2020-2022 COMPENSATION AGREEMENT

I. EFFECTIVE DATE FOR CHANGES

Unless specifically noted, all changes shall be effective and implemented in pay period 1 of 2020. Unless otherwise noted, changes that are indicated to be made in subsequent years shall become effective in the first full pay period of the specified year.

II. ANNUAL PAY

A. Annual Structure

1. Adjustments to the Corporate Grade (CG) base pay minimums continue to be linked to the Federal General Schedule (GS) pay scale. For the duration of this Agreement, the EMPLOYER will maintain the CG base pay minimums at 110 percent of the comparable pay range minimums in the GS. The CG base pay maximums will be increased by 0.5 percent each year until they equal 136 percent of the comparable pay range maximums in the GS. Once the base pay maximums equal 136 percent of the comparable pay range maximums in the GS, they will be raised on an annual basis by the amount necessary to maintain 136 percent of the comparable pay range maximums in the GS.

2. If the minimums of the CG pay scale are adjusted upwards, the minimums of the Wage Grade (WG) pay scale will be adjusted by the average of the adjustments made to each grade on the CG pay scale. The WG base pay maximums will be increased by 0.5 percent each year.

B. Annual Base Pay Adjustment

1. The parties' Memorandum of Understanding on the Performance Management and Recognition (PMR) Program dated January 23, 2009 is terminated.

2. The parties agree to implement a new performance management system for CG and WG employees (hereafter, employees) beginning January 1, 2020. The first rating period under the new system will be January 1, 2020 through August 31, 2020, and each year thereafter the rating period will be from September 1 through the following August 31. The parties agree that the new system will have two levels of overall ratings for employee performance: "Successful" and "Unsatisfactory."

3. The PMR Design Team referenced in the 2017-19 Compensation Agreement is terminated.

4. For purposes of the appraisal period September 1, 2018 through August 31, 2019, each employee will be rated under the former PMR system. In 2020, each employee rated III or higher will receive a merit pay increase of 2.6 percent. Employees rated IV or V will receive a bonus amount of 2 or 3 shares expressed as a percentage of total pay, respectively, with equal bonus funding of at least 1.0 percent of total pay for each pay pool. The basis for the 1.0 percent of total pay allocated to each pay pool will be the sum of each eligible employee's total pay level in the pay pool on the last day of the relevant performance year, as limited by the parameters described in Paragraph II(B)(6) of this Agreement. In order to be eligible to receive the bonus, an employee must be on the payroll on the effective date of the payout, beginning pay period 1. Actual amounts of bonuses by pay pool for employees rated IV or V will be determined by the aforementioned share system until the 1.0 percent bonus budget is fully expended for each pay pool. In the event additional bonus funding above 1.0 percent is allocated, bonuses for the incremental amount will be distributed to employees in Groups III, IV and V according to the shares structure under the 2017-2019 Compensation Agreement.

   For 2021-2022, all employees rated overall "successful" shall receive a 2.3 percent merit pay increase. An additional bonus pool of at least 1.5 percent of total pay shall be distributed to high performers based on criteria determined by the new performance management design team referenced in Paragraph II(B)(5) of this Agreement. The basis for the bonus pool allocated to each pay pool will be the sum of each eligible employee's total pay level in the pay pool on the last day of the relevant performance year, as limited by the parameters described in Paragraph II(B)(6) of this Agreement.

   Employees who receive performance assessment ratings of "unsatisfactory" in any year will not receive any merit pay increase or bonus. For purposes of 2020, "unsatisfactory" shall mean an overall rating of "1" or "2."

5. The parties agree to form a new performance management design team consisting of 4 members representing the EMPLOYER and 4 members representing the National Treasury Employees Union to develop the new two-level performance management system, including the factors to be utilized under the new performance bonus system to be implemented effective January 1, 2020, as soon as practicable after the effective date of this Agreement. However, if the parties are unable to come to agreement on the parameters of the new design, it is agreed that the two-level system (as described in Section II(B)(2) of this Agreement) will be implemented effective January 1, 2020 using the job standards for "Accomplished Practitioner" under the former PMR system (i.e., an employee will have to meet the "Accomplished Practitioner" standard in each job standard in order to achieve a "successful" rating), and the parties thereafter will continue bargaining on any changes to be made under the new system.

