

July 17, 2000

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SUBJECT: Review of Postal Inspection Service Forensic
Scientist Salaries
(Report Number OV-MA-00-002)

This management advisory report presents the results of our review of the salaries paid to forensic scientists at the Postal Inspection Service (Project Number 99CF012OV000). We initiated this review in response to a complaint received from Inspection Service Forensic and Technical Services Division (Lab) managers. The managers alleged that forensic scientists lacked parity in salaries when compared to their federal counterparts. The managers further alleged that the lack of parity in salaries has caused personnel recruiting and retention problems.

Results in Brief

Our review disclosed that while junior forensic scientists at the Forensic and Technical Services Division had pay parity with their federal counterparts, senior forensic scientists lacked parity in salaries when compared to their federal counterparts. The lack of parity in salaries has impacted the Inspection Service's ability to recruit and retain qualified senior forensic scientists. A memorandum provided by Inspection Service officials identified that since 1995, 9 out of 50 forensic scientists (18 percent) left the Inspection Service Lab for better salaries.

If corrective actions are not taken, the Inspection Service's ability to attract and retain senior forensic scientists may worsen. The Federal Bureau of Investigation and the Department of Treasury have received congressional approval to establish special pay and benefit programs to

attract scientists and technicians for positions that have historically had recruiting and retention problems. Both agencies have included their respective forensic scientist positions in these special programs.

We suggested that the chief postal inspector work with the senior vice president, Human Resources, to develop a compensation program for Inspection Service forensic scientists that will establish salary parity with other federal forensic laboratories. Management agreed with our suggestion and has initiated corrective action to address the issues identified in this report. In addition, management suggested that several statements in the report be modified for clarification. We address these suggested modifications in our evaluation of management's comments. In some instances, we modified the report based on management's suggestions. Management's comments, in their entirety, are included in the Appendix of this report.

Background

The Federal Law Enforcement Pay Reform Act of 1990 significantly impacted the salaries of federal law enforcement personnel. With the exception of the Postal Inspection Service, which was not included in the legislation, other federal law enforcement agencies raised the overall salaries of their law enforcement personnel to include their forensic scientists.

In June 1995, the chief postal inspector created a Pay Task Force for the purpose of examining the pay disparity between postal inspectors and forensic scientists with their respective federal counterparts. This task force had been meeting with Postal Service Human Resource officials to review their initial findings, when on September 30, 1996, Public Law 103-329, the Postal Inspector General Law, was passed. This legislation required that compensation and benefits for all postal inspectors be maintained on a standard of comparability with other federal law enforcement personnel. This changed the mission of the Pay Task Force to working directly with Human Resource officials to develop and implement a pay system that would meet the requirements of the legislation. Human Resource officials indicated that since the legislation only included postal inspectors, forensic scientists would not be included in the new pay system. Human Resource officials stated that forensic scientist pay issues would be reviewed as a

separate issue. To date, a separate salary package for forensic scientists has not been developed.

On February 6, 1998, five forensic managers assigned to the Inspection Service Lab wrote a letter to the inspector general, Postal Service, expressing their concern about not being included in the Pay Task Force salary deliberations implementing the Postal Inspector General Law. The managers alleged that by not being included in the implementation of this law, salary adjustments were not appropriately addressed. Consequently, Inspection Service forensic scientists have been unable to maintain parity in salaries with their federal counterparts. The managers further contended that the lack of parity in salaries has affected their ability to recruit and retain qualified forensic scientists.

**Objective, Scope, and
Methodology**

Our objective was to determine if a disparity existed between salaries paid to Postal Inspection Service forensic scientists and their federal counterparts. To accomplish this objective, we reviewed the results of various studies and surveys¹ that evaluated compensation issues including law enforcement benefits for forensic scientists. We did not evaluate the duties performed by Lab personnel. In addition, we interviewed Inspection Service management and Postal Service Human Resources officials to determine what actions, if any, had been taken regarding the compensation package for forensic scientists. We also interviewed administrators from the Immigration and Naturalization Service and Department of the Treasury² to benchmark pay and benefits provided to their forensic scientists. We reviewed operational plans implementing the Federal Bureau of Investigation and Department of the Treasury special pay and benefits programs, known as Demonstration Projects, authorized by Congress.

