



United States Department of the Interior

OFFICE OF THE SECRETARY
Washington, D.C. 20240

DEC 14 1994

PERSONNEL MANAGEMENT LETTER NO. 94-28 (451) (920)

SUBJECT: Prohibition on Cash Awards for Certain Federal Employees

Public Law 103-425 was signed by the President on October 31, 1994. Section 2 of this law added two new sections to 5 U.S.C. 45 - Incentive Awards. This Personnel Management Letter implements these new provisions.

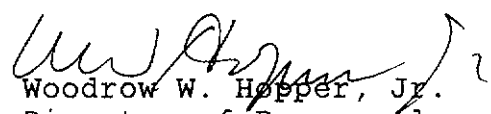
The new 5 U.S.C. 4508 BARS:

all awards under subchapter I of chapter 45 (see types of awards below**) to Senior Executive Service (SES) members who are not career appointees (i.e., non-career and limited appointees) and Schedule C appointees between June 1 of any year in which there is a Presidential election and January 20 of the following year.

** Subchapter I of Chapter 45 contains the authority for monetary (cash), nonmonetary (honorary or informal recognition), and time off awards. It also includes awards granted for superior performance based on ratings of record, special acts or service, heroic deeds, suggestions, and inventions.

The new 5 U.S.C. 4509 BARS:

cash awards under subchapter I of chapter 45 at any time to employees appointed by the President with the advice and consent of the Senate who are paid under the Executive Schedule; the cash awards cannot be given to employees who serve in positions whose compensation is set in statute by reference to a section or level under subchapter II of chapter 53, the Executive Schedule. OPM is reviewing the statute to determine whether this prohibition applies to Presidential rank award eligibility for former career executives who elect under 5 U.S.C. 3392(c) to retain certain SES eligibilities while serving in an Executive Schedule position. When the annual call for nominations for SES rank awards is issued, further guidance will be provided.


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