6. An employee's base salary may not exceed the maximum base salary for the employee's pay grade (e.g., CG 15). An employee's total salary (base pay plus locality pay) will be limited to the applicable Total Salary Cap; no employee will receive any salary payment for any amount that exceeds the Total Salary Cap, as set forth in Section II(B)(8) of this Agreement.

   Any base pay increase in excess of the salary grade maximum will be paid as a 100 percent lump sum payment, including employees on "saved pay." The applicable locality rate will be applied to any over salary range maximum lump sum payment.

7. For 2020, Financial Institution Specialists (FIS) shall receive pay raises of 2.6 percent on their anniversary date, provided that their most recent performance rating was "meets expectations." For 2021-2022, FIS shall receive pay raises of 2.3 percent on their anniversary date, provided that their most recent performance rating was "successful." A FIS hired prior to 12/1/19 will receive a $2,000 bonus at the completion of three years; a FIS hired on or after 12/1/19 will receive the $2000 bonus upon commissioning.

8. Notwithstanding any other provision of this Agreement, an employee's total salary may not exceed a specified amount determined annually by the Chairman (Salary Cap). For the duration of this Agreement, the Salary cap will not go below $243,500.

9. Pay Pools: The pay pools shall be defined as the bargaining unit employees in each of the groups identified below. The parties agree that the minimum number of bargaining unit employees necessary to constitute a separate pay pool is 10. Any pay pool with fewer than 10 bargaining unit employees will be combined into the Small Offices Consolidated pay pool.

Small Offices Consolidated
Corporate University
Division of Administration
DCP and RMS - Atlanta Region
DCP and RMS - Chicago Region
DCP and RMS - Dallas Region
DCP and RMS - Kansas City Region
DCP and RMS - New York Region
DCP and RMS - San Francisco Region
DCP - Washington, DC Headquarters
Division of Finance
Chief Information Officer Organization, including the Division of Information Technology and the Information Security and Privacy Staff
Division of Insurance and Research

Division of Resolutions and Receivership (DRR) - Dallas Region
DRR - Washington, DC Headquarters
RMS - Washington, DC Headquarters
Legal Division
Division of Complex Institution Supervision and Resolution

10. Data: Within a reasonable time after the completion of pay determinations, the EMPLOYER will provide the UNION with an electronic file identifying employee placement in each of the various pay groups that will provide the following fields: division/office, position title, pay plan, job series, grade, region, duty station, gender, race/national origin, age (DOB), overall rating, and rating on each performance standard; in 2021, the data will also include a listing of each bonus criterion achieved.

11. Grievances: Any grievance concerning matters covered by the performance management system will be filed under the collective bargaining agreement. The regular grievance procedures of that agreement will apply, except that the grievance will be filed at the Step Two level. The time period for filing a grievance does not begin to run until the UNION has been provided with all information identified in Paragraph II(B)(10) of this Agreement.

C. Locality Pay

1. Overview

   a. The parties agree to continue a locality pay program as an adjustment to base pay called the Locality Pay Index (LPI). Cost of labor differences will be the foundation for the locality pay system, but adjustments to the cost of labor index will then be made, as described below, for localities where cost of living differences are significantly greater than cost of labor differences.

   b. The Locality Rates for 2020, and the 2019 to 2020 increases, for each location are contained in Attachment A [TBD].

   c. The methodology used to calculate these new locality pay rates for all years of this Agreement is described in Section II(C)(2) of this Agreement. The funding to be applied to this methodology for those years will be 0.5 percent, with a cap on any location of 1.3% for each year.

2. Methodology for Calculating Locality Pay Rates: The FDIC will use the methodology set forth below to update annually the LPI used to determine locality pay adjustments for all FDIC locations (all calculations will be made to the nearest four decimal places).

a. Using data from the National Compensation Survey ("NCS") published annually by the Bureau of Labor Statistics on the target gap for the Federal Government's " Rest of U.S." ("RUS") locality pay area, calculate a three-year average NCS RUS target gap from the official published results for the three most recent NCS annual surveys available (for 2010, the surveys covering the GS locality pay for 2009-2011). Determine the percentage change between this new three-year average NCS RUS target gap and the three-year average NCS RUS target gap from the three NCS annual surveys last used as the basis for calculating the FDIC's LPI, using the following formula (to update the LPI for 2010, use the three-year average NCS RUS target gap from the official published results from the 2005 through 2007 NS surveys):

