

FEDERAL PREVAILING RATE ADVISORY COMMITTEE

584th FPRAC

SHELDON FRIEDMAN, Chairperson, Presiding

Thursday, May 16, 2013

Room 5526
Office of Personnel Management
Washington, D.C. 20415**ATTENDANCE:****Members/Alternates:**Management Members:Mark Allen, OPM
Steve Rumble, DoD
Bob Kerr, Air Force (via telephone)
Stephanie Boyd, Veterans AffairsLabor Members:Robert Shore, NAGE
Steven Landis, ACT**Staff Specialists and Visitors:**Brenda Roberts, Designated Federal Officer, OPM
Madeline Gonzalez, OPM
Jeanne Jacobson, OPM
Mike Eicher, OPM
Jennifer Dorsey, OPM
Jim Brady, DoD
Karl Fendt, DoD**Recording Secretary:** Mike Eicher

[Transcript prepared from digital audio produced by FPRAC.]

C O N T E N T S

	<u>Page</u>
I. <u>Opening/Announcements</u>	
• Introductions.....	3
• Announcements.....	4
- Fiscal Year 2013 Prevailing Rate Adjustment, 584-OPM-1	
II. Review of the Minutes of 583rd Meeting.....	5
III. <u>Old Business</u>	6
a. Review of Lee County, Virginia, 557-MGT-2	
- Total Employment in Eastern Tennessee Wage Area by County, 566-OPM-1	
- List of FWS Wage Areas with Fewer Than 500 Employees, 566-OPM-2	
- Review of Criteria for Defining Appropriated Fund Wage Areas, 545-OC-1	
b. Discussion of Survey Issues/Concerns	
- FPRAC's Chairman's Memorandum to Members on Survey Issues Work Group, 560-OC-1	
c. Special Wage Schedule Pay Practice for Federal Wage System Lock and Dam Employees, 562-MGT-1	
d. Definition of South Bend-Mishawaka, IN-MI Metropolitan Statistical Area, 562-MGT-2	
e. 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, 564-AFGE-1	
f. Definition of Hickory-Lenoir-Morganton, NC Metropolitan Statistical Area, 575-MGT-1	
g. Proposal for FPRAC review of the Federal Wage System Appropriated Fund and Non-Appropriated Fund Operating Manuals, 575-AFGE-1	
h. Suggestion for a research paper on the history of the Federal Government's prevailing rate system	
i. Review of the Augusta and Portland, ME Federal Wage System Wage Areas, 578-MGT-1	
- Alternate Analysis of the Portland, ME Federal Wage System Wage Area, 580-MGT-1	

P R O C E E D I N G

CHAIRMAN FRIEDMAN: Well, good morning, everyone, and welcome to this, our 584th meeting of the Federal Prevailing Rate Advisory Committee. My name is Sheldon Friedman, Chair of the Committee, and as usual, why don't we go around and introduce ourselves, so let's start with you today, Mark.

MR. ALLEN: Mark Allen with OPM.

MR. RUMBLE: Steve Rumble, Department of Defense.

CHAIRMAN FRIEDMAN: I believe we have a Management member on the phone.

MR. BOB KERR: It is Bob Kerr from Air Force.

CHAIRMAN FRIEDMAN: Thank you.

And here?

MR. SHORE: Robert Shore from NAGE.

MR. LANDIS: Steve Landis from ACT.

CHAIRMAN FRIEDMAN: Thank you.

And people around the sides of the room can introduce themselves.

MS. ROBERTS: Brenda Roberts, Designated Federal Officer.

MS. JACOBSON: Jeanne Jacobson, OPM.

MR. FENDT: Karl Fendt, DoD.

MR. BRADY: Jim Brady, DoD.

MR. EICHER: Mike Eicher, OPM.

MS. GONZALEZ: Madeline Gonzalez with OPM.

MS. DORSEY: Jennifer Dorsey, OPM.

CHAIRMAN FRIEDMAN: Thank you.

Well, we obviously don't have a quorum, so we can't take any votes, but we can probably get a few things done that we need to get done today.

People have in their folder the memorandum about Prevailing Rate Pay Adjustments for Fiscal Year 2013. I'd be astonished if there were any questions about it, but if there are, fire away.

MR. ALLEN: Mr. Chairman, I probably should say something for the record about this and say what it actually is.

Every year since Fiscal Year 1978, the Federal Wage System has been operating under pay caps, and part of what this memorandum does is continue that policy of capping, but the cap is actually zero percent for the rest of this fiscal year and for the preceding part of the fiscal year from today.

