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ANNUAL REPORT

2012

FEDERAL PREVAILING RATE ADVISORY COMMITTEE

Part I

INTRODUCTION

The Federal Prevailing Rate Advisory Committee (FPRAC), the national labor-management committee responsible for advising the U.S. Office of Personnel Management (OPM) on matters concerning the pay of Federal Wage System (FWS) employees, completed 40 years of operation in 2012. FPRAC is established under section 5347 of title 5, United States Code, and is composed of five representatives from agency management, five representatives from Federal employee labor organizations, and a chair appointed by the Director of OPM.

The Committee membership was changed in 2012 to conform to the practice of rotating the military department representation on the Committee among Army, Navy, and Air Force. The Department of the Army representative was replaced by the representative from the Department of the Air Force.

All Committee meetings held in calendar year 2012 were open to the public. The meetings were held in the Director's Executive Conference Room or Room 7H31, U.S. Office of Personnel Management, 1900 E Street NW., Washington, DC 20415.

FPRAC meets on a monthly basis. Advance notice of the Committee meeting schedule is published in the *Federal Register*. In addition, future Committee meeting dates are posted on OPM's Web site at <http://www.opm.gov/policy-data-oversight/pay-leave/pay-systems/federal-wage-system/#url=FPRAC>.

All Committee meetings are recorded. FPRAC meeting transcripts are available at the above Web site. Archived transcripts can be obtained upon written request to pay-leave-policy@opm.gov.

Annually, the Office of the Chair compiles a report of pay issues discussed and recommendations made to OPM. Beginning with the 2008-2009 summary, FPRAC's annual summaries are also available at the above Web site. Archived annual summaries can be obtained upon written request to pay-leave-policy@opm.gov.

FEDERAL PREVAILING RATE ADVISORY COMMITTEE MEMBER ROSTER, 2012

Chairman

Mr. Sheldon Friedman

Metal Trades Department, AFL-CIO

Primary Member Mr. Ronald E. Ault
Primary Alternate Member Mr. William (Bill) Fenaughty
Alternate Members Mr. Dennis P. Phelps
Mr. Stephen Beal
Mr. William Dougan

American Federation of Government Employees, AFL-CIO

Primary Members Mr. Eugene Hudson, Jr.
Ms. Jacqueline Simon
Primary Alternate Member Mr. J. David Cox
Alternate Members Mr. Charles Bernhardt
Mr. Keith Hill

National Association of Government Employees/SEIU

Primary Member Mr. David Holway
Primary Alternate Member Ms. Gina Lightfoot-Walker
Alternate Member Ms. Sarah Suszcyk

Association of Civilian Technicians

Primary Member Mr. Terry Garnett
Primary Alternate Member Mr. Steven Landis
Alternate Member Mr. Steven Fisher

Office of Personnel Management

Primary Member Mr. Jerome D. Mikowicz
Primary Alternate Member Mr. Mark A. Allen

Department of Defense

Primary Member Vacant
Primary Alternate Member Mr. Seth Shulman
Alternate Member Mr. Steven E. Rumble

