

## FEDERAL PREVAILING RATE ADVISORY COMMITTEE

574th FPRAC

**SHELDON FRIEDMAN**, Chairperson, Presiding

Thursday, April 19, 2012

Room 5526  
Office of Personnel Management  
Washington, D.C.

## ATTENDANCE:

## Members/Alternates:

Management Members**MARK ALLEN**, Office of Personnel Management**SETH SHULMAN**, Department of Defense**TAMMY VANKEUREN**, Department of Air Force**CARLOS SAAVEDRA**, Department of Navy**ANN MARIE HANNON**, Department of Veterans AffairsLabor Members**JACQUE SIMON**, AFGE**SARAH SUSZCZYK**, NAGE**STEVEN LANDIS**, ACT

## Staff Specialists and Visitors:

**JEROME MIKOWICZ**, Designated Federal Official, OPM**MADELINE GONZALEZ**, Office of Personnel Management**TERRI AVONDET**, Office of Personnel Management**CHRISTOPHER WALLACE**, Office of Personnel Management**DAWNA POWELL**, Department of Defense**JIM BRADY**, Department of Defense**AMANDA SHAFFER**, Department of Defense**KARL FENDT**, Department of Defense**DARLENE FREEMAN**, Department of Air Force**TERRY GARNETT**, ACT via phoneRecording Secretary: **FEBBIE GRAY****[Transcript prepared from digital audio produced by FPRAC.]**

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## P R O C E E D I N G S

**CHAIRMAN FRIEDMAN:** Good morning, everyone, and welcome to this 574th meeting of the Federal Prevailing Rate Advisory Committee. My name is Sheldon Friedman. I am Chairman of the Committee.

As we usually do, why don't we go around the room and introduce ourselves, starting today with you, Mark.

**MR. ALLEN:** Mark Allen with OPM.

**MR. SHULMAN:** Seth Shulman, Department of Defense.

**MS. VANKEUREN:** Tammy Vankeuren, Air Force.

**MR. SAAVEDRA:** Carlos Saavedra, Department of the Navy.

**MS. SUSZCZYK:** Sarah Suszczyk, NAGE.

**MR. LANDIS:** Steve Landis, ACT.

**CHAIRMAN FRIEDMAN:** I know we are supposed to have Terry Garnett on the phone. Terry is recuperating from surgery, but I guess he hasn't called in yet.

Folks around the side of the room--

**MR. MIKOWICZ:** Jerry Mikowicz, the Designated Federal Official.

**MS. GONZALEZ:** Madeline Gonzalez with OPM.

**MS. AVONDET:** Terri Avondet, OPM.

**MS. FREEMAN:** Darlene Freeman, Air Force.

**MR. FENDT:** Karl Fendt, DoD.

**MR. BRADY:** Jim Brady, DoD.

**MS. POWELL:** Dawna Powell, DoD.

**MS. SHAFFER:** Amanda Shaffer, DoD.

**MS. GRAY:** Febbie Gray, OPM.

**MR. WALLACE:** Chris Wallace, OPM.

**CHAIRMAN FRIEDMAN:** Okay. Thank you all.

Starting with our announcements, you have in your packets the letter that was read into the meeting record last meeting from Representative Runyan to Director Berry regarding the AFGE proposal, 574-OC-1, the letter from the labor members of FPRAC that was also read into the record at the last meeting, and a letter that Director Berry received from John Gage, President of AFGE, and I believe everyone has the extensive report from our working group. Thanks again to Madeline for all the incredible hard work and also the folks at DoD who contributed so much to it. Any questions about the working group's report, including the memo sent with the report to Director Berry, as well as the minority report from Management?

We have a few Committee members joining us. Would you

identify yourselves for the recorder?

**MS. SIMON:** Jacque Simon, AFGE.

**MS. HANNON:** Ann Marie Hannon for Mr. Chase from VA.

**CHAIRMAN FRIEDMAN:** Okay. Thank you very much.

So any questions about any of that?

[No audible response.]

**CHAIRMAN FRIEDMAN:** If not, we can move on to reviewing the transcripts of our March 8th and March 15th meetings. Have people had a chance to review those?

[No audible response.]

**CHAIRMAN FRIEDMAN:** Are there any -- I guess we'll take them one at a time starting with March 8th. Any further corrections to the March 8th transcript?

[No audible response.]

**CHAIRMAN FRIEDMAN:** If not, any objections to adopting it?

[No audible response.]

**CHAIRMAN FRIEDMAN:** Hearing none, it's adopted.

And now the March 15th meeting transcript. Any further changes or corrections?

[No audible response.]

**CHAIRMAN FRIEDMAN:** Are there any objections to adopting it?

[No audible response.]