OPM issued this memorandum to agencies to provide them with instructions on how to issue wage schedules under the pay freeze legislation, and this memorandum covers only Fiscal Year 2013. The pay freeze extends through the remainder of this calendar year.

Typically, what happens with Federal Wage System adjustments is that there is appropriations legislation that covers whether there's a pay cap or what we also call a floor increase, which is also referred to in this memorandum. Those provisions would usually be contained in an appropriations law that may or may not pass before the end of this fiscal year. Typically, they don't pass that early, but I'm always hopeful that the Congress will pass legislation for these provisions at some point in this calendar year.

CHAIRMAN FRIEDMAN: Any discussion? Questions?

[No audible response.]

CHAIRMAN FRIEDMAN: If not, let's move on to the review of the transcript of our March meeting. I believe everybody has a copy of that in your packets.

Are there any changes besides those that we've already heard from you about?

[No audible response.]

CHAIRMAN FRIEDMAN: If not, is there agreement that we should adopt the transcript?

[No audible response.]

CHAIRMAN FRIEDMAN: I see no dissenting nods or whatever, so the transcript of our last meeting is adopted. Thank you.

And that brings up old business. We do have quite a few old business items. Are there any that people would like to discuss today?

[No audible response.]

CHAIRMAN FRIEDMAN: If not, we can defer those.

MR. ALLEN: Actually, I have a couple of suggestions.

There are a few items of old business that have to do with wage area redefinitions based on changes in Metropolitan Statistical Area definitions. OPM is now in receipt of the new MSA definitions, so what I would actually recommend is we get in touch with the other members who are not here today just to withdraw some of these items from the agenda and at some point in the future replace them once we've had a chance to look at the new MSA

definitions, which may impact some of these. We don't want to approve something that's out of date.

CHAIRMAN FRIEDMAN: Do you know now if any of the changes affect any of the pending old business items?

MR. ALLEN: We have not looked at them in detail yet.

CHAIRMAN FRIEDMAN: Seems to me, we ought to narrow that just to those where we know it's --

MR. ALLEN: We also have new commuting patterns. So, in one way or another, these proposals that are on the agenda now are out of date because we're relying on commuting patterns from the year 2000, the 2000 Census.

CHAIRMAN FRIEDMAN: Okay. All right. Well, maybe if you could let us know exactly which ones you think ought to be withdrawn pending updated MSA and commuting data?

Any question about that or discussion?

MR. RUMBLE: No.

MR. LANDIS: No.

CHAIRMAN FRIEDMAN: Okay. Anything else under old business that people would like to bring up now?

MR. LANDIS: Yeah. I'd just like to ask -- I

know, I understand we're getting or have new directors now of OPM and maybe even OMB.

CHAIRMAN FRIEDMAN: Well, there's an Acting Director here, Elaine Kaplan, who had been the General Counsel of OPM.

MR. LANDIS: Can you spell his last name for me, please?

CHAIRMAN FRIEDMAN: It's a woman. Elaine.

MR. LANDIS: Oh, Elaine. I'm sorry. I thought you said "Lane." I'm sorry.

CHAIRMAN FRIEDMAN: K-a-p-l-a-n.

And OMB, there are changes also -- anybody want to respond to that?

MR. ALLEN: OMB's new director was confirmed a couple of weeks ago. I believe her name is Burwell.

MR. LANDIS: "Burwell" or "Birdwell"

MR. ALLEN: "Bur," B-u-r-w-e-l-l.

MR. LANDIS: Have we got any -- I'm sure they're too new. Have we gotten any feedback on them on their opinion of the report we filed last year that I keep bringing up at every meeting?

CHAIRMAN FRIEDMAN: I don't have anything new

from them, but I haven't had any conversations with them about this matter.

MR. ALLEN: No decision has been rendered on that by OPM yet.

MR. LANDIS: Okay.

I had one other thing.

CHAIRMAN FRIEDMAN: Sure, go ahead.

MR. LANDIS: More of old stuff here. I had somebody give me this. This is more specific now to the situation at Joint Base McGuire-Dix-Lakehurst, and this is just -- it was in a newspaper article, and it was talking about back in 2009, the impending new Joint Base that they were creating. And it was talking about then efforts by Congressman John Adler, the late John Adler, and the Office of Personnel Management announce the Joint Base will include the new higher New York locality pay. Official said this new rule is an important step toward ensuring that all Federal civilian employees at Joint Base will be paid equally for the same job, and this will go into effect October 11th, 2009.