Department of the Air Force

Primary Member Ms. Dana M. Crowe
Primary Alternate Member Ms. Darlene Y. Freeman

Department of the Army

Primary Member

Primary Alternate Member

Ms. Sheila R. Dent

Ms. Pamela A. Sokol

Department of the Navy

Primary Member

Primary Alternate Member

Mr. Rondy L. Waye

Mr. R. Lamar Williams

Department of Veterans Affairs

Primary Member

Primary Alternate Member

Alternate Member

Ms. Tonya M. Deanes

Ms. Sian Fisher

Ms. Stephanie Boyd

PART II

FEDERAL PREVAILING RATE ADVISORY COMMITTEE SUMMARY OF 2012 RECOMMENDATIONS

Issues resolved by consensus

(1) 570-MGT-1.¹ Alaska Set-Aside Area Differential Schedules

The Department of Commerce (DOC) requested approval to pay its Federal Wage System (FWS) employees from the Alaska 12 percent remote area differential set-aside schedules when the employees are working on St. Paul Island, Alaska. The National Oceanic and Atmospheric Administration (NOAA), a bureau of DOC, currently owns and maintains five separate facilities on multiple properties on St. Paul Island. St. Paul Island is located in the middle of the Bering Sea, only accessible by sea and air. Due to laboratory research requirements, these five facilities have specialized, commercial-grade systems for heating, ventilation, and plumbing. Maintenance of these facilities is imperative because the harsh local climate can result in catastrophic loss of critical and costly equipment. The Committee management members agreed that DOC should be granted authority to pay its employees from the Alaska remote area differential set-aside schedules to avoid recruitment and retention problems and introduced the issue at the 570th FPRAC meeting.

The Committee recommended by consensus to grant DOC the authority to pay its FWS employees at St. Paul Island from the Alaska remote area differential set-aside schedules.

(2) 574-MGT-1. Abolishment of the Washington, DC, Special Wage Schedule for Printing and Lithographic Position

The Department of Defense (DOD) requested approval to abolish the special wage schedule for printing and lithographic positions in the Washington, DC, wage area and convert covered employees to the regular wage schedule for the Washington, DC, wage area. Employees no longer benefitted from being paid from the special printing schedule compared to what they would be paid under the regular wage schedule for the Washington, DC, wage area. In addition, Federal employment in printing and lithographic occupations in the Washington, DC, wage area had declined sharply, from 235 employees in 2002 to 24 in 2012. The Committee management members agreed with DOD's request and introduced the issue at the 574th meeting.

¹ Document numbers listed in this report refer to official documents of FPRAC. The first 3-digit number is the meeting number where the document was first introduced. The alpha characters indicate which committee member(s) submitted the documents. "OPM" indicates a document submitted by the Office of Personnel Management. "MGT" indicates that the document was submitted jointly by all the management members. "DOD" indicates a document submitted by the Department of Defense. "LBR" indicates a joint labor document. The number following the alpha characters indicates the chronological order of the document(s) submitted by the organization for that meeting.

The Committee recommended by consensus to abolish the Washington, DC, special printing schedule and convert covered employees to the regular wage schedule for the Washington, DC, wage area.

(3) 575-MGT-2. Definition of Youngstown-Warren-Boardman, OH-PA Metropolitan Statistical Area

The Committee recommended by consensus to redefine Mercer County, PA, from the Pittsburgh, PA, area of application to the Cleveland, OH, area of application. OPM regulations provide it is permissible for MSAs to be split between FWS wage areas only in very unusual circumstances. There appear to be no unusual circumstances that would permit splitting the Youngstown-Warren-Boardman MSA. Redefining Mercer County to the Cleveland area of application placed the entire Youngstown-Warren-Boardman MSA in the Cleveland wage area.

(4) 576-MGT-1. Definition of Cape Girardeau-Jackson, MO-IL Metropolitan Statistical Area and Perry County, MO

The Committee recommended by consensus to redefine Bollinger, Cape Girardeau, and Perry Counties, MO, from the Southern Missouri area of application to the St. Louis, MO, area of application. OPM regulations provide it is permissible for MSAs to be split between FWS wage areas only in very unusual circumstances. There appear to be no unusual circumstances that would permit splitting the Cape Girardeau-Jackson MSA. Redefining Bollinger and Cape Girardeau Counties to the St. Louis area of application placed the entire Cape Girardeau-Jackson MSA in the St. Louis wage area. Additionally, Perry County was redefined St. Louis wage area because it borders Bollinger and Cape Girardeau Counties to the north and was located in-between the Cape Girardeau-Jackson MSA and the St. Louis wage area.

(5) 577-MGT-1. Definition of Rochester, MN Metropolitan Statistical Area

The Committee recommended by consensus to redefine Wabasha County, MN, from the Southwestern Wisconsin area of application to the Minneapolis-St. Paul, MN, area of application. OPM regulations provide it is permissible for MSAs to be split between FWS wage areas only in very unusual circumstances. There appear to be no unusual circumstances that would permit splitting the Rochester MSA. Redefining Wabasha County to the Minneapolis-St. Paul area of application placed the entire Rochester MSA in the Minneapolis-St. Paul wage area.