We conducted our review from July 1999 through July 2000 in accordance with the President's Council on Integrity and

¹ Forensic and Technical Services Division, "Pay Comparability for Scientific and Technical Support Personnel," September 4, 1991; Forensic and Technical Services Division, "Pay Task Force Final Draft," December 15, 1995; and Hay Group, "Comparison of Pay for Forensic Managers and Analysts," June 29, 1998. The Hay Group study, which was a Postal Service Human Resource directed study to determine pay parity with the private sector, concluded that for most locations reviewed, Forensic and Technical Services Division managers lacked pay parity with their counterparts in the private and city, state, and federal government sectors.

² Department of the Treasury includes the Bureau of Alcohol, Tobacco and Firearms; the Customs Service; and the United States Secret Service.

Efficiency, Quality Standards for Inspections. We discussed our conclusions with management officials and included their comments where appropriate.

Observations

While junior forensic scientists at the Forensic and Technical Services Division had pay parity with their federal counterparts, senior forensic scientists lacked parity in salaries when compared to their federal counterparts.³ The lack of parity in salaries has caused a problem in the recruitment and retention of qualified senior forensic scientists. If corrective actions are not taken, the Inspection Service's ability to attract and retain senior forensic scientists may worsen. The Federal Bureau of Investigation and the Department of Treasury have received congressional approval to establish special programs to attract scientists and technicians for positions that have historically had recruiting and retention problems. Both agencies have included forensic scientist positions in their Demonstration Projects.

**Pay and Benefit
Inequities**

Salaries for senior forensic scientists at the Inspection Service have steadily fallen behind the salaries of forensic scientists at other federal agencies. According to Inspection Service officials, salaries for senior forensic scientists have fallen approximately 15 to 40 percent below the salaries of forensic scientists at other agencies since the Postal Service implemented the Postal Inspector General Law without addressing salaries of forensic scientists. The percentage difference in salaries depends upon the location of the laboratory.

Disparities in the Executive and Administrative and General Schedule professional tracks suggest it may be advantageous for forensic scientists to begin their career with the Inspection Service Lab and transfer to another federal laboratory once they reach the senior forensic scientist level. Inspection Service forensic scientists are paid under the Executive Administrative Salary Schedule.⁴ Forensic scientists from other federal agencies are paid

³ Junior forensic scientists are scientists at the Executive and Administrative Salary Schedule 17 –19 and General Schedule 7 – 11 levels. Senior forensic scientists are scientists at the Executive and Administrative Salary Schedule 21 – 25 and General Schedule 12 – 15 levels.

⁴ The Postal Service utilizes the Executive and Administrative Salary Schedule to pay executives, professionals, supervisors, postmasters and technical and administrative employees. This schedule is unique to the Postal Service.

under the General Schedule pay scale. Salaries paid at Executive and Administrative entry levels range from \$39,942 to \$43,673, while salaries paid at General Schedule entry levels range from \$28,265 to \$41,834.⁵ Conversely, salaries paid at Executive and Administrative senior levels range from \$48,279 to \$59,422, while salaries paid at General Schedule senior levels range from \$50,139 to \$82,876. As a result, the Postal Service may spend valuable resources training forensic scientists only to lose them to other federal laboratories once the forensic scientists reach the senior levels.

Retention Difficulties

Inspection Service Lab officials have encountered increasing difficulty in retaining qualified forensic scientists due to the disparity in compensation with their federal counterparts. A memorandum provided by Inspection Service officials identified that since 1995, 9 out of 50 senior forensic scientists (18 percent) left the Inspection Service Lab for better salaries. The impact of the loss of these senior forensic scientists is further increased due to the specialized nature of their positions. Lab management also did not receive any applications from employees of other federal agencies when they recently published vacancy announcements for forensic scientist positions. Federal agencies normally draw applicants from employees of other federal laboratories when filling vacancies for forensic scientists.

