Food Safety and
Inspection Service

DEC 0 3 2013

1400 Independence
Avenue, SW,
Washington, D.C.
20250

Dear Colleagues,

FSIS began the Public Health Human Resources System (PHHRS) Demonstration Project on July 19, 2009, with the project scheduled to expire on July 19, 2014. The overall objective of the project was to determine whether a results-based, competency-linked pay-for-performance system using broad pay bands would facilitate the transformation of the FSIS workforce into a results-oriented performance culture that is more skilled to meet the challenges of its expanding mission. Despite efforts to address issues and concerns that are inherent with the parameters of the project, I have determined that PHHRS has not and will not meet our needs.

FSIS hired an external evaluation team to conduct an annual assessment of the program each year. An analysis of the results of the external evaluation further supports my decision to end the PHHRS Demonstration Project. FSIS will return all employees who are presently under the PHHRS pay system back to the General Schedule (GS) pay system effective no later than the beginning of Pay Period 3.

The fiscal year (FY) 2013 performance rating cycle will be the last one conducted under the PHHRS system. A performance payout based on the FY 2013 performance rating cycle results will occur prior to the conversion back to the GS pay system. The payout will be effective the first full pay period, on or after January 1 (January 12, 2014).

I appreciate your participation in the PHHRS Demonstration Project. The feedback you have provided has been extremely valuable in some of the changes that we have made to the project over the years, as well as equipping me with the information needed for decision-making. We have gained some very useful information from this project that we can use to improve our policies under the GS system. We will use this knowledge and experience as we continue to move toward our goal of having a high-performance, results-oriented workforce.

I know you will have many questions regarding this conversion. Please be assured that this is only the first in a series of communications aimed at providing you information on how the conversion process will work. The

following link provides answers to Frequently Asked Questions regarding the general conversion rules: https://inside.fsis.usda.gov/fsis/emp/static/global/offices/tSpace/spTeams/phhrsTeam.jsp. You may also submit questions to the Performance Management Branch mailbox at PerformanceManagement@fsis.usda.gov.

Sincerely:

Alfred V. Almanza
Administrator