(6) 578-MGT-2. North American Industry Classification System Based Federal Wage System Wage Surveys (2012 Update)

The Committee recommended by consensus to update the 2007 North American Industry Classification System (NAICS) codes used in FWS wage survey industry regulations with the 2012 NAICS revisions published by the Office of Management and Budget. The NAICS revisions for 2012 result in minor changes in industry coverage for FWS wage surveys.

Issue resolved by formal recommendation

(1) 574-MGT/LBR-1. Report of the Federal Prevailing Rate Advisory Committee, March 2012, Including the Chairman's Transmittal Memo to OPM Director John Berry and the Management Members' Minority Report

At FPRAC's 554th meeting on July 15, 2010, the American Federation of Government Employees (AFGE) introduced a letter (FPRAC document 554-AFGE-1) requesting FPRAC to reconsider a 2009 proposal to not allow FWS wage area boundaries to split General Schedule (GS) locality pay areas. At that meeting, the Committee established a *Regulatory Criteria Work Group* (Work Group) to study the proposal submitted by AFGE and endorsed by other FPRAC labor members. The proposal would supplement the regulatory criteria for defining boundaries of FWS wage areas by adding the following new criterion:

Non-Rest of United States General Schedule locality pay areas should not be subdivided between Federal Wage System wage areas.

Over the course of several Work Group meetings, it became apparent that the issue could not be resolved by consensus. Labor felt strongly that there was no inherent reason, based on commuting patterns or any other factor, that geographic boundaries of local labor markets should be different for hourly and salaried employees. Management felt just as strongly that internal equity between FWS and GS employees should not be a concern of the Federal pay system and that the proposal would result in unwarranted pay increases for some employees and (but for pay retention) unwarranted pay cuts for others.

At FPRAC's 557th meeting on October 21, 2010, AFGE introduced a formal proposal (FPRAC document 557-AFGE-1) to not allow FWS wage area boundaries to split GS locality pay areas. At this meeting, labor brought the matter to a conclusion by offering the following motion:

Adopt 557-AFGE-1 to not allow Federal Wage System wage areas to split General Schedule locality pay areas.

The Committee adopted the proposal by a 6-5 vote, with all management members voting against, all labor members voting for, and the Chairman voting for the proposal.

FPRAC's recommendation in this matter, along with a minority report signed by the five FPRAC management members, was transmitted to OPM Director Berry.

At FPRAC's 563rd meeting on May 19, 2011, the OPM representative introduced a statement from Director Berry to the Committee members (563-OPM-1). Given the magnitude of the recommended changes to OPM's existing regulatory criteria for defining wage areas, and the constraints and spirit of the 2011-2012 pay freeze, Director Berry decided to defer making a decision on the recommendation until further analysis of the potential impact was completed. He directed OPM staff to work with DOD, the lead agency for FWS wage surveys, to undertake a complete analysis of the impact of the recommended change. OPM staff was to present their findings to FPRAC by the end of 2011. After considering this analysis, the Committee could

then present its recommendation to Director Berry on whether to proceed with a proposal to change OPM's regulations.

At FPRAC's 565th meeting on July 21, 2011, FPRAC established a separate Study Group, *The Wage Area Definition Study Group* (565-OC-2), to carry out the Director's request to analyze and present FPRAC with the full implications of its earlier recommendation. The Study Group projected that it would provide FPRAC with a report on its analysis by the end of calendar year 2011.

At FPRAC's 572nd meeting on March 8, 2012, the Study Group report was submitted to FPRAC for consideration. At that meeting, the Committee adopted labor's motion to transmit the report to Director Berry by a 6-5 vote, with all management members voting against, all labor members voting for, and the Chairman voting for labor's motion.