On September 19, 1997, Inspection Service management notified Postal Service Human Resource officials of the Lab's increasing difficulty in retaining qualified forensic scientists due to salary disparities with other federal laboratories. Postal Service Human Resource officials responded that the Inspection Service did not have a retention problem since senior forensic scientists who left the Lab were quickly replaced with newly hired lower level forensic scientists. Postal Service Human Resource officials stated that this replacement process resulted in

⁵ The Executive and Administrative Salary Schedule figures do not account for Economic Value Added pay, an annual bonus paid to postal employees who are paid on the Executive and Administrative Salary Schedule. Economic Value Added pay averaged 6.3 percent over the last three years for forensic scientists. The General Schedule pay scale figures include a 6.7 percent locality pay. Locality pay is paid according to where an employee works and not where they live. Additionally, the General Schedule pay scale figures do not account for Administratively Uncontrollable Overtime pay, basic overtime pay, or hazardous duty pay which are authorized premium payments. Executive and Administrative Salary Schedule and the General Schedule pay scale figures are based on the minimum salaries for each grade level in the professional track.

cost-savings due to the lower salaries of newly hired lower level forensic scientists. While a cost saving may have been realized, this practice could result in an erosion of the Lab's certified and experienced forensic scientists.

Demonstration Projects Congressionally approved Demonstration Projects at the Federal Bureau of Investigation and the Department of Treasury may adversely impact the Inspection Service's ability to recruit and retain qualified forensic scientists. Congress authorized Demonstration Projects to assist these federal agencies in recruiting and retaining highly qualified scientists and technicians. Public Law 105-110, Section 122, passed on November 26, 1997, authorized the Federal Bureau of Investigation to develop an enhanced compensation project for 3,000 non-special agent employees. Public Law 105-277, Section 112, passed on November 26, 1997, authorized the Department of Treasury to establish a similar project.⁶

The Demonstration Projects provide the agencies with the flexibility to develop competitive and enhanced recruiting and retention pay and benefit packages for technical positions that have historically demonstrated recruiting and retention problems. Both agencies have included their forensic science laboratories in these Demonstration Projects.

Resolution of Pay & Benefits Inequities Inspection Service management has unsuccessfully attempted to resolve the issue of salary inequities with Postal Service Human Resource officials since September 1997. Inspection Service management argued that the Executive and Administrative Salary Schedule was too restrictive in allowing pay increases and did not keep pace with the General Schedule pay scale used by the majority of federal laboratories. Inspection Service management recommended that Postal Service Human Resource officials move the forensic scientists to the Inspection Service Law Enforcement pay scale, which is a General Schedule based pay scale.

Postal Service Human Resource officials did not move forensic scientists to the Inspection Service Law Enforcement pay scale as requested by Inspection Service

⁶ The Bureau of Alcohol, Tobacco, and Firearms is the only agency within the Department of Treasury that has established the Demonstration Project to date.

management. Human Resource officials stated that moving the forensic scientists to the Inspection Service Law Enforcement pay scale would set a precedent for other Postal Service work groups who were also dissatisfied with the Executive and Administrative Salary Schedule.

On October 16, 1998, Congressman John McHugh, chairman of the Subcommittee on Postal Services, wrote a letter to the postmaster general expressing concern over salary comparability and retention issues at the Inspection Service Lab. Postal Service Human Resource officials conducted a formal review of salary comparability for forensic scientists and concluded that there was comparability with the private sector.⁷ However, in view of the valuable contribution forensic scientists make to the overall Postal Service law enforcement effort, the postmaster general authorized up to a ten percent pay raise for forensic scientists. However, this pay raise did not completely close the salary gap between forensic scientists and their federal government counterparts.

Summary

While junior forensic scientists at the Forensic and Technical Services Division had pay parity with their federal counterparts, senior forensic scientists lacked parity in salaries when compared to their federal counterparts. The lack of parity in salaries has caused a problem in the recruitment and retention of qualified senior forensic scientists.

The salary disparity is likely to worsen due to other federal laboratories developing even more attractive pay and benefits packages. These pay and benefits packages may adversely impact the Postal Service's ability to recruit and retain qualified senior forensic scientists. Additionally, other federal forensic laboratories offer pay premiums such as administratively uncontrollable overtime, basic overtime, and hazardous duty pay, which are attractive recruiting and retention benefits. The Postal Service does not pay these premiums. Our analysis also identified that senior forensic scientists paid under the Executive and Administrative Salary Schedule are at a disadvantage when compared with senior forensic scientists paid under the General Schedule pay scale. While the Executive and Administrative Salary

⁷ Hay Group, "Comparison of Pay for Forensic Managers and Analysts," June 29, 1998.