   (1 + most recent three-year average NCS RUS target gap) ÷ (1 + 2005-2007 average NCS RUS target gap) =
   Percentage Change from Previous Three-Year Average NCS RUS Target Gap

   2010 EXAMPLE (using 2009-2011 NCS data):

   $1.2277 \div 1.1641 = 1.0546$

b. Multiply the current FDIC RUS target gap (for 2010, use the 3.0 percent target gap previously established by the FDIC and NTEU as the basis for calculating the FDIC's 2007- 2009 LPI) by the percentage calculated in a., above, to determine a new three-year average FDIC RUS target gap to be used as the basis for the annual LPI update, using the following formula:

   Quotient from Step a. × (1 + current FDIC RUS target gap) = New FDIC RUS Target Gap

   2010 EXAMPLE (using 2009-2011 NCS data):

   $1.0300 \times 1.0546 = 1.0862$

c. For each of the Federal Government's non-RUS locality pay areas in which the FDIC currently has an office, calculate three-year average NCS target gaps using the official published results from the three most recent NCS annual surveys available. Determine the ratio of the three-year average NCS target gaps for each of those locality pay areas to the three-year average NCS RUS target gap calculated in Step a., using the following formula:

   (1 + Three-Year NCS Average Target Gap for Individual Non-RUS Locality Pay Area) ÷ (1 + Most Recent Three-Year Average RUS Target Gap)=Ratio (NCS Target Gap for Individual Non-RUS Location to NCS RUS Target Gap)

2010 EXAMPLE (Washington, DC):

1.5724 ÷ 1.2277 = 1.2808

d. For each of the Federal Government's non-RUS locality pay areas in which the FDIC currently has an office, multiply the ratio calculated in Step c., above, by the new FDIC RUS Target Gap calculated in Step b., above, to determine a new FDIC target gap for each non-RUS FDIC locality pay area, using the following formula:

(Ratio of the NCS Target Gap for Individual Non-RUS Location to the NCS RUS Target Gap) x New FDIC RUS Target Gap = New FDIC Target Gap for Individual Non-RUS Locality Pay Area

2010 EXAMPLE (Washington, DC):

1.2808 x 1.0862 = 1.3912

1.3912 – 1 = .3912 or 39.12%

e. Cost of Living Adjustment

Upward adjustments shall be made to the Initial LPI for localities where the cost of living differences are significantly higher than the cost of labor differences reflected in the Initial LPI. (No downward adjustments shall be made for locations where the cost of living is significantly lower than the cost of labor.) Upward adjustments shall be made in accordance with the following methodology:

Compare the Runzheimer cost-of-living percentage variance from "Standard City" for each FDIC location to the new three-year average FDIC target gap for each non-RUS location. If the Runzheimer percentage variance from "Standard City" exceeds the new three-year average FDIC non-RUS target gap by more than 10 percent, increase the FDIC non-RUS target gap by 50 percent of the difference to determine an adjusted new FDIC target gap for that locality pay area, using the following methodology:

(Runzheimer Cost of Living Index for Individual Non-RUS Locality Pay Area - 100) – New FDIC Target Gap for Individual Non-RUS Locality Pay Area = X

If X > 10.50:

New FDIC Target Gap for Individual Non-RUS Locality Pay Area +
((Runzheimer Cost of Living Index for Individual Non-RUS Locality
Pay Area - 100)/2) =
Adjusted New FDIC Target Gap for Individual Non-RUS Locality Pay Area

2010 EXAMPLE (Washington,
DC): (123.9 – 100) – 28.09 =
(4.18)

Since the difference (negative 4.18) is less than 10, Washington does not receive a cost of living-based adjustment to its target gap.

2010 EXAMPLE (San Francisco, CA):

(160.7 – 100) – 30.32 = 30.38. 30.38/2 + 41.56 = 56.75

3. Communications

The EMPLOYER shall post an electronic copy of the locality rates for each location on the FDIC internal website on the Division of Administration, Compensation page.

III. PAY SETTING FOR PROMOTIONS

A. Employees who receive a promotion, and are at or below the maximum of their grade, will normally receive a 10% increase in base pay or be placed at the minimum of the higher grade, whichever is greater. However, with respect to employees who are currently serving, or who previously served on a temporary promotion, the following provisions apply:

1. An employee in a temporary promotion, who is selected for a consecutive temporary or permanent promotion into a position at the same grade as the current temporary grade, will be paid the same base salary that he/she makes in the current temporary promotion.

2. An employee in a temporary promotion, who is selected for a consecutive temporary or permanent promotion into a position at a higher grade than the current temporary grade, will receive a 10 percent increase to base pay in the new temporary promotion.

3. If a non-consecutive promotion is at the same grade level as a previous temporary promotion or any intervening grade and meets all of the following conditions:

   - The employee was in the previous temporary promotion for a year or more;
   - The employee did not retain his or her temporary promotion increase (employees who were temporarily promoted before May 12, 2010 and were in

their positions for a year or more retained pay when returning to their position of record if it fell within the salary range); and

- The employee was not returned to a lower graded position of record for reasons of conduct or poor performance.

Then base pay will be set at the highest of:

a) A 10 percent increase to base salary;
b) the employee's FDIC highest previous rate (HPR) (base salary) in a related field; or
c) the minimum of the new grade.

4. If the subsequent non-consecutive promotion meets all the conditions in number three, above, and is at a grade higher than previous temporary promotion(s) during the current appointment, base salary will be set at the highest of:

   a) 10 percent increase to current base salary;
   b) 10 percent above FDIC HPR (base salary) in a related field during current appointment, or
   c) the minimum of the new grade.

5. The FDIC will not consider higher graded positions or higher base salaries that an employee earned outside of the FDIC, or that were earned working at the FDIC in a prior appointment, if the employee had a break in service of more than three days.

6. Highest Previous Rate (HPR) is defined as the highest rate of base pay earned in a grade held in a permanent position or an assignment lasting one year or more in a non-permanent position.

7. New base salary will not be set higher than the maximum of the grade range.

B. A re-promotion is a temporary or permanent promotion to a grade an employee previously held (or any intervening grade), where the employee was able to retain or regain some or all of the higher level pay. If an employee is re-promoted within 4 years of serving in a position at the re-promotion level, pay will be set as follows:

   1. The employee's current rate of base pay; or

   2. The employee's highest FDIC previous HPR (base salary) in a related field to the current appointment.

C. An employee may request a voluntary downgrade or change to lower grade.

   1. If the employee has been in the higher graded position for a year or more, base pay will be set at the lesser of the employee's current rate or the maximum of

the lower grade. However, when an employee requests a change to a lower grade solely for personal reasons, and not for any benefit to the Corporation, then the employee's base pay will be set at the rate immediately prior to the promotion, or the new range maximum, whichever is lower. As necessary, this rate will be adjusted to reflect any pay adjustment(s) received in the higher-graded job. The same pay adjustment percentage(s) will be used to re-compute the permanent base rate of pay as long as the resulting rate does not exceed the new range maximum.

2. If the employee has been in the higher graded position for less than one year, base pay will be set at the rate immediately prior to the promotion, or the new range maximum, whichever is lower. This rate will be adjusted to reflect any pay adjustment(s) received in the higher-graded job. The same pay adjustment percentage(s) will be used to re-compute the permanent base rate of pay as long as the resulting rate does not exceed the new range maximum.

D. Employees on retained or "saved pay" as a result of a downgrade from a higher-graded position who have been in their lower grade for more than 4 years and are being re-promoted to a grade previously held, or to an intervening grade, shall receive a promotion increase of 6 percent of the base salary range maximum of the grade from which they are being promoted, or will retain their current base pay, if greater.

E. Nothing in this Agreement will prevent the EMPLOYER from proposing changes to the Pay Administration Directive, Circular 2220.1 or the July 22, 2013 MOU with notice to NTEU and the opportunity to bargain.

IV. REWARDS AND RECOGNITION PROGRAM

The EMPLOYER will continue all provisions of its existing Rewards and Recognition Program, consistent with this Agreement.

V. BENEFITS

A. FDIC Savings Plan

The EMPLOYER will maintain current retirement programs, including the FDIC's Savings Plan.

The EMPLOYER will match employee contributions up to 4 percent of adjusted base pay deferred into the Plan, to the extent allowed by law. The EMPLOYER will contribute an amount equal to 1 percent of adjusted base pay for all eligible employees regardless of their participation in the FDIC Savings Plan.

NTEU will continue to appoint a representative to serve on the FDIC Savings Plan Committee.

