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Program Executive Office, NSPS  
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Reference below my comments concerning NSPS regulations filed in the Federal Register on Feb 14, 2005.

Thank You,

  
Joe Newman

Reference: (Page 7560) Performance Payout and Pay Pool Managers

The pay pool managers (not the employee's supervisor) are to determine the proportion of the employee's total performance payout to be paid as an increase in base pay, a one time bonus, or a combination of the two. Also stated is the limitation that the employee's base pay may not be increased beyond the maximum rate of the employee's pay band (this is a practice referred to as "pay capping" which is a subject of present controversy at the FAA).

There need to be clear guidelines which compel the pay pool managers to make the Performance Payout first to the employee's base pay in an amount up to the level that current GS employee's are receiving that year. After the base pay award requirement is met then if there is an amount left in the employee's Performance Payout then it could be given as a one time "Bonus".

A "Bonus" awarded instead of base pay is a one time transaction which clearly favors the employer at the expense of the employee's future earnings and retirement.

Since the pay pool managers will be influenced by their own annual performance payout they are being put in a position where they may not make the best decision for the employees if they are given too much discretion in deciding the proportion of the pay outs and if they are subsequently pressured by their managers who decide the pay pool managers performance ratings and ultimate rewards.

The NSPS is supposed to be at least to some degree about performance based pay. In private industry managers are frequently rewarded generously for using their positions to save the company money at the employees expense.

The NSPS should strive for a higher standard than private industry.

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