Schedule may be more attractive at the lower forensic scientist level, it loses its attractiveness at the senior forensic scientist level.

Suggestion

We offer the following suggestion:

We suggest the chief postal inspector work with the senior vice president, Human Resources, to develop a compensation program for Inspection Service forensic scientists that will establish salary parity with other federal forensic laboratories.

**Management's
Comments**

The chief postal inspector and vice president, Employee Resource Management, agreed with our suggestion and identified that Postal Service Human Resources and Inspection Service officials are currently working together to develop, review, and analyze a salary structure to address salary parity issues for the forensic staff. Management further identified that the Inspection Service will develop and submit a revised salary proposal to Postal Service Human Resources by July 14, 2000. The Inspection Service will also present its business case for a revised salary structure for the forensic staff to the Non-executive Compensation Committee for decision by the end of July 2000.

Management identified that Postal Service Human Resources and the Inspection Service have been working the issue of pay parity for the forensic staff for some time. In addition, prior to the issuance of the draft report, management had taken steps to work on initiatives that would enrich the benefits for all Executive and Administrative Salary Schedule employees, including the Inspection Service forensic staff.

**Evaluation of
Management's
Comments**

Management's actions, planned and taken, are responsive to our suggestion and should help ensure the resolution of pay parity issues for senior forensic scientists.

**Additional
Management
Comments**

The chief postal inspector and vice president, Employee Resource Management, provided additional comments on several report statements. These comments are summarized below.

- Definitions for junior and senior forensic scientists were not provided in the report. The pay disparity for forensic scientists currently begins following four to five years of service.
- The actual salaries of forensic scientists have not fallen 5 to 40 percent since the Postal Inspector General Law was passed, as identified in the report. Rather, the maximum annual salary available to Inspection Service forensic analysts is currently up to 38 percent below their federal counterparts.
- The statement identifying that forensic scientists paid under the Executive and Administrative Salary Schedule may be at a disadvantage when compared to forensic scientists paid under the General Schedule pay scale was understated in the report. Senior forensic analysts paid under the Executive and Administrative Salary Schedule are at a definite disadvantage when compared to their federal counterparts.
- The term forensic laboratory technician should be changed to forensic analyst personnel or forensic scientists since technicians are a separate classification from forensic scientists.

**Evaluation of
Management's
Comments**

Our evaluation of management's comments is summarized below.

- We considered junior forensic scientists to be scientists at the Executive and Administrative Salary Schedule 17 – 19 and General Schedule 7 – 11 levels. We further considered senior forensic scientists to be scientists at the Executive and Administrative Salary Schedule 21 – 25 and General Schedule 12 – 15 levels. Based on our analysis, a pay parity began at the Executive and

Administrative Salary Schedule 21 – 25 and General Schedule 12 – 15 levels. We modified the report to reflect our definitions of junior and senior forensic scientists.

- We identified that salaries for senior forensic scientists have fallen approximately 15 to 40 percent below the salaries of forensic scientists at other agencies based on an analysis of salary parity issues prepared by the deputy chief inspector for administration for the manager, compensation, Postal Service Human Resources. This percentage range was based on a review of salaries of numerous forensic scientist disciplines including chemists, physical evidence analysts, latent print examiners, questioned document examiners, digital evidence analysts, and forensic photographers. We are not certain which disciplines management is referring to related to the percentage given and recognize that the percentage difference in pay parity may have changed since the audit was conducted.
- We agree that senior forensic scientists paid under the Executive and Administrative Salary Schedule are at a disadvantage when compared to senior forensic scientists paid under the General Schedule pay scale. We modified the report to reflect this disadvantage.
- We referred to forensic scientists as forensic technicians based upon discussions of forensic positions with Inspection Service and Postal Service Human Resources personnel. However, we recognize that forensic scientists represent a distinct classification of forensic personnel and have modified the report to refer to forensic technicians as forensic scientists.

We appreciate the cooperation and courtesies provided by your staff during the review. If you have any questions, please contact [REDACTED], or me at (703) 248-2300.

Billy J. Sauls
Assistant Inspector General
for Oversight and Business Evaluations

Attachment

cc: James K. Belz
John R. Gunnels

APPENDIX. MANAGEMENT'S COMMENTS



July 12, 2000

BILLY SAULS

SUBJECT: Joint Response to the OIG Report on Forensic Salaries

This is the joint response from the Inspection Service and Human Resources to the Office of Inspector General Draft Management Advisory, Review of Postal Inspection Service Forensic Laboratory Technical Salaries.

We are in agreement with the suggestion put forth in the Draft Management Advisory that the chief inspector and the senior vice president for Human Resources work together to develop a compensation program for Inspection Service forensic laboratory analyst personnel that will establish salary parity with other federal forensic laboratories. As you may know, the Inspection Service has been working with Human Resources on this issue for quite some time.

Prior to the issuance of the OIG report, management had taken steps to work on initiatives that would enrich the benefits for all EAS employees. The updated benefits would apply to the forensic staff. These initiatives include:

- Updating the professional/technical pay adjustment policy to address the recruitment and retention incentives.
- Updating the EAS recognition award policy to raise spot awards to \$2,500 and Vice President awards to \$5,000.
- Addressing the merit pay increases and merit pay lump sums.

These updates will be topics for discussion during the upcoming pay consultations.

Human Resources and the Inspection Service are currently working together to develop, review, and analyze a salary structure to address the salary parity issues for the forensic staff. The Inspection Service will develop and submit a revised salary proposal to Human Resources by July 14. Human Resources will review and analyze the revised proposal. The Inspection Service will present its business case for a revised salary structure for the forensic staff to the Non-executive Compensation Committee for decision by the end of July.

For clarity and accuracy, four suggestions are made relative to the Draft Advisory.

1. It is suggested the statement in the report on page 4 under observations be made clearer.

While junior forensic laboratory technicians at the Forensic and Technical Services Division had pay parity with their federal counterparts, senior forensic laboratory technicians lacked parity in salaries when compared to their federal counterparts.

It is noted there is no definition of junior or senior. For the purposes of pay, this disparity currently begins following four to five years of service.

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2. The statement on page 4, under Pay and Benefit Inequities is misleading.

According to Inspection Service officials, salaries for senior forensic laboratory technicians have fallen approximately 15 to 40 percent below the salaries of technicians at other agencies since the Postal Service implemented the Postal Inspector General Law without addressing salaries of forensic technicians.

The actual salaries of the forensic analysts have not fallen by the percentages stated since the Postal Inspector General Law was passed. However, the maximum annual salary (base pay plus locality pay) available to forensic analysts in the Inspection Service is currently up to 38 percent below their federal counterparts. Specifically, the maximum that a senior forensic examiner can earn in FY 2000 in the inspection service is \$73,511. Whereas, their federal counterparts can earn a maximum ranging up to \$101,120 (38 percent more) and in unusual circumstances, even higher salaries.

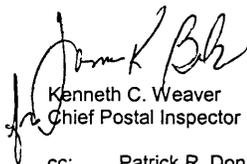
3. The sentence on page 7, under Summary seems understated based on the available information.

Our analysis also suggests that forensic laboratory technicians paid under the Executive and Administrative Salary schedule may be at a disadvantage when compared with forensic laboratory technicians paid under the General Schedule pay scale.

Senior analysts are GS-13 and GS-14 in the other federal agencies using the GS pay scale. The maximum base salary of a GS-13 for pay year 2000, depending on locality, ranges from \$77,507 to \$83,481. The maximum base salary of a GS-14 for pay year 2000, depending on locality, ranges from \$91,589 to \$98,649. Compared to the maximum salary of an EAS-23 of \$73,511, the forensic analysts paid under the EAS schedule are at a definite disadvantage.

4. The report refers to forensic scientists as "technicians." In the federal forensic laboratory system, technicians are a separate classification from forensic scientists. It is suggested that the term technician be changed to forensic analyst personnel or to forensic scientists.

Should you have any questions, please contact Jim Belz at extension 5425 or Lynn Malcolm at extension 4556.



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