B. FDIC Flexible Cafeteria Benefits Plan (FDIC Choice)

1. The EMPLOYER will continue to offer a Flexible Cafeteria Benefits Plan, FDIC Choice. The EMPLOYER will pay 80 percent of the premium for dental and vision Standard Option. For High Option, the EMPLOYER will pay an amount equal to 80 percent of the premium for Standard Option. The FDIC Choice benefits available during the annual open enrollment period shall include the following:

    a. Dental Insurance Options
    Standard,
    High (buy up),
    Low (buy down), or
    Waive coverage and receive Choice Credits

    b. Vision Insurance Options
    Standard,
    High (buy up), or
    Waive coverage and receive Choice Credits

    c. Life Insurance Options
    Basic, or
    Waive Basic and receive Choice Credits (if not enrolled in FEGLI or NTEU Universal Life Insurance)

    d. Long-Term Disability (LTD) Insurance Options
    Standard (at 60%), or
    High (at 70%)

    e. Flexible Spending Accounts (FSA)
    Health Care FSA up to the statutory maximum
    Dependent Care FSA up to the statutory maximum

2. The EMPLOYER will continue to provide "Choice Credits."

    a. Employees may use these "credits" to "purchase" less expensive alternatives for one coverage and receive a cash credit, which may be used to purchase alternatives (e.g. additional life insurance). However, choice credits are not available to employees who elect Low Option Dental coverage.

    b. Employees may purchase enhanced benefits using their own funds or receive a predetermined taxable cash payment in return for any "excess" credits.

c. Employees enrolled in FEGLI or NTEU Universal Life Plan may elect the Existing FDIC Life Plan but will not receive any credits.

d. Employees may "opt out" of all but the FDIC long-term disability program.

e. Reduced credits will be provided to employees who opt out of a benefit, except as noted in paragraph (d) above.

f. The annual limit on Dental Services (Class I, II and III) will be $3,000 on low/standard, and $4,000 on high option.

g. The Lifetime limit for Class IV Dental Services (Orthodontics) for low/standard option is $2,000, and for High Option Dental coverage is $4,000.

h. Prior to December 31st of the final year of this Agreement, the EMPLOYER may contract to extend the cafeteria benefits applicable at that time through December 31st of the following year.

C. FEHB Subsidy and Pre-Tax Deduction of Employee Premiums

1. The EMPLOYER will continue to provide for the deduction of the employee portion of Federal Employee Health Benefits (FEHB) premiums on a pre-tax basis, to the extent permitted by law.

2. For the life of the Agreement, the EMPLOYER will continue to pay 85% of the total weighted average premium for all FEHBP plans as determined by OPM, but not to exceed 88.75% for any individual plan, for all eligible full-time and part- time employees enrolled in any FEHB plan.

D. Other Benefits Programs

1. **FDIC Employee Life Insurance**

   The EMPLOYER will continue existing coverage and practices under the FDIC Life Insurance Program.

2. **Flexible Spending Account (FSA)**

   The EMPLOYER will continue to provide Flexible Spending Accounts (FSA) to employees in accordance with IRS guidelines, including the "grace period" provisions that permit contributions from the preceding Plan Year

to reimburse eligible expenses incurred for services that occur in the 2 ½ months following the end of the Plan Year.

3. **Domestic Partner Program**

   The EMPLOYER shall continue to offer Domestic Partner Program benefits.

E. Pilot Student Loan Repayment Program

1. The parties agree to establish a pilot Student Loan Repayment Program in 2020, as soon as practicable after the effective date of this Agreement. There is no entitlement of individual employees to participate in the pilot program.

2. The pilot program will cover payments on current student loan balances eligible for repayment under 5 C.F.R. Part 537. Generally, only loans for educational expenses incurred prior to FDIC employment will be eligible for repayment. Student loan repayments made by an employee prior to entering this pilot program and repayments of loans to parents for the benefit of an employee are not eligible for reimbursement.

3. The Employer will make loan repayments under the pilot program by direct payment to the financial services organization/company holder of the loan on behalf of the employee. Student loan repayments made on behalf of the employee are taxable. The employee is solely responsible for any income tax obligations resulting from student loan repayments.

4. The Employer will select up to 100 employees from among those who apply to participate in the pilot program each year for up to three years. Monthly payments of up to $500 per month for a maximum of three years will be made on behalf of the employee toward the repayment of eligible loans. The maximum total loan repayments for an individual employee will be $18,000. Within these limits, the Employer may repay more than one eligible loan for an individual employee.

