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Briefing Report to Congressional Requesters

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PAY AND BENEFITS

Information on Four Federal Banking Agencies

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The Honorable Henry B. Gonzalez
Chairman, Committee on Banking,
Finance and Urban Affairs
House of Representatives

The Honorable Mary Rose Oakar
Chair, Subcommittee on International Development,
Finance, Trade and Monetary Policy
Committee on Banking, Finance and Urban Affairs
House of Representatives

The Honorable James P. Moran
House of Representatives

This briefing report responds to your request that we review the implementation of Section 1206 of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (FIRREA). This provision was intended to promote comparability in pay and benefits among the federal banking agencies and to avoid competition among the agencies for qualified personnel.[1]

On August 6, 1991, we briefed your offices on the preliminary results of our work. Subsequently, in a letter dated August 23, 1991, the Chairman asked that we prepare a final report within five weeks on our work at FDIC, RTC, OCC, and OTS containing the following information:

-- mechanisms of coordination established by the agencies to seek comparability;

-- policies adopted by the agencies that affect actual comparability, such as geographic differentials and performance based awards; and

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[1]Section 1206 applies to the Federal Deposit Insurance Corporation (FDIC), the Office of the Comptroller of the Currency (OCC), the National Credit Union Administration Board, the Federal Housing Finance Board, the Resolution Trust Corporation (RTC), the Farm Credit Administration, and the Office of Thrift Supervision (OTS).

-- actual data reflecting current pay schedules, including such things as the mean and median pay within a salary range, the number of employees paid above and below their designated ranges, and the distributions within each range.

On September 25, 1991, at your request, we briefed the Senate Committee on Banking, Housing and Urban Affairs on the results of our work.

BACKGROUND

Section 1206 provides that specified federal banking agencies, in establishing and adjusting schedules of compensation (pay) and benefits, shall inform the heads of the other agencies (and the Congress) and shall seek to maintain comparability with the pay and benefits the other banking agencies provide to their employees. The act does not define "comparability" nor state how the agencies should go about achieving it. The legislative history of the act indicates, however, that the agencies should consult with each other in fixing compensation and benefits for their employees.

The agencies are exempt from the salary ceilings and position classification requirements applicable to most federal agencies under Title 5 of the U.S. Code. FDIC, one of the agencies to which section 1206 applies, was exempt from Title 5 prior to the enactment of FIRREA. RTC, a new agency created by the act, is part of FDIC for the purpose of the administration of pay and benefits programs. Therefore, references in this report to FDIC also include RTC unless otherwise indicated.

FDIC has the largest number of employees overall and the largest number of employees in the occupations--attorneys, examiners, and secretaries--on which we focused. As of February 26, 1991, FDIC had 19,917 employees, including 1,314 attorneys, 3,217 examiners and 1,329 secretaries. Of OCC's 3,175 employees as of April 16, 1991, it had 106 attorneys, 2,420 examiners, and 143 secretaries. OTS had 2,858 employees as of May 18, 1991, including 175 attorneys, 950 examiners and 307 secretaries.

APPROACH

To determine how the four selected banking agencies--OTS, OCC, FDIC/RTC--implemented section 1206, we obtained their compensation program descriptions and actual current pay data. Also, we obtained job descriptions for nonsupervisory secretary, examiner, and attorney positions for each of the agencies. Each agency used these job descriptions to identify for us in June 1991 the jobs of the other agencies that matched. Using these initial job matches and the pay data we received from the agencies in June and August 1991, we calculated average and median pay for each of the jobs that the agencies individually matched or where they reached near agreement. For each agency, we then compared the base and total salaries of each job to an average salary of the same jobs in the other agencies. We did this because comparing the organization in question to the average of the market is the common approach used in doing pay comparisons, and we were requested to include only the four selected agencies in our review. Thus, our "market" in this review was limited to the four agencies and we, in effect, did three separate pay surveys: (1) OCC to FDIC/RTC and OTS, (2) FDIC/RTC to OCC and OTS, and (3) OTS to FDIC/RTC and OCC.

These analyses indicate the relative competitiveness of each agency's aggregate pay for the occupations selected but can not be used to determine comparability for purposes of making pay structure or program changes. This is because of (1) the lack of a common definition of comparability in the law or among the agencies, and (2) time constraints which limited the comprehensiveness of our analyses and did not permit an opportunity to reach full agreement among the agencies on all the job matches they initially made for us.

