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The Senior Executive Service: An Overview

The Senior Executive Service (SES) was established by the Civil Service Reform Act of 1978 (P.L. 95-454) to provide a government-wide cadre of high-level managers within federal agencies. The SES comprises mostly career appointees who are chosen through a merit staffing process and serve in policy, supervisory, and managerial positions above grade 15 of the General Schedule (GS). Most agencies have SES members, but some agencies are exempted by statute, including government corporations and certain intelligence and financial regulatory agencies.

The SES was intended to create a link between the politically appointed leadership of agencies and career civil servants. The SES was to be the solution to frictions caused by sometimes differing objectives that each of these two groups may have, with the focus of political appointees often on instituting programmatic changes in line with the President's policy goals and the focus of career civil servants more on the technical details of program execution. In addition, the creation of the SES was partly intended to ease the transition period for new Presidents and their political appointees by providing incoming administrations with a flexible, responsive set of experienced leaders who could ensure that agencies were running smoothly through the change in leadership and beyond.

This In Focus provides a brief overview of the SES, including types of positions, the process for and types of appointments to the SES, and compensation.

SES Structure: Positions and Appointment Types

The SES has two types of positions: career reserved and general. Approximately half of SES positions are career reserved and the other half are general. The Civil Service Reform Act tasked the allocation of SES positions (along with other responsibilities relating to the SES) to the Office of Personnel Management (OPM).

Positions in the SES may be filled using one of three appointment types: career, noncareer, and limited. The type of position determines, in part, what type of appointment may be made to fill it. Career reserved positions may be filled *only* by career appointment, while general positions may be filled by any of the three types of appointment (career, noncareer, or limited).

Position Types: Career Reserved

Career reserved positions are those that involve day-to-day functions of government and require impartiality. By law (5 U.S.C. §3132(b)(1)) and regulation (5 C.F.R. §214.402), certain types of positions must be removed from political influence to ensure public confidence in the impartiality of

certain government functions. Examples include audits, inspections, civil or criminal law enforcement, grants administration, and security matters—the principal duties of which involve day-to-day government operations.

Career positions may be filled only by career appointees through a merit staffing process, which is discussed below. OPM publishes an annual list of career reserved SES positions in the *Federal Register*.

Position Types: General

General positions are those remaining positions in the SES that do not meet the criteria for a career reserved position. General positions may be filled by career appointment, noncareer appointment, or limited term appointment. Because of statutory limitations on the total number of noncareer and limited appointees, however, most general positions are filled by career appointees.

An agency may convert a position from career reserved to general or vice versa, but such a switch requires OPM's approval. General positions are listed in the *Plum Book (U.S. Government Policy and Supporting Positions)*, which is published alternately by the House and Senate each presidential election year and lists all positions to which political appointments can be made.

Appointment Types: Career Appointments

Most SES positions, including all career reserved positions and most general positions, are filled through career appointment. The requirements for a merit staffing process apply to all career appointments to the SES regardless of whether the underlying position is career reserved or general.

The process for career appointments is generally as follows: the agency advertises the position; candidates submit applications; the agency's rating panel reviews and ranks candidates; the agency's Executive Resources Board recommends the best qualified candidates; the appointing authority selects a candidate and certifies that he or she meets the qualifications for the SES and the position; the agency submits the candidate's application package to an OPM-administered Qualifications Review Board for certification; and, if approved, the agency appoints the candidate to the position. Agencies may also have some ability to reinstate a former career SES member or hire an individual directly from an SES candidate development program if certain conditions are met.

Career appointees typically serve a one-year probationary period and, following the conclusion of the period, may be removed from the SES only for cause or poor performance.

Appointment Types: Noncareer Appointments

Noncareer SES appointments do not require a merit staffing process. Agencies must obtain approval from OPM and the White House Office of Presidential Personnel for each noncareer appointment. The appointing official must certify that the appointee is qualified for the position.

Noncareer appointments can be made only to general positions. Because noncareer appointments do not require a merit staffing process, noncareer appointees to the SES are considered political appointees.

By law, a maximum of 10% of SES positions government-wide may be filled by noncareer appointees. This percentage varies across agencies, however, and may be up to 25% in any individual agency. When a noncareer appointee leaves his or her position, the appointment authority reverts to OPM, and OPM must again grant approval to fill the position. Noncareer appointees serve at the pleasure of the appointing authority: that is, they lack the removal protections of career appointees.

Appointment Types: Limited Appointments

Limited appointments are used to head a specific project or meet an agency’s unanticipated, urgent need and may be used only to fill general positions for a specified period of time. Limited appointments are used to fill temporarily established positions and may last up to three years—or up to 18 months for a limited emergency appointment. Limited appointments are not renewable.

By law, limited appointments may not exceed 5% of all SES positions government-wide. OPM generally allocates limited appointment authority on a case-by-case basis, but each agency has a small pool of limited authority available (3% of their total SES position allocation) that may be available under certain circumstances. Limited appointees serve at the pleasure of the appointing authority.

Table 1 identifies the number of senior executives serving by appointment type as of September 2020.

Table 1. SES Membership by Appointment Type
As of September 2020

Appointment Type	Number of Senior Executives
Career	7328
Noncareer	755
Limited	103
Total	8,186

Source: Office of Personnel Management’s FedScope database, <https://www.fedscope.opm.gov/>.

SES Pay

The typical compensation package for career senior executives is a performance-based pay system that includes salary (basic pay) and performance awards (bonuses).

Basic Pay

Members of the SES are compensated within pay ranges that are established by law. The pay ranges are tied to the pay for the GS and the Executive Schedule.

The minimum rate of basic pay for the SES is 120% of the rate of basic pay for GS-15, step 1. The maximum rate depends on whether the agency has an OPM-certified performance appraisal system. To obtain OPM certification, the agency must have an appraisal system that, as designed and applied, makes meaningful distinctions based on relative performance. For agencies without an OPM-certified SES performance appraisal system, SES members’ pay may not exceed the rate payable for level III of the Executive Schedule. For agencies with an OPM-certified SES performance appraisal system, SES members’ pay may not exceed the rate payable for Level II of the Executive Schedule.

The rates of basic pay for 2021 are listed in **Table 2**. Members of the SES do not receive locality pay.

Table 2. Rates of Basic Pay for Members of the Senior Executive Service (SES), 2021

Structure of the SES Pay System	Minimum	Maximum
Agencies with an OPM-certified SES performance appraisal system	\$132,552	\$199,300
Agencies without an OPM-certified SES performance appraisal system	\$132,552	\$183,300

Source: Office of Personnel Management.

Performance Awards

Career members of the SES may also be eligible for awards, which are for performance during the most recently completed appraisal period. Each agency head approves performance awards based on recommendations by the agency’s Performance Review Board. Typically, the amount of an individual award must be between 5% and 20% of the executive’s basic pay. Agencies are limited in how much total money they may allocate for performance awards each year.

Career executives can also be nominated for Presidential Rank Awards to recognize sustained (Meritorious Rank) and sustained extraordinary (Distinguished Rank) accomplishments. Meritorious Rank recipients may earn a payment of 20% of their annual basic pay, and recipients of the Distinguished Rank may earn a payment of 35% of their annual basic pay.

Senior executives may also be eligible for other awards based on a special act or service, suggestion, invention, superior accomplishment, or productivity gain.

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