5. Employees in the following positions will initially be designated as eligible to participate in the pilot program to assess the impact of the program on employee retention:

   a. Financial Institution Examiners (FIEs) and Mid-Career Examiners in the Division of Depositor and Consumer Protection (DCP) and the Division of Risk Management Supervision (RMS) who have completed acceptable FDIC service in each of the prior three years and were commissioned as a Risk Management or Compliance Examiner within the seven years prior to application in the pilot program.

   b. The Employer may add additional eligible positions in DCP, RMS, or other Divisions or Offices during the course of the pilot program.

6. Employees selected for participation in the pilot program must sign a service agreement that requires the Employee to complete at least three years of service with the Employer following the last monthly student loan repayment made on behalf of the employee. An employee for whom loan repayments are made, but fails to complete the full period of required service because of either voluntary separation or involuntary separation due to misconduct or unsatisfactory performance will be indebted to the FDIC and must reimburse the FDIC for the total amount of all student loan repayments. Waiver of repayment may be granted on a case-by-case basis.

7. The pilot program will terminate on the expiration of this Agreement at which time the Employer will conduct an evaluation of the pilot program.

8. Guidelines and procedures for the administration of the pilot program, including the selection criteria for participants, will be negotiated by the parties consistent with this Agreement and with the requirements of applicable laws, rules, and regulations.

F. Paid Parental Leave

1. As soon as practicable after the effective date of this Agreement, the FDIC will create a new leave category called paid parental leave (PPL).

2. An employee who has been employed by the FDIC continuously for the previous 12 months may use up to 6 weeks (240 hours) of PPL in connection with the birth or adoption or foster placement of a child (in cases of adoption or foster placement, the child must be age 17 or younger).

3. Requests for PPL should be made by an employee to his/her first-level supervisor at least 30 days in advance of intended use (or with as much notice as is practicable for an unanticipated new child). Requests will include proposed dates of use and projected duration. Acceptable documentation may be required.

4. Employees must use approved PPL within one year following the birth, adoption or foster placement of a child, and PPL may be used consecutively or intermittently within the one-year period. PPL is not available during pregnancy.

5. PPL shall expire after one year from the birth, adoption or foster placement of a child, shall have no monetary value, and is not eligible for payout or donation.

6. PPL is separate from any entitlement an employee may have to use leave pursuant to the Family and Medical Leave Act (FMLA).

7. PPL is available to FDIC employee parents only (e.g., not available to grandparents or other non-parent family members).

8. If future legislation provides federal employees paid parental or other paid family leave that includes paid parental leave, the FDIC will discontinue PPL. However, the parties may renegotiate this provision to the extent there are differences between PPL and the enacted legislation.

9. The Corporate Leave Policy and time and attendance system will be updated to reflect this new leave category.

VI. EFFECT OF GENERAL TRAVEL REGULATIONS

A. Introduction

The parties agree that any provisions of the existing General Travel Regulations (GTRs) are superseded by this Agreement to the extent they may be in conflict. All changes in Section VI of this Agreement shall be effective January 1, 2020, unless otherwise noted.

B. Changes to Regular Duty Travel

1. **Frequent Traveler Lodging Stipend**

   All employees eligible to participate in the Frequent Traveler Lodging Stipend Program (FTLSP) will receive a $45 per night stipend for each night spent in regular duty travel status in excess of 50 nights.

2. **Examiner Travel Time**

   The "Shumway" provision, as previously applied to examiners and originally described in a memorandum from former Director Robert Shumway dated October 9, 1984, is terminated.

   On the first and last day of an examination assignment employees assigned to an examination ("Exam Employee") will normally travel during official duty time between his/her residence and the examination assignment, minus his/her normal commute time, subject to supervisory approval, which will be granted unless exigent circumstances exist. For example, if an Exam Employee's regular work day begins at 8 a.m. and his/her normal commute time is 45 minutes, the Exam Employee will leave his/her residence at 7:15 a.m. If the travel time to the examination assignment is equal to or less than the Exam Employee's normal commute time, then the Exam Employee will leave his/her residence at a time that will allow him/her to be present at the examination assignment by the start of his/her regular work day.

