viewed by this Office as the most desirable proposal. It not only is equitable, but also would provide a more generic solution that will still be viable after the next pay cap adjustment. It is important, however, that initial within step assignments take into consideration the within step which individuals would have achieved had they not entered the S.I.S. The "Cons" proposed for this option do not appear to have any necessary basis in fact. The performance oriented concept, to the extent that it exists within the S.I.S. need not be lost if the (infrequent) awards and stipends are continued. The inversion in pay at the high steps of SIS-1 and SIS-2 would be minimal when compared to the present inequities, and represent a gradual phase out of this imbalance with increasing grade--rather than an accentuation. Previous windfalls, the last "Con," have no demonstrable relevance to the present internal inequities.

3. Option B is also viewed by OMS as a positive resolution to present inequities. It is a logical approach to overcoming the abrupt termination of the GS within step spread as one enters the SIS. It is not as systematic a solution as Option A, and would have to be defended anew each time another inequitable pay raise was proposed. The proposed "Cons" to this option are again overdrawn. The substantial costs of this admittedly expensive option are given with not one comparative figure from the other options (excepting the retention of the status quo). This a very important oversight. Exactly how much more expensive would it be? More importantly, how much more expensive would it be than the costs incurred had the Agency followed the government-wide model of assigning its senior executives to the equivalent of the SIS-3 rank in the first place. Is money being saved which was extracted from salaries in the first place? Two additional cited "Cons" presuppose a response from Congress and the Administration which forecloses discussion. OGC proposed that we take our rational argument forward without assuming an answer. OMS supports this latter position.

4. Option C is a half-a-loaf solution which solves only partially and only temporarily the superficial problems, and then adds in a few new ones. It would nonetheless be preferable to the status quo.

5. Option D supports a continuation of the status quo with a series of "Pro" statements which as well could have been assigned to options A through C, or which are only marginally

relevant. The distinctness of the S.I.S., and its "senior" status is not jeopardized by any of the other options. The second "pro," the historic overlap in the General Schedule, is noted with no comment about the enormous increase in the magnitude of this overlap occasioned by the recent changes in pay scale. A third "pro," the fact that GS-15s will be equitably treated in the current scale, is irrelevant as the problem is within the SIS--not with the GS-15 level. Although the "Con" seems fairly presented, one wonders if the 62% figure for those of the SIS who are earning less because of their previous high performance takes into consideration the within step raises these people would have received had they remained within the GS system. The figure may well be even higher than 62%.

6. The final option, Option E, allowing a reselection of the GS schedule on a one time basis, is not viewed as a preferable resolution to the problem by OMS. The capricious application of pay scales in the past would force some officers to gamble that this type of inequity would continue and opt out. They should not be forced to make their decision based on the assumption that inequitable decisions would continue to govern the administration of the SIS program. If Option E is selected it would be appropriate to offer sufficient data to allow the most informed decision. This would include a statement on proposed Agency policy in dealing with

future SIS/GS pay imbalances as well as an indication of the average (per SIS member) award or stipend actually awarded each year, after reductions due to imposed pay limits. Has this average been as high as \$1500 a year? Would the SIS who chooses not to amass leave always stand to receive, on average, more pay in the GS system for the foreseeable future?

7. The OP recommendation is that SIS principles be reaffirmed by selecting Option D. As an alternative, OP proposes Option E, but has not provided sufficient data to allow an informed decision on the merits of this option.

8. OMS feels that Options A, B, and C are equally effective in reaffirming SIS principles, and that all are clearly more equitable than Option D, as well as more rational than Option E. We feel Option A is by far the most reasonable of the offered options, followed by Option B. Option C would be a distant third.