In addition to pay data, we also obtained benefits program descriptions and turnover data for the three occupations from the agencies as well as information on their efforts to consult with and inform each other. Appendix VI contains a more complete discussion of our objective, scope, and methodology.

RESULTS

In January 1991, OCC and OTS implemented new compensation programs and informed the other agencies and the Congress of their changes. Prior to implementation, the two offices coordinated and consulted with other banking agencies through ad hoc meetings and during contractual salary surveys. OCC and OTS officials told us that they contracted independently for salary surveys that focused on pay and benefits at each of the banking agencies. They also shared their survey results with the other banking agencies.

Overall, the agencies provide compensation in addition to base pay, but the type and amounts of additions to base pay vary in key respects. For example, each agency provides geographic cost differentials. However, OTS' cost differentials differ from those at OCC and FDIC. Also, OTS adds them to salary grade ranges, but does not add them in its employees' actual pay as the other agencies do. Other differences include FDIC's lack of a pay-for-performance program and differences between OCC and OTS' pay-for-performance programs.

The actual average base and total pay received by attorneys, bank examiners, and secretaries differ for the positions we analyzed. For example, FDIC pays the highest base and total pay for secretaries, OCC for examiners, and OTS for attorneys. These rankings remain the same when median salaries are compared. As indicated above, however, these differences do not necessarily indicate a lack of comparability. Appendix III provides additional salary analyses including information on the number of employees above and below their salary ranges.

Information was not readily available to assess the relative cost of benefits to the agencies or the values employees would assign to their respective benefits. We noted that some differences exist in the benefits available to the employees of these agencies. However, recognizing the uncertainty regarding the values employees would attach to varying benefit features, the differences in benefit types and coverage as a group did not generally appear to be major. One exception is the noncontributory retirement program certain nonfederal employees were able to retain after they became OTS employees.

One of the purposes of the comparability provision was to minimize competition among the banking agencies for qualified staff. Despite the pay differences we noted, relatively few attorneys, examiners, and secretaries left one federal banking agency for a job in another. Of the 354 attorneys, examiners, and secretaries who left the four agencies during calendar year 1991[2], 28--about 7.9 percent--transferred to another banking agency. All 28 transferred to FDIC. Of the 28, 9 were attorneys, 8 were examiners, and 11 were secretaries.

AGENCY VIEWS AND GAO EVALUATION

As requested by your offices, we did not request written comments from the agencies. We did, however, discuss the contents of this report with officials of the four agencies. The officials generally concurred with the benefits and turnover data, but raised concerns about the salary comparisons. Specifically, they felt that some job matches may not be appropriate and that they had expected to have additional time to validate their initial choices. In addition, they believed that additional analyses

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[2]The inclusive dates for the data provided by the agencies varied within the January to July time period. (See appendix V.).

needed to be done to fully compare their compensation programs. For example, they believed that we should have extended our aggregate analyses to account for geographic pay differences involving large concentrations of employees and to individually compare one agency to each of the others rather than each agency to the composite of the others. The agencies believe that without such additional analyses, the results could be misinterpreted and used to inaccurately assess their overall comparability. OCC also said we should have included the Federal Reserve in our analyses.

Our analyses, although limited, provide a useful indication of the similarities and differences in the four agencies' compensation programs. Also, each agency's pay is shown so that it can be individually compared to the pay of the other agencies. However, we agree with the agencies' representatives that the results of our work can not be used to reach definitive conclusions on comparability. The lack of a commonly agreed upon definition of comparability and consensus on all job matches preclude the comprehensive comparative analysis needed to reach a determination on comparability. We did not do additional analysis of geographic pay differences due to the lack of time but believe such analyses should be done after complete consensus on job matches is achieved. We did not include the Federal Reserve because it is not covered by Section 1206 of FIRREA, and the requesters did not ask us to. Finally, additional consultation among and analytical work by the federal banking agencies will be required before conclusions on comparability can be reached.

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As arranged with you, we are sending copies of this report to the Ranking Minority Member, House Committee on Banking, Finance and Urban Affairs and other interested Members of Congress. We also plan to send copies to the Chairman, FDIC; Executive Director, RTC; Comptroller of the Currency; and Director, OTS. Copies will be made available to others upon request.

