



COALITION FOR EFFECTIVE CHANGE

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Technology
American Society for
Public Administration
Asian American Government
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Association of Government
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Council of Federal EEO
& Civil Rights Executives
Council of Former Federal
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Federal & Armed Forces
Librarians Round Table
(American Library
Association)
Federal Administrative Law
Judges Conference
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Association
Federal Executive Institute
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Forum of U.S. Administrative
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International Public
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National Academy of Public Service
National Association
of Assistant U.S. Attorneys
National Association
of Federal Veterinarians
National Association of Retired
Federal Employees
National Council of Social
Security Management
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Organization of Professional
Employees at the USDA
Partnership for Public Service
Presidential Management
Alumni Group
Professional Managers
Association
Senior Executives Association
Young Government Leaders

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March 16, 2009

The Honorable Edolphus Towns
Chairman
Committee on Oversight and Government Reform
2157 Rayburn
Washington, DC 20515

The Honorable Darrell Issa
Ranking Member
Committee on Oversight and Government Reform
B350A Rayburn
Washington, DC 20515

RE: Federal Pay Reform Commission

Dear Chairman Towns and Representative Issa,

The Coalition for Effective Change (CEC) is a non-partisan alliance of associations representing current and retired federal managers, executives, and professionals. CEC provides a channel for these public employees to contribute to the success of improving government. We write today regarding an issue critical to the federal workforce and our member groups – reformation of the pay system – and we ask you to put renewed emphasis on this issue.

In his inaugural speech, President Obama stated: “The question we ask today is not whether our government is too big or too small, but whether it works.” Over the last decade this question has been applied to various aspects of the federal government. Now, it is time to look at whether the federal pay system works for the millions of federal employees and prospective employees.

Currently, federal employees are subject to a myriad of different pay systems. From the Senior Executive Service, to the General Schedule, to the National Security Personnel System, to judicial salaries, there is no one system governing federal pay. This patchwork of systems has created dissatisfaction and confusion among employees. Furthermore, the evolution of different pay systems to address agency-specific needs has led to the balkanization of pay systems. Even within individual agencies, union and non-union employees may be subject to different pay systems. Some agencies, like the Securities and Exchange Commission, have successfully pressed for higher pay to stem the loss of employees to higher paying jobs in the private sector. This has served to create a sense of haves and have nots and a perception that the pay system is patently unfair to some federal organizations or employees. It has also served to make oversight difficult, if not impossible. As new pay systems are created, or tweaked, pay compression has also resulted (as GS pay creeps into the SES pay levels) and the gap between public and private sector wages for some jobs grow, culminating in difficulties retaining and recruiting the most qualified personnel. Congressional action imposing arbitrary pay caps adds to the sense of unfairness and creates more pay compression.

Over the years, many ideas, suggestions and pieces of legislation have been promoted as a solution to the pay reform issue. But they have largely addressed only certain portions of the pay system. These problems with the federal government's pay systems do not lend themselves to piecemeal solutions. What's needed are solutions that allow agencies needed flexibility to address their own concerns while at the same time providing sufficient common elements so that the federal government can more effectively and consistently manage its human capital. It is time for a comprehensive effort at reforming federal pay that looks at all pay levels across all agencies and with a sense of how such a system would work government-wide. A commission that brings together industry and civil service experts would be an appropriate vehicle for such a review.

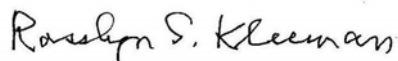
Government backed commissions focusing on various aspects of civil service are not unprecedented. As far back at 1947, Congress authorized the Hoover Commission to report on the organization of the Executive branch and to recommend changes to promote efficiency in the government. Similarly, both of the Volcker Commissions were launched with the goal of restoring and renewing public service.

A commission to review and reform the pay system should draw from the spirit of past commissions, but should also take into account the structure of more recent commissions such as the 9-11 commission and the BRAC commissions. There are several elements that each of these commissions share that are necessary to their success – they are bipartisan, independent groups comprised of experienced professionals from within and without government, they have Congressional authorization which provides them with the funding for necessary staff and activities, they hold hearings to gather information from all interested parties, and they present their findings to Congress or the President. Public hearings that include testimony from managerial and professional associations, unions, and interested stakeholders would be particularly valuable.

To this end, we propose a congressionally authorized commission whose task is to examine the state of the existing federal civil service pay and personnel system and make recommendations to Congress on necessary actions and reforms. The CEC and its member organizations request that you propose legislation this session for such a blue-ribbon commission.

Both collectively and through our member groups we look forward to working with you on federal employee and pay reform to ensure an effective and efficient government workforce now and into the future.

Sincerely,



Rosslyn S. Kleeman
Chair