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Press Statement on VA Bonuses by SEA President Carol Bonosaro

The current barrage of criticism directed at bonuses paid to Senior Executives at the Department of Veterans Affairs is both unfair and misdirected. While everyone shares the desire to give our nation's veterans the best care and service possible, hanging VA career executives out to dry over the bonus system will accomplish nothing toward achieving that end.

These career executives work at the direction of political appointees. Consequently, the concerns expressed with regard to Bush Administration decisions to request less money than needed for VA health care should more properly be pointed at the Administration's policy makers, not at career Senior Executives who carry out their orders and who are turning in excellent performances within the resources they are given by the Administration and Congress.

If the Congress decides to discontinue bonuses, these executives have no incentive to stay and continue to carry out these programs to the best of their ability and to address the problems which concern the Congress. Bonuses are awarded on the basis of individual achievement, and it is unfair to deny deserving executives on the basis of dissatisfaction with politically driven decisions.

Newsweek, U.S. News and World Report, the Wall Street Journal and other publications have repeatedly cited the Department of Veterans Affairs as administering the "finest healthcare in the world." The career executives who run these health facilities make at best 50% of what their private sector counterparts earn in comparable positions. Further, many earn as much as \$70,000 a year less than some medical staff employed in the facilities under their direction.

The pay system which applies to these career executives—unlike the rest of the civil service—provides for no annual cost of living increases and for no locality pay adjustments. Rather, all pay adjustments are based on performance, and the bonus system is an integral part of that pay system. In addition to bonuses, the pay system provides for Presidential Rank awards, such as the \$33,000 award cited in one article. Nominations for these awards are made by the executives' departments and agencies, reviewed by the Office of Personnel Management, and approved by the White House.

Slashing their bonuses and continuing to heap criticism on career executives who have only done their jobs and done them well will ultimately succeed in driving them to the private sector where they can earn what they are worth and be appreciated for their performance.

The Senior Executives Association is a nonprofit professional association that promotes ethical and dynamic public service by fostering an outstanding career executive corps, advocates the interests of career federal executives (both active and retired) and provides information and services to SEA members. For further information, contact Lindsey Mikal by phone or at action@seniorexecs.org.