The Committee then rejected, by a 6-5 vote, management's motion to amend the report by adding an alternate implementation plan, with all management members voting for, all labor members voting against, and the Chairman voting against management's motion. The labor members felt that the alternate plan was contrary to the intent of the original FPRAC recommendation; the management members announced that the alternate implementation plan would be incorporated into their minority report.

At FPRAC's 573rd meeting on March 15, 2012, the Committee voted to reaffirm its October 2010 recommendation to Director Berry. The Committee reaffirmed its recommendation by a 5-4 vote, with all management members voting against, all labor members voting for, and the Chairman voting for the proposal.

FPRAC's reaffirmed recommendation, the Study Group's *Report of the Federal Prevailing Rate Advisory Committee, March 2012*, including a Transmittal Memo to Director Berry from the Chairman and the Management Members' Minority Report, was transmitted to Director Berry before the end of March 2012.

Additional Matters Discussed

- (1) Charter for the Federal Prevailing Rate Advisory Committee (572-OC-1)
- (2) Membership Balance Plan for the Federal Prevailing Rate Advisory Committee (572-OC-2)
- (3) Federal Prevailing Rate Advisory Committee Annual Summary, 2011, 575-OC-2
- (4) Electronic copy of the March 2012 FPRAC Report to Directory Berry available on ACT's Web site, 575-ACT-1
- (5) Brief summary and link to the U.S. Government Accountability Office's recently issued report entitled *Results of Studies on Federal Pay Varied Due to Differing Methodologies*, 577-OC-3
- (6) Suggestion for a research paper on the history of the Federal Government's prevailing rate system
- (7) Congressional Research Service Report
Comparing Compensation for Federal and Private-Sector Workers: An Overview
(<http://www.fas.org/sgp/crs/misc/R42636.pdf>)
- (8) FPRAC's FY 2012 Federal Advisory Committee Act (FACA) Report, 581-OC-1
- (9) 2012 Federal Employee Viewpoint Survey Results: Report by Demographics
Question 70 - Pay Satisfaction Responses, 581-OC-2

PART III

FEDERAL PREVAILING RATE ADVISORY COMMITTEE SUMMARY OF DISCUSSIONS AT 2011 MEETINGS

Meeting 570 – January 19, 2012

- Review of Lee County, VA
 - Total Employment in the Eastern Tennessee Wage Area by County
 - List of FWS Wage Areas with Fewer than 500 Employees
 - Review of Criteria for Defining Appropriated Fund Wage Areas (Reprint)
- Discussion of Survey Issues/Concerns
 - FPRAC Chairman's Memorandum to Members on Survey Issues Work Group
- Special Wage Schedule Pay Practice for Federal Wage System Lock and Dam Employees
- Definition of South Bend-Mishawaka, IN-MI Metropolitan Statistical Area
- Letter from the American Federation of Government Employees, dated June 6, 2011, Requesting FPRAC Review a Proposal to Redefine Monroe County, PA, from the Scranton-Wilkes-Barre, PA, Wage Area to the New York, NY, Wage Area
- Alaska Set-Aside Area Differential Schedules
- Report of the Wage Area Definition Study Group

Meeting 571 – February 16, 2012

- Review of Lee County, VA
 - Total Employment in the Eastern Tennessee Wage Area by County
 - List of FWS Wage Areas with Fewer than 500 Employees
 - Review of Criteria for Defining Appropriated Fund Wage Areas (Reprint)
- Discussion of Survey Issues/Concerns
 - FPRAC Chairman's Memorandum to Members on Survey Issues Work Group
- Special Wage Schedule Pay Practice for Federal Wage System Lock and Dam Employees
- Definition of South Bend-Mishawaka, IN-MI Metropolitan Statistical Area
- Letter from the American Federation of Government Employees, dated June 6, 2011, Requesting FPRAC Review a Proposal to Redefine Monroe County, PA, from the Scranton-Wilkes-Barre, PA, Wage Area to the New York, NY, Wage Area
- Report of the Wage Area Definition Study Group

Meeting 572 – March 8, 2012

- Review of Lee County, VA
 - Total Employment in the Eastern Tennessee Wage Area by County
 - List of FWS Wage Areas with Fewer than 500 Employees
 - Review of Criteria for Defining Appropriated Fund Wage Areas (Reprint)

- Discussion of Survey Issues/Concerns
 - FPRAC Chairman's Memorandum to Members on Survey Issues Work Group
- Special Wage Schedule Pay Practice for Federal Wage System Lock and Dam Employees
- Definition of South Bend-Mishawaka, IN-MI Metropolitan Statistical Area
- Letter from the American Federation of Government Employees, dated June 6, 2011, Requesting FPRAC Review a Proposal to Redefine Monroe County, PA, from the Scranton-Wilkes-Barre, PA, Wage Area to the New York, NY, Wage Area
- Report of the Wage Area Definition Study Group

Meeting 573 – March 15, 2012

- Review of Lee County, VA
 - Total Employment in the Eastern Tennessee Wage Area by County
 - List of FWS Wage Areas with Fewer than 500 Employees
 - Review of Criteria for Defining Appropriated Fund Wage Areas (Reprint)
- Discussion of Survey Issues/Concerns
 - FPRAC Chairman's Memorandum to Members on Survey Issues Work Group
- Special Wage Schedule Pay Practice for Federal Wage System Lock and Dam Employees
- Definition of South Bend-Mishawaka, IN-MI Metropolitan Statistical Area
- Letter from the American Federation of Government Employees, dated June 6, 2011, Requesting FPRAC Review a Proposal to Redefine Monroe County, PA, from the Scranton-Wilkes-Barre, PA, Wage Area to the New York, NY, Wage Area
- Transmission of Report of the Wage Area Definition Study Group

Meeting 574 – April 19, 2012

- Review of Lee County, VA
 - Total Employment in the Eastern Tennessee Wage Area by County
 - List of FWS Wage Areas with Fewer than 500 Employees
 - Review of Criteria for Defining Appropriated Fund Wage Areas (Reprint)
- Discussion of Survey Issues/Concerns
 - FPRAC Chairman's Memorandum to Members on Survey Issues Work Group
- Special Wage Schedule Pay Practice for Federal Wage System Lock and Dam Employees
- Definition of South Bend-Mishawaka, IN-MI Metropolitan Statistical Area
- Letter from the American Federation of Government Employees, dated June 6, 2011, Requesting FPRAC Review a Proposal to Redefine Monroe County, PA, from the Scranton-Wilkes-Barre, PA, Wage Area to the New York, NY, Wage Area
- Draft, Federal Prevailing Rate Advisory Committee Annual Summary, 2011
- Abolishment of the Washington, DC, Special Wage Schedule for Printing and Lithographic Position

Meeting 575 – June 21, 2012

- Review of Lee County, VA
 - Total Employment in the Eastern Tennessee Wage Area by County

- List of FWS Wage Areas with Fewer than 500 Employees
- Review of Criteria for Defining Appropriated Fund Wage Areas (Reprint)
- Discussion of Survey Issues/Concerns
 - FPRAC Chairman's Memorandum to Members on Survey Issues Work Group
- Special Wage Schedule Pay Practice for Federal Wage System Lock and Dam Employees
- Definition of South Bend-Mishawaka, IN-MI Metropolitan Statistical Area
- Letter from the American Federation of Government Employees, dated June 6, 2011, Requesting FPRAC Review a Proposal to Redefine Monroe County, PA, from the Scranton-Wilkes-Barre, PA, Wage Area to the New York, NY, Wage Area
- Definition of Hickory-Lenoir-Morganton, NC Metropolitan Statistical Area
- Definition of Youngstown-Warren-Boardman, OH-PA Metropolitan Statistical Area
- Proposal for FPRAC review of the Federal Wage System Appropriated Fund and Nonappropriated Fund Operating Manuals