Major contributors to this report are listed in appendix VII. If you have any questions concerning the contents of this report, please call me on 275-5074.

Bernard L. Ungar

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C O N T E N T S

FEDERAL BANKING AGENCIES' COMPARABILITY, CONSULTATION, AND NOTIFICATION EFFORTS

Section 1206 of FIRREA requires federal banking agencies, in establishing and adjusting schedules of compensation and benefits, to inform the other agencies and the Congress and to seek to maintain comparability with the pay and benefits the other agencies provide their employees. The act does not define "comparability" nor identify how the agencies should specifically seek to maintain comparability. The legislative history, however, indicates that the various federal banking agencies are required to consult with each other in fixing compensation and benefits, but it does not define the nature of the consultation that should be done.

COMPARABILITY

Each of the four agencies interprets comparability differently, and there is no common, objective way under their definitions to determine when comparability is achieved.

According to a January 1991 letter to the Director from the working group which developed its compensation program, OTS did not attempt to mirror exactly the structure of either the pay system or the benefits of the OCC or the other federal banking agencies. Rather, it construed comparability to mean that the most heavily populated positions that were common to all of the agencies (for example, examiners, attorneys, and secretaries) had similar earnings potential as defined by the salary range for the position and the career ladder, and the amount of annual increase available. According to OTS, this does not mean that the individual salaries of employees performing "the same job" should match across agencies.

OCC's view on comparability was expressed in the May 1991 report from the consultant who helped develop its salary program. In seeking comparability, OCC intends to establish and maintain employee compensation programs that, overall and taken as a whole, are comparable to the other federal banking agencies. OCC said this does not mean that each element of its compensation program must be identical to those of the other agencies, nor does it mean that any single compensation program element offered by any one of the other agencies will be offered by OCC. In addressing comparability, OCC said it will match its benchmark jobs to those of the other federal financial institution regulators based on an assessment of job duties and scope of responsibilities (not job titles, grade assignments, or salary levels).

FDIC/RTC views comparability as being "similar" in terms of the overall compensation and benefits afforded employees as compared to those of other agencies. Due to the different compensation programs and systems, the varying number of grade levels used and the differences in how each agency calculates and treats other compensation (for example, cost of living adjustments), it feels exact comparability is not a reality.

AGENCY CONSULTATION EFFORTS

The agencies indicated they met on a number of occasions and have had numerous telephone conversations to discuss compensation issues. As examples, OCC said an interagency group of senior executives from six federal banking agencies held 11 meetings during the period October 19, 1989, to June 7, 1991, to discuss FIRREA compensation issues. In addition, on November 7, 1990, human resources staff from six of the agencies met to share information on proposed salary schedules and benchmark jobs. According to OTS, it verified its interpretation of the job content of benchmark positions in several meetings and telephone discussions with OCC human resources staff. OTS said several other telephone consultations were made with other agencies.

OCC and OTS independently contracted for salary surveys but provided information showing they discussed various aspects of the surveys with the other banking agencies. For example, according to OTS, it used the descriptions of job content included in the OCC survey report and matched the OCC benchmark jobs to examiner, attorney, and secretarial positions within OTS. However, OTS said it did not rely on the OCC report for establishing the proper match of positions within OTS because so many of its positions had changed since the time that OCC undertook its survey.

For 1991 pay adjustments, the agencies independently contracted to develop data in seeking comparability, but according to two OTS officials, there was a comparison of conclusions about salary comparability but little collaboration in the development of the data.

NOTIFICATION

In August 1989, OCC notified other federal banking agencies of changes it had made to its compensation schedules. In December 1990 and January and February 1991, OTS and OCC notified the Congress and other federal banking agencies of the implementation of their new 1991 pay programs.

BANKING AGENCIES' SALARY ADMINISTRATION PROGRAMS

Each agency has policies that address a variety of pay matters. We found that the major components of these policies addressed four compensation areas: (1) base pay, (2) bonuses or other one-time cash payments, (3) merit pay, and (4) geographic cost-of-living differentials. We did not evaluate the programs put in place to implement these policies. However, we did obtain enough information to describe how the agencies' programs differed. These programs are discussed below and summarized in table II.1.

