

**MEMORANDUM OF UNDERSTANDING
BETWEEN
NATIONAL TREASURY EMPLOYEES UNION (UNION)
and
FEDERAL DEPOSIT INSURANCE CORPORATION (EMPLOYER)**

Repromotion Pay Setting Policy

In order to clarify the parties' 2000-2002 Compensation Agreement and to resolve a number of outstanding grievances and arbitration cases, the FDIC and the NTEU enter into the following agreement.

A repromotion is defined by the parties as follows:

An employee voluntarily accepts a lower graded position in which his or her salary was preserved and he or she is to be returned to a grade no higher than the highest grade previously held within Federal service.

For purposes of this Agreement, the policy concerning pay setting upon repromotion and associated matters applies,

- a) when an employee is repromoted after accepting a voluntary downgrade and he or she is subsequently returned to a higher grade, or
- b) when an employee is repromoted after having been returned to a lower grade at the conclusion of a temporary promotion lasting at least one (1) year, or
- c) when an employee is repromoted after accepting an appointment (including reinstatement) with the FDIC at a lower grade than previously held.

The FDIC's revised repromotion pay setting policy will provide as follows: an employee who is repromoted will receive a ten percent increase in basic pay upon repromotion, if he or she has served a minimum of 24 months in the lower grade. Where an employee is repromoted within 24 months, the FDIC's repromotion pay setting policy, described below in Section 8, shall govern the setting of pay

Effective on November 4, 2000, employees who accept positions at a lower grade level will be placed on written notice of the FDIC's repromotion pay setting policy. This MOU will be linked to the parties' Compensation Agreement on the FDIC Intranet. For those employees repromoted within twenty-four (24) months, their pay will be set at the higher of 1) the employee's current rate of basic pay or 2) the employee's highest previous rate, not to exceed the maximum of the range.

Employees who have previously received the 10% increase in basic pay upon repromotion will retain their current salary, including any subsequent increases in pay.

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12/19/2000

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Date:

Date: