

Pay Pool Administrator Advisory

2014-17

Issue Date: December 17, 2014

Topic: Supplemental Guidance on Award Limitations for Department of Defense Civilian Employees, dated 11 Dec 2014

Discussion: Subject guidance requires Department of Defense (DoD) organizations who are unrestricted by legal requirement to limit contribution awards to a value no greater than .96 percent of total aggregate salaries of all employees. Additionally it recognizes funding levels specified in Alternative Pay Systems' *Federal Register* notices as "controlling" guidance for such systems. The AcqDemo *Federal Register* Notice, (64 FR 1426, 8 January 1999) specifies that Pay Pool Contribution Award funding be set at a minimum of 1 percent of Total Aggregate Salaries of employees. However notably, the AcqDemo Compensation Management Spreadsheet (CMS) algorithm automatically reassigns .1 percent of the 1 percent to be used for non-rating based awards. **By design, using 1 percent of aggregate salaries for Contribution Award (CA) funding of the AcqDemo CMS, makes 90 percent of the 1 percent available for Contribution-based Compensation and Appraisal System (CCAS) CAs, while the remaining 10 percent funding is available for use in issuing non-rating based awards based on established guidelines and policies.**

While the 1 percent CA funding guidance is identified as controlling, a requirement in subject guidance requires that Components prepare a request, supported by Component legal counsel, for populations governed by *Federal Register* notices to exceed the .96 limitation. As AcqDemo is a DoD-wide demonstration project, the AcqDemo PO is preparing a request on behalf of all Components and will notify them of the outcome. Until then, it is recommended that you not yet exceed the .96 percent limitation. To assist in calculating the amount of funding available for both supporting the .96 percent limitation and the AcqDemo *Federal Register* notice minimum of 1 percent, the following table has been created for the CMS v.5:

	Award Funding	CCAS Award	
Funding Amount	\$24,296	Spending	Balance
90% of Award Funding	\$21,866	\$21,716	\$150
OPM .96% limit	\$23,324		\$1,608
Pay pool 1.000% limit	\$24,296		\$2,580

amount that can be spent outside CMS to meet OPM 0.96% limit
amount that can be spent outside CMS to meet pay pool limit

Action: Complete pay pool panel actions using the 1 percent CA level programmed into the CMS. To view the amount of funding available under the .96 scenario for all awards (CCAS, and on-the-spot, special act, etc.), import the download file into CMS v.5. The illustrated table will be populated with your Pay Pool's data, and viewable at the Parameters page.

Additionally, In version 4 of the CMS there was no way to hide rows on the Summary sheet. In version 5, employee rows that are hidden on the Data sheet are also hidden on the summary sheet. Unhiding employee rows on the Data sheet will now unhide rows on the Summary sheet.

All advisories are posted on the DoD AcqDemo website at <http://acqdemo.dau.mil/advisories.html>