BASE PAY PROGRAMS

The base pay program in each agency generally consists of the same elements--a uniform salary structure or schedule for all employees with a range of salary rates for a number of grades defined by an internal job evaluation system. Each agency also has policies which provide for increases to these pay rates for such reasons as increases in the pay for similar jobs in other organizations. The primary difference in their base pay programs is in the method used to determine which organizations and jobs are surveyed and how the survey information is used to determine the amount of increase to be applied to the base salary structure.

The FDIC provides for a salary structure like that used for federal employees covered by the general schedule. It has 15 grades for its nonexecutive jobs, which are evaluated using the federal government's position classification standards. It also uses special base pay salary schedules with higher pay rates for certain occupations with recruitment or retention problems in specific geographic locations. According to FDIC officials, annual increases to the salary structure are based on a variety of sources of salary information obtained primarily from other federal agencies. According to FDIC officials, they had not yet completed a salary survey analysis for 1992 nor made a determination concerning salary increases for calendar year 1992.

The OCC salary structure consists of 25 grades defined by a custom-designed job evaluation system. According to OCC officials, the structure is adjusted annually based on salary surveys designed by outside consulting firms--as was done for 1991 salaries or as OCC compensation specialists are doing for

1992 salaries. Like FDIC officials, OCC officials said that their determination on an increase will be based on salary information for similar jobs gathered primarily from other federal banking agencies. Also like FDIC, OCC officials said they have not yet completed the analyses for making adjustments to the base salary structure for 1992.

The OTS salary structure differs from that used by the OCC and FDIC in that it consists of 30 grades with base salary ranges which incorporate any applicable geographic differential. By incorporating the geographic differential in the ranges, any adjustment will be to the ranges only, not to the salaries of individual employees. In effect, employees are not paid any additional salary for cost of living. Like FDIC and OCC, its grades are defined by a custom-designed job evaluation system, and the pay rate ranges assigned to those grades apply to all employees in all jobs doing similar work and classified in the same grade. The salary structure is also adjusted annually. Like officials at FDIC and OCC, OTS officials told us they have not completed their analyses concerning any increase they will make to their salary structure for 1992.

MERIT PAY

Common to all four agencies were mechanisms for employees to move up through the pay range for the grade assigned to their jobs. The increases, which are added to base pay, are linked to job performance in various ways.

Under OCC's merit pay program, employees are eligible for increases in their base salary rates. The program provides annual increases based on job performance evaluations and the relative position of the employee's salary in the salary range. For example, an employee in the first quintile of the salary range would receive a greater increase than an employee in the second quintile of the same grade with the same performance rating. The amount of merit increase is added to the employee's base pay until his or her salary reaches a "performance ceiling." Performance ceilings are used to reserve salaries in the highest portion of the pay range to the best performers. In OCC, in order to receive a merit increase in base pay, employees with salaries above the 67th percentile must have "superior" or "outstanding" performance ratings.

OTS employees are also covered by a merit pay program. Like OCC's program, the amount of the increase depends on the employees's performance ratings and positions in his or her salary range. Unlike OCC, the OTS salary ranges used to compute merit increases vary by location depending on the cost of living.

This program was implemented in January 1991 and increases are scheduled to be paid in March of each year. The increases for 1991 were prorated from the date of the employee's last merit or within-grade increase since October 1989.

Unlike employees in OCC and OTS, FDIC employees receive base pay increases within their grade ranges in the same way as federal employees covered by the general schedule. FDIC's program provides all employees with satisfactory performance increases in individual pay rates within each grade range based on their length of service. Employees in each grade are eligible to have their salary rate increased to a higher scheduled rate or "step" within the grade upon completion of a set period of time in grade. Each grade has 10 step rates. Movement from step one to steps two, three, and four each require 1 year of service. Movement into steps 5 through 7 requires a 2-year waiting period while steps 8 through 10 require 3 years. Additional "quality step increases" are awarded if both past job performance has been of high quality and future job performance is expected to be of similar quality.

BONUSES AND OTHER CASH AWARDS

Each agency currently provides various cash payments that are not added to employees' base salaries. These payments are based on policies relating to such matters as an employee's annual job performance rating or one-time awards for employee suggestions.