   Travel to and from the examination assignment on other than the first and last day of the examination assignment is generally on the Exam Employee's own time. When the examination assignment is within 100 miles from the permanent duty

station or residence, or if the Exam Employee's return is authorized for business reasons, travel on intervening weekends is treated as first and last day travel, and the 90-minute rule (GTR Section 8.B.3.) does not apply.

Employees on travel may receive Compensatory Time for Travel (CTT) in accordance with the CTT rules set forth in government-wide regulations.

An employee eligible for CTT who is on "home-based" telework may, subject to supervisory approval, establish his/her normal commute time based on his/her average commuting time to temporary assignments within the designated commuting area around the employee's residence and his/her official duty station not eligible for lodging (stay-out), as well as trips to the official duty station, to the extent applicable.

3. **Taxable Stay Outs**

   Modify GTR Section 5.J.3 (and other affected sections of the GTR) to allow travelers to claim lodging and per diem expenses within the defined commutable area around their residence or official duty station on a taxable basis only when the temporary assignment is both:

   A) More than 1 ½ hours normal and reasonable travel time from the employee's residence, and

   B) More than 15 air miles from the employee's official duty station.

   No income tax allowance (gross-up) will be provided on reimbursements made under this provision.

   The following language, contained in GTR Section 7.C.A.1, is deleted:

   Your supervisor may authorize lodging because the temporary assignment is more than 60 driving miles from your residence.

4. Delete Travel Voucher Audit Adjustment Codes (Appendix G to General Travel Regulations (GTR).

5. Revise the list of employees eligible for Multiple Regular Place of Business tax gross-up benefits as follows:

   - The DIT field office representatives (FORs) who are responsible for the support of multiple offices;
   - Dedicated examiners responsible for the oversight of a specific financial institution over an extended period of time (that is, over several years); and

FDIC personnel in the New York and Dallas regions with responsibilities covering both the regional office and the area office (New York-Boston and Dallas-Memphis).

C. Changes to Relocation Program

Relocation benefits will be determined by provisions in effect at the time the employee accepts the position, as documented by the Division of Administration, Human Resources Branch.

1. **Home Sale Program (HSP)**

   The following homes will be excluded from participation in the HSP:

   - Homes not located in a designated "High Cost Area" with an appraised value of $1 million or more; and
   - Homes located in a designated "High Cost Area" with an appraised value of $2 million or more.

2. Relocation benefits for transferees from other federal agencies will be equal to those offered to new private sector hires.

D. Miscellaneous Travel Provisions

1. The parties will jointly develop Frequently Asked Questions (FAQs) addressing travel changes set forth in this Agreement, which will be posted on the DOF travel website.

2. NTEU will be provided advance notice of all revisions and changes to the GTRs, and the opportunity to bargain to the extent required by law.

3. The FDIC will provide employee training materials on travel and answers to questions (Frequently Asked Questions (FAQs)) posted on the Division of Finance (DOF) travel website to the NTEU). These materials will be provided at least 10 workdays in advance of posting to the DOF travel website absent exigent circumstances.

VII. PUBLIC TRANSIT SUBSIDY

The EMPLOYER agrees to continue to reimburse employees for costs of using public transportation for home-to-work travel through a Public Transit Subsidy Program. Employees will be reimbursed for actual costs each month in accordance with the Program, up to the Internal Revenue Service tax-free limit.

VIII. PRE-TAX PARKING

The EMPLOYER agrees to continue to permit employees to pay for parking at agency office locations on a pre-tax basis, to the maximum extent permitted under IRS rules.

IX. PROFESSIONAL LICENSES

The EMPLOYER agrees to continue to reimburse employees for the cost of maintaining professional licenses, certifications or memberships that are required for the employee to qualify for and/or retain his/her position or that the EMPLOYER determines would materially enhance the employee's performance of his/her assigned duties and responsibilities. The total reimbursement may not exceed $600.

X. COMMUNICATIONS

A. In materials publicizing salary and benefits, the EMPLOYER agrees to note that any items provided by or referenced in the Agreement were the product of the negotiated agreement with NTEU. Copies of these materials will be provided to NTEU prior to distribution.

B. Prior to the implementation of any significant changes related to this Agreement, the EMPLOYER agrees to publicize the changes. This may be accomplished in a variety of ways such as global e-mails, information on the FDICnet, brochures available at the work site and/or mailings to home addresses.