Meeting 576 – July 19, 2012

- Review of Lee County, VA
 - Total Employment in the Eastern Tennessee Wage Area by County
 - List of FWS Wage Areas with Fewer than 500 Employees
 - Review of Criteria for Defining Appropriated Fund Wage Areas (Reprint)
- Discussion of Survey Issues/Concerns
 - FPRAC Chairman's Memorandum to Members on Survey Issues Work Group
- Special Wage Schedule Pay Practice for Federal Wage System Lock and Dam Employees
- Definition of South Bend-Mishawaka, IN-MI Metropolitan Statistical Area
- Letter from the American Federation of Government Employees, dated June 6, 2011, Requesting FPRAC Review a Proposal to Redefine Monroe County, PA, from the Scranton-Wilkes-Barre, PA, Wage Area to the New York, NY, Wage Area
- Definition of Hickory-Lenoir-Morganton, NC Metropolitan Statistical Area
- Definition of Youngstown-Warren-Boardman, OH-PA, Metropolitan Statistical Area
- Proposal for FPRAC Review of the Federal Wage System Appropriated Fund and Nonappropriated Fund Operating Manuals
- Definition of Cape Girardeau-Jackson, MO-IL Metropolitan Statistical Area and Perry County, MO

Meeting 577 – August 16, 2012

- Review of Lee County, VA
 - Total Employment in the Eastern Tennessee Wage Area by County
 - List of FWS Wage Areas with Fewer than 500 Employees
 - Review of Criteria for Defining Appropriated Fund Wage Areas (Reprint)
- Discussion of Survey Issues/Concerns
 - FPRAC Chairman's Memorandum to Members on Survey Issues Work Group
- Special Wage Schedule Pay Practice for Federal Wage System Lock and Dam Employees
- Definition of South Bend-Mishawaka, IN-MI Metropolitan Statistical Area

- Letter from the American Federation of Government Employees, dated June 6, 2011, Requesting FPRAC Review a Proposal to Redefine Monroe County, PA, from the Scranton-Wilkes-Barre, PA, Wage Area to the New York, NY, Wage Area
- Definition of Hickory-Lenoir-Morganton, NC Metropolitan Statistical Area
- Proposal for FPRAC review of the Federal Wage System Appropriated Fund and Nonappropriated Fund Operating Manuals
- Definition of Rochester, MN Metropolitan Statistical Area

Meeting 578 – September 13, 2012

- Review of Lee County, VA
 - Total Employment in the Eastern Tennessee Wage Area by County
 - List of FWS Wage Areas with Fewer than 500 Employees
 - Review of Criteria for Defining Appropriated Fund Wage Areas (Reprint)
- Discussion of Survey Issues/Concerns
 - FPRAC Chairman’s Memorandum to Members on Survey Issues Work Group
- Special Wage Schedule Pay Practice for Federal Wage System Lock and Dam Employees
- Definition of South Bend-Mishawaka, IN-MI Metropolitan Statistical Area
- Letter from the American Federation of Government Employees, dated June 6, 2011, Requesting FPRAC Review a Proposal to Redefine Monroe County, PA, from the Scranton-Wilkes-Barre, PA, Wage Area to the New York, NY, Wage Area
- Definition of Hickory-Lenoir-Morganton, NC Metropolitan Statistical Area
- Proposal for FPRAC review of the Federal Wage System Appropriated Fund and Nonappropriated Fund Operating Manuals
- Suggestion for a Research Paper on the History of the Federal Government’s Prevailing Rate System
- Definition of Rochester, MN, Metropolitan Statistical Area
- Review of the Augusta and Portland, Maine, Federal Wage System Wage Areas
- North American Industry Classification System Based Federal Wage System Wage Surveys (2012 Update)

Meeting 579 – October 18, 2012

- Review of Lee County, VA
 - Total Employment in the Eastern Tennessee Wage Area by County
 - List of FWS Wage Areas with Fewer than 500 Employees
 - Review of Criteria for Defining Appropriated Fund Wage Areas (Reprint)
- Discussion of Survey Issues/Concerns
 - FPRAC Chairman’s Memorandum to Members on Survey Issues Work Group
- Special Wage Schedule Pay Practice for Federal Wage System Lock and Dam Employees
- Definition of South Bend-Mishawaka, IN-MI Metropolitan Statistical Area
- Letter from the American Federation of Government Employees, dated June 6, 2011, Requesting FPRAC Review a Proposal to Redefine Monroe County, PA, from the Scranton-Wilkes-Barre, PA, Wage Area to the New York, NY, Wage Area
- Definition of Hickory-Lenoir-Morganton, NC Metropolitan Statistical Area

