



DON NSPS FACT SHEET



Jan 2010 General Salary Increase for NSPS Employees • 25 Sep 2009

Background

Per NSPS regulations, the Secretary of Defense may authorize up to 40 percent of the GS base salary increase to NSPS performance pay pools (Element 2 funding). For the current performance cycle (ending September 30, 2009), all NSPS employees receiving a rating of 2 or higher will receive 100 percent of the GS base salary increase provided to federal employees. None of the GS base salary increase will be allocated to the pay pools.

The amount of the GS base salary increase will not be known until the President signs an Executive Order implementing the 2010 pay adjustment.

Pay pools begin deliberations in October. While NSPS pay pools will set Element 2 at 0 percent, pay pools will continue to have funds available for performance-based salary increases and bonuses – preserving the link between pay and performance. Historical spending requirements remain in effect. Questions about closing out the 2009 rating cycle, historical spending requirements or the pay pool process can be directed to the DON NSPS Program Management Office at donNSPSfaq@navy.mil.

Key Messages

All NSPS employees receiving a 2 or higher rating of record for the performance cycle ending September 30, 2009, will receive 100 percent of the GS base salary increase provided to federal employees and local market supplement adjustments.

The Secretary continues to review the findings and recommendations from the Defense Business Board Task Group and, given the ongoing review, believes the funding decision is the most prudent course of action. Further, it was important to communicate the decision prior to the pay pool deliberations.

Performance-based salary increases and bonuses continue to be available to pay pools to recognize high-performing employees.

Q&A

1. What happens to NSPS employees who do not have a rating of record?

NSPS employees without ratings of record also will receive the full GS base salary increase and any local market adjustment.

2. Do NSPS employees receive local market supplement (LMS)?

NSPS employees with ratings of record of 2 or higher will receive LMS adjustment equivalent to the GS locality pay adjustments. Employees who have a rating of record of 1 – Unacceptable are not eligible for LMS adjustment.

3. When will we know the amount of the General Salary increase?

As soon as the President signs the Executive Order and the DON receives notification, information will be forwarded to the Commands.

4. How is this different from last year?

Last year the Secretary allocated 40 percent of the GS base salary to NSPS pay pool funds (Element 2). This year, Element 2 will be set at 0 percent and 100 percent of the GS base salary increase will be paid as an across-the-board increase to employees receiving ratings of record of 2 or higher.