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UNITED STATES GENERAL ACCOUNTING OFFICE WASHINGTON, D.C. 20548

FEDERAL PERSONNEL AND COMPENSATION DIVISION

B-196181

The Honorable Ruth T. Prokop Chair, Merit Systems Protection Board

Dear Ms. Prokop:

Subject: [First Look at Senior Executive Service Performance Awards/MSPB (FPCD-80-87)

During July 1980, members of my staff reviewed Senior Executive Service (SES) bonus payments at the Merit Systems Protection Board (MSPB) and two other agencies as part of a study directed by the Congress. Results of this study are included in our report entitled "First Look at Senior Executive Service Performance Awards," FPCD-80-74, August 15, 1980 (copy enclosed).

We concluded that the performance awards were within the requirements of the Civil Service Reform Act, as well as Office of Personnel Management (OPM) guidance. But we reported that each of the agencies experienced some procedural difficulties in administering these awards.

We did not make specific recommendations to the three agencies in our report. However, we noted that performance objectives for MSPB's executives were not formulated until November and December of 1979 even though the performance appraisal period for which bonuses were awarded was from March 1979 to March 1980. Thus, performance objectives were written nearly three-fourths of the way through the performance period. The Performance Review Board's action to review performance objectives at the beginning of the appraisal period will overcome this start-up difficulty.

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I want to take this opportunity to express my appreciation for the cooperation given us by your staff in this review. Although the subject was highly controversial, they were very candid in their discussions with us and promptly provided us with information we requested.

Sincerely yours,

H. L. Krieger Director

Enclosure

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