

GAO Highlights

Highlights of [GAO-18-91](#), a report to the Committee on Oversight and Government Reform, House of Representatives

Why GAO Did This Study

Federal agencies can provide additional compensation by using seven broadly available special payment authorities to recruit and retain employees to address needed skills. Though special payments can help fill mission-critical skills gaps, agencies also face constrained budgets, which underscores the importance of cost-effective use of authorities. OPM and the CHCO Council play important roles in assuring effective federal human capital management.

GAO was asked to examine agency use, challenges, and improvements needed, if any. This report 1) describes CHCO agencies' use of special payment authorities in fiscal years 2014-2016; 2) assesses to what extent CHCO agencies examined effectiveness; and 3) evaluates how OPM has helped agencies address recruitment and retention needs. GAO obtained information from CHCO agencies on use of authorities through a questionnaire. GAO also analyzed OPM personnel data and agency documents, and interviewed agency officials.

What GAO Recommends

GAO is making three recommendations, including that OPM should work with the CHCO Council on tracking data and providing guidance and tools to assess effectiveness of authorities, among others. OPM concurred or partially concurred with all recommendations, and described planned steps to implement them.

View [GAO-18-91](#). For more information, contact Yvonne D. Jones at (202) 512-2717 or jonesy@gao.gov.

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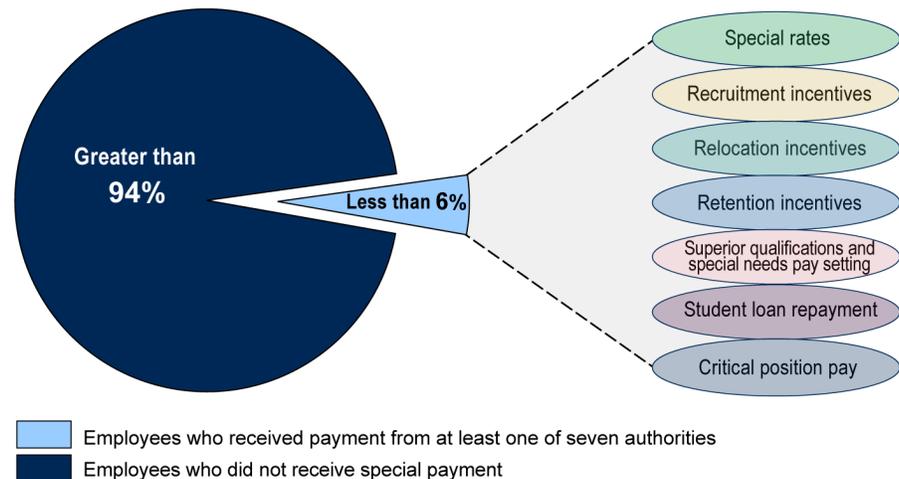
FEDERAL PAY

Opportunities Exist to Enhance Strategic Use of Special Payments

What GAO Found

Generally, federal agencies have seven broadly available government-wide special payment authorities to help address recruitment and retention challenges. Chief Human Capital Officer (CHCO) Council agencies reported using these authorities to varying degrees but overall for few employees in fiscal years 2014-2016. For example, in fiscal year 2016, less than 6 percent of the over 2 million CHCO agencies' employees received compensation from at least one of the authorities (see figure). The two most frequently used—special rates and retention incentives—were used for over 74,000 employees and over 13,000 employees, respectively, each year. The least-used—critical position pay—was used for as few as seven employees a year. CHCO agencies also reported using the range of authorities to help address skills gaps, particularly for science, technology, engineering, and mathematics occupations.

CHCO Agency Employees Receiving Special Payments, Fiscal Year 2016



Note: Not all employees were eligible for payment from all authorities.

Source: GAO analysis of Chief Human Capital Officer agencies' questionnaire responses and Office of Personnel Management Enterprise Human Resource Integration data. | GAO-18-91

CHCO agencies reported that these authorities had positive impacts—such as on-staff retention and applicant quality—but had few documented effectiveness assessments. Nine of 10 agencies that reported having documented assessments provided them, but GAO found that only 3 had information on effectiveness, such as its impact on meeting staffing needs.

The Office of Personnel Management (OPM) collects agency data on use but has not tracked data to analyze how much authorities help agencies improve recruitment and retention government-wide. OPM may be missing opportunities to promote strategic use by providing guidance and tools on assessing effectiveness. For example, OPM has not explored reasons for trends in use of critical position pay or consistently shared best practices and innovative ways to use authorities. Without tracking data and providing guidance to help agencies assess effectiveness, OPM will be unable to determine whether use of special payment authorities helps agencies to improve recruitment and retention.