**CHAIRMAN FRIEDMAN:** Hearing no objections, that's adopted too. All right. We have adopted the transcripts of our last meetings.

We have a series of Old Business items that we will be returning our attention to. Is there anyone who wants to bring up anything about any of them this morning?

**MS. SIMON:** What's the current status of the issue with the Federal Wage System Lock and Dam employees in Mississippi?

**CHAIRMAN FRIEDMAN:** Well, basically, we have it as an Old Business item. This is actually a different issue than that. This is Arkansas, but they are somewhat related.

**MS. SIMON:** Okay.

**CHAIRMAN FRIEDMAN:** I think we do have to revisit it, but --

**MS. SIMON:** Okay.

**MR. ALLEN:** I think, Mr. Chairman, we had deferred these issues to another working group that we put on hold last August while we were examining the wage area definition study.

**CHAIRMAN FRIEDMAN:** Right.

**MR. ALLEN:** I think it's probably a good idea for the members to take another look at the documents that are related to that other working group, and I think we should think about establishing a meeting date for the next working group meeting. We have had a policy of meeting after an FPRAC meeting. The next one would be about a month from now, May 24th.

**CHAIRMAN FRIEDMAN:** Yeah, that seems like a reasonable idea to me.

Other thoughts on that, that people want to express now?

**MS. SIMON:** I know I will be out of town on May 24th.

**MR. SHULMAN:** Particularly since the lock and dam questions and issues are primarily Department of the Army, we would want to have Department of the Army present for that discussion, I would think. That would seem correct, right?

**CHAIRMAN FRIEDMAN:** Well, maybe we will wait until the June meeting, so we can arrange both of those, your participation, Jacque, as well as --

**MS. SIMON:** Okay.

**CHAIRMAN FRIEDMAN:** -- the appropriate person from the

Department of the Army.

**MR. ALLEN:** In the meantime, if anybody has any questions that we could help out on, or if you would like us to provide any background information in addition to what we have already presented in the documents that are under old business, we would be more than happy to do that.

**CHAIRMAN FRIEDMAN:** I think we should prime the pump electronically with some background information. We will work on that.

Any other comments on the Old Business items at this point?

[No audible response.]

**CHAIRMAN FRIEDMAN:** If not, we have two new business items.

The first is our Annual Summary. You have in your packages, and received electronically ahead of time, the Annual Summary for 2011 for FPRAC. Is there any objection to us adopting it? Any discussion of it, to start with, I guess? Have people had a chance to review it? I'm going in reverse order today. Question one, have you had a chance to review it?

**MR. SHULMAN:** Not in its entirety.



**CHAIRMAN FRIEDMAN:** Is there any question or discussion about it?

**MS. SUSZCZYK:** I have not had an opportunity to review it in its entirety, either.

**CHAIRMAN FRIEDMAN:** Well --

**MR. ALLEN:** I would just make an observation, Mr. Chairman. The Committee has covered a lot of ground in the last year, which is what we documented in this report. I think it would bear everybody taking a close look at it.

**CHAIRMAN FRIEDMAN:** We don't have a very crowded agenda. I wonder if it would make sense to take a short recess and give people a chance to read it, and then we can possibly dispose of this today.

**MS. SUSZCZYK:** Sounds like a plan.

**CHAIRMAN FRIEDMAN:** Shall we take 10, 15 minutes? How much time would people want?

**MR. ALLEN:** I've already reviewed it myself.

**CHAIRMAN FRIEDMAN:** I know.

[Laughter.]

**CHAIRMAN FRIEDMAN:** Me, too.

**MS. SIMON:** Ten.

**MS. SUSZCZYK:** Ten.

**CHAIRMAN FRIEDMAN:** Okay. So we are going to take a 10-minute recess.

[Recess taken.]

**CHAIRMAN FRIEDMAN:** We are back in session. Has everybody has a chance to review the draft Calendar Year 2011 Annual Summary of FPRAC?

**MR. SHULMAN:** Yes.

**MS. SIMON:** Yes.

**CHAIRMAN FRIEDMAN:** Any changes that people feel are needed?

[No audible response.]

**CHAIRMAN FRIEDMAN:** Any objection to adopting it?

[No audible response.]

**CHAIRMAN FRIEDMAN:** Hearing none, it is adopted. Thank you all.

That brings up Item B under New Business, Abolishment of the Washington D.C. Special Wage Schedule for Printing and Lithographic Positions, 574-MGT-1.

Mark, would you summarize that, please?

**MR. ALLEN:** Yes. Under 574-MGT-1, the Management

members of FPRAC are recommending that the last remaining printing and lithographic special schedule be abolished. As most of us are aware, the printing industry within the Federal Government has changed over the years since the special schedules were established, and printing in the private sector has also changed dramatically.