- Proposal for FPRAC review of the Federal Wage System Appropriated Fund and Nonappropriated Fund Operating Manuals
- Suggestion for a Research Paper on the History of the Federal Government's Prevailing Rate System
- Review of the Augusta and Portland, Maine, Federal Wage System Wage Areas
- North American Industry Classification System Based Federal Wage System Wage Surveys (2012 Update)

Meeting 580 – November 15, 2012

- Review of Lee County, VA
 - Total Employment in the Eastern Tennessee Wage Area by County
 - List of FWS Wage Areas with Fewer than 500 Employees
 - Review of Criteria for Defining Appropriated Fund Wage Areas (Reprint)
- Discussion of Survey Issues/Concerns
 - FPRAC Chairman's Memorandum to Members on Survey Issues Work Group
- Special Wage Schedule Pay Practice for Federal Wage System Lock and Dam Employees
- Definition of South Bend-Mishawaka, IN-MI Metropolitan Statistical Area
- Letter from the American Federation of Government Employees, dated June 6, 2011, Requesting FPRAC Review a Proposal to Redefine Monroe County, PA, from the Scranton-Wilkes-Barre, PA, Wage Area to the New York, NY, Wage Area
- Definition of Hickory-Lenoir-Morganton, NC Metropolitan Statistical Area
- Proposal for FPRAC review of the Federal Wage System Appropriated Fund and Nonappropriated Fund Operating Manuals
- Suggestion for a Research Paper on the History of the Federal Government's Prevailing Rate System
- Review of the Augusta and Portland, Maine, Federal Wage System Wage Areas
- Alternate Analysis of the Portland, ME, Federal Wage System Wage Area
- Definition of Vanderburgh County, Indiana, to a Nonappropriated Fund Federal Wage System Wage Area

Meeting 581 – December 13, 2012

- Review of Lee County, VA
 - Total Employment in the Eastern Tennessee Wage Area by County
 - List of FWS Wage Areas with Fewer than 500 Employees
 - Review of Criteria for Defining Appropriated Fund Wage Areas (Reprint)
- Discussion of Survey Issues/Concerns
 - FPRAC Chairman's Memorandum to Members on Survey Issues Work Group
- Special Wage Schedule Pay Practice for Federal Wage System Lock and Dam Employees
- Definition of South Bend-Mishawaka, IN-MI Metropolitan Statistical Area
- Letter from the American Federation of Government Employees, dated June 6, 2011, Requesting FPRAC Review a Proposal to Redefine Monroe County, PA, from the Scranton-Wilkes-Barre, PA, Wage Area to the New York, NY, Wage Area
- Definition of Hickory-Lenoir-Morganton, NC Metropolitan Statistical Area


- Proposal for FPRAC review of the Federal Wage System Appropriated Fund and Nonappropriated Fund Operating Manuals
- Suggestion for a Research Paper on the History of the Federal Government's Prevailing Rate System
- Review of the Augusta and Portland, Maine, Federal Wage System Wage Areas
- Alternate Analysis of the Portland, ME, Federal Wage System Wage Area
- Definition of Vanderburgh County, Indiana, to a Nonappropriated Fund Federal Wage System Wage Area