C. The Employer agrees to grant reasonable official time for NTEU representatives to prepare and participate in group and/or joint meetings conducted in connection with changes set forth in this Agreement. At each such meeting, the NTEU representative will be given at least 20 minutes to discuss these benefits and other terms of this Agreement.

D. The EMPLOYER shall post an electronic copy of this Agreement on the FDIC internal website on the Division of Administration, Compensation page.

XI. RESOLUTION OF DISPUTES

A. Any disputes over the application or interpretation of this Agreement may be grieved through the Collective Bargaining Agreement. However, the parties will use the following process when they wish to file a national level grievance over an alleged violation of this Agreement.

B. The moving party must file the national grievance within 20 working days after the occurrence of the act which gave rise to the national grievance or 20 working days after they became aware of the action which gave rise to the national grievance. The UNION shall submit national grievances to:

Assistant Director, Labor and Employee Relations
Human Resources Branch
Federal Deposit Insurance Corporation
3501 Fairfax Drive
Arlington, VA 22226

The EMPLOYER shall submit national grievances to:

National President
National Treasury Employees Union
1750 H Street, N.W.
Washington, D.C. 20006

C. Each grievance filed pursuant to this provision must: include an account of the incident giving rise to the grievance; reference the appropriate contractual provision, law, rule, regulation or policy alleged to have been violated; and include a statement of the remedy sought. A grievance will not be disposed of solely because of an incorrect citation.

D. Upon receipt of the grievance, the parties' representatives (no more than 3 representatives for each party unless mutually agreed otherwise) shall meet within 10 working days to discuss the grievance. A written decision will be provided to the moving party within 10 working days after the meeting. If the moving party is not satisfied with the decision, it may appeal the decision to arbitration, such appeal to be made within 21 calendar days after receipt of the written decision.

E. Thereafter, if the parties cannot mutually agree on an arbitrator to hear the issue, the parties shall utilize the next arbitrator on the HQ arbitration panel.

F. The parties will agree on a mutual date, time and location for the hearing. The EMPLOYER will pay associated travel and per diem expenses of any bargaining unit employees participating in the grievance and/or arbitration proceeding as representatives, technical advisors, or witnesses, and approved by the arbitrator.

G. If a party who has referred a grievance to arbitration does not actively pursue the grievance for a period of 4 months, the other party may thereafter provide written notice of at least 60 days of its intent to declare the grievance null and void. If no arbitration hearing has been held during the notice period, then the case will be considered closed. The parties agree to cooperate on the scheduling of arbitration hearings within any such notice period.

XII. DURATION/REOPENER

This Agreement shall remain in effect until December 31, 2022. Between May 1 and May 31 in 2022, or any subsequent year that this Agreement remains in effect, either party may reopen this Agreement. Ground rules are to be submitted by the party reopening the Agreement within two weeks of that party reopening this Agreement. If neither side reopens during the May window, then the Compensation Agreement shall automatically roll-over until December 31 of the following year. If there is not an agreed-upon successor agreement by the expiration date, then this Agreement will continue to be in effect until such a successor agreement is in effect or until December 31 of the year in which the Agreement is reopened, whichever comes first.

XIII. RIGHT TO NEGOTIATE

The UNION reserves the right to bargain over any issue related to salaries, benefits or other compensation or travel-related matters not expressly and specifically included under the terms of this Agreement, or otherwise waived during the course of bargaining.

XIV. AGENCY HEAD REVIEW

The head of the Agency reserves the right, pursuant to Section 7114(c) of the Statute, to disapprove the Agreement in whole or in part. Should the head of the Agency disapprove the entire contract, the Union may elect to reopen the entire Agreement or portions thereof. Should the head of the Agency disapprove or declare invalid a discrete provision(s) of the Agreement, at the option of the UNION, the parties will 1) implement those portions of the Agreement which were not disapproved, or 2) reopen and/or renegotiate the Agreement as a whole or the specific provisions which were disapproved.

For the Union:

_____________________ 11/14/19
Anthony M. Reardon Date
President

_____________________ 10/4/19
Stephen J. Keller Date
Chief Negotiator

For the FDIC:

_____________________ 11/15/19
Jelena McWilliams Date
Chairman

_____________________ 10/4/19
Jeff Rosenblum Date
Chief Negotiator

ORIGINAL SIGNATURES ON FILE