We have far fewer employees who are paid from the special wage schedule now than we used to have. There is a provision that FPRAC worked out back in the mid 1970s that left the printing and lithographic special schedules as three step-rate schedules but required that no rate, no Step 3 rate, under a printing and lithographic schedule be lower than the regular schedule's Step 5 rate. That is the case for almost all of the grade levels with the Washington, D.C., printing and lithographic wage schedule.

Since there is no benefit to any of the remaining 24 employees who are currently covered by the printing and lithographic wage schedule, we are recommending that we just get rid of the wage schedule entirely and pay the employees from the regular wage schedule. This will eliminate the need to do a full-scale wage survey just to cover those 24 employees with the

end result being that they are going to be paid rates equivalent to what's on the regular schedule anyway.

**CHAIRMAN FRIEDMAN:** Any questions or discussion?

[No audible response.]

**CHAIRMAN FRIEDMAN:** Is there consensus to do this?

[No audible response.]

**CHAIRMAN FRIEDMAN:** It is adopted, 574-MGT-1.

Is there any other New Business?

[No audible response.]

**CHAIRMAN FRIEDMAN:** If not, absent some objection, we could adjourn.

**MR. LANDIS:** I'm sorry. This is my first time, so I am not familiar with how everything is run.

I guess I missed my opportunity. I just wanted to ask a question. It would have been under Old Business, though. I guess it's too late for that.

**CHAIRMAN FRIEDMAN:** No, go ahead.

**MR. LANDIS:** Okay. I have read through the report that is here, and I have a specific question about the Joint Base McGuire-Dix-Lakehurst wage area, and I understand that this report is created to cover that amongst many other things.

My question would be directed to OPM as to how the McGuire-Fort Dix-Lakehurst Joint Base was created October 1st of 2009. We had all type of documentation from the local congressman at the time and from OPM as well that it was all supposed to be moved to the New York pay scale at that time, 2-1/2 years ago. It wasn't.

We directed our questions at the time and received no information for a while. We found out that it could have been the possibility that -- I believe there is a person appointed as the Director of the wage scale system that wasn't appointed at the time, and so it got overlooked. But then when that was brought to their attention, nothing ever happened. It's been 2-1/2 years now.

I know this is just one tiny, specific thing, but there's about 550 employees there that were promised a wage area upgrade in 2009, watched the rest of the members, the GS people and the base, get this wage area upgrade. Sometimes you have a GS and a WG working in the same building that are in different wage areas, and I am just wondering how this has gotten overlooked for 2-1/2 years and why nothing has been done about it.

**CHAIRMAN FRIEDMAN:** I think it's a good question.

You are correct that this recommendation that we did vote on at our last meeting would address it, and it's now before Director Berry.

**MR. LANDIS:** Okay.

**CHAIRMAN FRIEDMAN:** We have actually had a lot of input from folks, including the prior commander of the base who attended one of our meetings in 2010.

**MR. LANDIS:** Yeah, General -- or Colonel Grosso, General Grosso now.

**CHAIRMAN FRIEDMAN:** Yeah. So we, as you say, have had a lot of input also from Members of Congress; in fact, I think a letter from the entire New Jersey delegation of Senators and Representatives. So we've certainly heard a lot about the issue.

The question of why it has been taking us so long to deal with, I really can't give you a good answer to that one, frankly. I don't know if anyone else wants to.

**MR. ALLEN:** I think it is actually a fairly simple reason. It is not something that has been overlooked. We have had testimony at this Committee for at least the last couple years concerning the Joint Base.

The only proposal that we have had on the agenda for the Committee to discuss that would have affected the Joint Base is the recommendation or proposal that is addressed in this working group report that went forward to the Director of OPM.

It's taken the Committee quite a long time without reaching consensus to present this report to the Director.

So I think what you really need to understand is that the Joint Base issue was wrapped up in an overall discussion of whether or not to use GS locality pay areas to define Federal Wage System wage areas. The Committee has not considered the Joint Base on its own merits. So we are in the position now where we are waiting for the Director of OPM to make a decision on whether or not to proceed with the FPRAC recommendation that has been presented to him.

**CHAIRMAN FRIEDMAN:** So, anyway, thanks for coming today.

**MR. LANDIS:** Thank you.

**CHAIRMAN FRIEDMAN:** We didn't want you to come all this way and not get your question answered.

Any other questions, business?

[No audible response.]

**CHAIRMAN FRIEDMAN:** If not, if there's no objection,  
how about we adjourn?

[No audible response.]

**CHAIRMAN FRIEDMAN:** Okay, we are adjourned. See you  
next time, everyone.

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