CHARTER FOR THE FEDERAL PREVAILING RATE ADVISORY COMMITTEE

1. **OFFICIAL DESIGNATION:** Federal Prevailing Rate Advisory Committee
2. **AUTHORITY:** The Federal Prevailing Rate Advisory Committee is established under section 5347 of title 5, United States Code, in accordance with the provisions of the Federal Advisory Committee Act (FACA), as amended, 5 U.S.C., App 2.
3. **OBJECTIVES AND SCOPE OF ACTIVITIES:** The Committee shall study the prevailing rate system and other matters pertinent to the establishment of prevailing rates under 5 U.S.C. chapter 53, subchapter IV, as amended.
4. **DESCRIPTION OF DUTIES:** The Committee makes recommendations to the Director of the U.S. Office of Personnel Management on the prevailing rate system for Federal blue-collar workers including—
 - (1) Definitions of local wage areas;
 - (2) Coverage of local wage surveys, including the occupations, establishment sizes, and industries to be surveyed and how surveys are conducted; and
 - (3) Policies on basic and premium pay administration.
5. **AGENCY OR OFFICIAL TO WHOM THE COMMITTEE REPORTS:** The Chairman of the Committee reports to the Director of the U.S. Office of Personnel Management.
6. **SUPPORT:** As provided by 5 U.S.C. 5347, the U.S. Office of Personnel Management provides such clerical and professional personnel as the Chairman of the Committee considers appropriate and necessary to carry out the functions of the Committee.
7. **ESTIMATED ANNUAL OPERATING COSTS IN DOLLARS AND STAFF YEARS:** Using current salary schedules (2012), the estimated annual operating expenses of the Committee are \$275,112. Its estimated staff years are 1.6 full-time equivalents (FTEs).
8. **DESIGNATED FEDERAL OFFICER:** The Deputy Associate Director, Pay and Leave, Employee Services, U.S. Office of Personnel Management, serves as the Designated Federal Officer (DFO) to the Committee. The Committee will meet at the call of the Chairman, Federal Prevailing Rate Advisory Committee, in consultation with the DFO or his designee. The Chairman, in consultation with the DFO or his designee, will prepare and approve all meeting agendas. The DFO or his designee will attend all meetings and adjourn any meeting when he determines adjournment to be in the public interest.

9. ESTIMATED NUMBER AND FREQUENCY OF MEETINGS: The meeting schedule contemplated for the Committee is one meeting per month throughout a calendar year; more frequent meetings shall be scheduled when deemed necessary.
10. DURATION: There is no time limit set forth in 5 U.S.C. chapter 53, subchapter IV. The mandate of the Committee is one of a continuing nature until amended or revoked by act of Congress.
11. TERMINATION: There is no statutory termination date. The Federal Prevailing Rate Advisory Committee is permanently established by Public Law 92-392, and its charter is renewed every 2 years under the Federal Advisory Committee Act (Public Law 92-463). The Chairman of the Committee serves for a 4-year term, as set forth in 5 U.S.C. 5347(a)(1). Management members of the Committee serve at the pleasure of the Director of the U.S. Office of Personnel Management. Labor membership is reviewed every 2 years to assure entitlement under the criteria set forth in 5 U.S.C. 5347(b).
12. MEMBERSHIP AND DESIGNATION: The Federal Prevailing Rate Advisory Committee has five management members, five labor members, and one Chairman appointed by the Director of the U.S. Office of Personnel Management.
13. SUBCOMMITTEES: The Chairman of the Committee may, with U.S. Office of Personnel Management approval, form Working Groups to study specific technical issues and report back to the full Committee. Working Groups do not provide advice or work products directly to the Director of the U.S. Office of Personnel Management.
14. RECORDKEEPING: The records of the Committee, formally and informally established subcommittees, or other subgroups of the Committee, shall be handled in accordance with General Records Schedule 26, Item 2. The Committee's records are available for public inspection and copying at the U.S. Office of Personnel Management, subject to the Freedom of Information Act, 5 U.S.C. 552.
15. FILING DATE: FEB 21 2012

APPROVED:


John Berry
Director, U.S. Office of Personnel Management

FEB 14 2012
Date

2012 ANNUAL REPORT TO THE GENERAL SERVICES ADMINISTRATION

As required by section 7(a) of Public Law 92-463, the Federal Advisory Committee Act, an Internet report was submitted to the designated Advisory Committee Management Officer of the U.S. Office of Personnel Management for transmission to the General Services Administration.