And, obviously, I brought this up many times, and we all know that that never got done.

CHAIRMAN FRIEDMAN: Is that a newspaper article?

MR. LANDIS: Yes.

CHAIRMAN FRIEDMAN: Would you like that submitted for the record and circulated to the Committee? We can do that.

MR. LANDIS: Yeah, I can do that, if you like.

CHAIRMAN FRIEDMAN: Sure. Can you send it? Give it to Madeline, please.

MR. LANDIS: Okay.

MS. GONZALEZ: Can I keep that copy?

MR. LANDIS: That's the only one I have, unfortunately.

MS. GONZALEZ: Okay.

MR. ALLEN: Is it an Internet article? If it's that, you can just send us a link.

MR. LANDIS: Okay. I could probably do that. It's old. I don't know if it will even be there, but I can see if I can find it.

The link is right at the bottom. If the link still works, I'll send it to Madeline.

CHAIRMAN FRIEDMAN: Well, thanks for bringing that to our attention.

MR. LANDIS: Okay.

And the other thing is something we have discussed before on our Survey Issues Workgroup --

CHAIRMAN FRIEDMAN: Mm-hmm.

MR. LANDIS: I think, it's page 14. I highlighted the area we're talking about, I guess, the policy has generally been to keep FWS employees in National Forests, National Parks, and military installations on the same wage area, and when these issues are brought before OPM's attention, they're dealt with on an ad hoc basis. And, again, you know, that's something that was never done here at McGuire.

I keep bringing these things up because, you know, this is the number-one issue back there, and it's hurting, it's hurting morale back there, and there's people that are leaving the position down there to find employment elsewhere because of that.

So I just wanted to bring these things up. I know we have done pretty much -- and you've said this before. We've done pretty much everything we can do here, but I just like to keep that -- you know, put it in the record and keep it to the attention of everyone. It's

something that's gone on 3 1/2, almost 4 years now that this -- that the wage area change that was promised was never dealt with, and I just was hoping there was something that we could do maybe to urge someone to make some kind of decision on this.

CHAIRMAN FRIEDMAN: I'm happy to entertain any specific suggestion about what else we could do.

MR. LANDIS: I don't --

CHAIRMAN FRIEDMAN: We've recommended as a Committee to our Director that the matter be fixed --

MR. LANDIS: Mm-hmm.

CHAIRMAN FRIEDMAN: -- in the context of a larger change in regulation, but if there's something else you can think of or we can think of to do --

MR. LANDIS: I don't know. Just maybe like we have the two new -- the Acting Director and the new Director of OMB. Maybe it's something that we could run by them now. I'm sure they may not even be aware of this situation. Maybe they have a different outlook on fixing it.

But I know that a lot of times, it's brought up that we can't really do anything until the pay freeze is

done, but, obviously, this occurred well before the pay freeze was implemented.

CHAIRMAN FRIEDMAN: Right.

MR. LANDIS: So I don't see that that should have any effect on it.

And, again, it's not an increase in the wage grade pay. It's just a change, which we've done, you know, many times since then, and we have seen reports of other areas that had effect on people that put them into a higher wage area since this time.

And that's another thing that's very frustrating to people back at Joint Base McGuire-Dix-Lakehurst. They read these articles in other areas getting these wage area upgrades, and they don't know why they're being overlooked for all this time.

CHAIRMAN FRIEDMAN: Yeah. Well, thank you, and maybe we can think of something else we can do.

Anything else on this point that Steve brought up?

[No audible response.]

CHAIRMAN FRIEDMAN: Any other old business item people would like to discuss?

[No audible response.]

CHAIRMAN FRIEDMAN: And if not, we have no new business items on the agenda, but are there any others that people want to bring up?

[No audible response.]

CHAIRMAN FRIEDMAN: Oh, I'm sorry. We have a Committee member who didn't get a chance to introduce herself earlier.

MS. BOYD: Yes. Stephanie Boyd from VA.

CHAIRMAN FRIEDMAN: Thank you. Thank you for coming. Okay.

Any new business?

[No audible response.]

CHAIRMAN FRIEDMAN: Okay. Well, if there is no objection, we could adjourn.

[No audible response.]

CHAIRMAN FRIEDMAN: Hearing no objection, we're adjourned. Thank you all. See you in June.