FDIC provides cash awards for employee suggestions, special achievements, and honorary and service recognition. Suggestion awards are generally based on the suggestion's usefulness to the agency, measured by either tangible or intangible benefits or both. Suggestions may address how to effect economies or effectiveness of operations, increase productivity, or improve service to the public. Special achievement awards are based on either an employee's job performance or a special act or service such as an act of heroism. FDIC also provides three-$1,000 honorary awards that generally recognize professional achievement, and employees who have 35 years of service also receive $1,000 awards.

In OCC, employees receive a lump sum cash payment for the amount of merit increase which cannot be added to base pay because the amount would cause his or her salary to exceed the performance ceiling. This cash payment component of OCC's merit pay program is being phased out and is scheduled for elimination by the end of 1995.

OTS provides for performance-based bonuses in addition to any merit or other increases to base salary. Bonuses for 1991, paid in March, ranged from 5 to 15 percent of the employee's annual base salary. Only employees who receive either of the agency's top two performance ratings are eligible for a bonus.

GEOGRAPHIC DIFFERENTIAL

Each agency adjusts its salary ranges in various geographic locations to account for differences in the cost of living. The amount of the adjustments is based on data obtained from an outside consulting firm. FDIC and OCC use similar indexes. For example, both provide for adjustments of 14.3 percent, 21.5 percent and 25.4 percent for employees located in Washington, D.C.; New York City; and San Francisco, respectively. OTS adjusts its pay ranges for employees in these cities by 15.4 percent, 24.5 percent, and 28.4 percent, respectively.

Although the differences in the percentages are not great, the way the differentials are applied to employees' salary is. FDIC and OCC increase employees salaries but not their base pay rates by the applicable percentages. By not adding the amount to base pay, employees who move from a high- to a lower-cost area may lose actual dollars in their pay checks but not in the value of such benefits as retirement annuities or life insurance policies which are based on base pay.

OTS, although it increases its salary ranges by the applicable percentage, does not actually include the amount of the geographic differential in employees' pay. OTS officials told us adjusting the salary ranges provides employees with greater earnings potential, but it is still unclear to us how the adjusted salary structure works.

Table II.1: Summaries of Agencies' Salary Administration Programs

Program	FDIC	OCC	OTS
Base pay	Schedule of 15 grades with 10 steps; each covers most nonexecutive employees. Special schedules for hard to fill jobs. Annual adjustments for comparability with federal bank agencies.	One schedule of 25 grades includes executives. No within-grade step rates. Structure adjusted for comparability with federal bank agencies.	Schedule has 30 grades and includes executives. Different salary ranges in different locations based on differences in cost of living.
Merit pay (adds to base pay)	Within-grade step increases for successful performance after set waiting periods. Quality increases for sustained high performance.	Annual pay increase varies with performance rating and position in salary range. Limited by performance ceiling. (see page 10)	Like OCC but limited by grade range maximum.
Bonuses/cash awards (not added to base)	Cash for employee suggestions, special achievements, and honorary and service recognition.	Cash for amount of merit pay that exceeds performance ceiling until end of 1995.	5%-15% of base pay for top-rated performers.
Geographic differential (not added to base)	All high-cost cities. Differential paid separately as a percentage of base.	Same as for FDIC.	Different index used to increase employees salary <u>range</u> only. Not paid in cash.

COMPENSATION ANALYSES

Using job matches made by each agency to similar jobs in the other two agencies and salary data provided by each, we compared average base salaries--with and without geographic differentials, merit increases and bonuses or other cash awards--for all employees in secretary, attorney, or examiner jobs. Total compensation included base salary increased by any applicable geographic differential, merit pay, and cash bonuses or awards.

The results of our analyses can be considered only as indicators--not as absolute differences. This is mainly because there was not a complete consensus among all the agencies on all the job matches.

OCCUPATIONAL COMPARABILITY

The agencies we surveyed reached full agreement on three jobs and near-agreement on the remaining six jobs. For these six, we selected as a "consensus" match the grades that at least two of the agencies agreed on. For some of the jobs, agency representatives doing the matches had to make assumptions about aspects of the jobs not explained in job descriptions. We did not have time to verify these assumptions. Table III.I shows the agency matches and the consensus match we used. For example, FDIC matched its GG-13 attorney to OT-22 and OC-15 attorneys. The attorney, examiner, and secretary jobs matched are generally at the midlevel of the grade range for each occupation and, therefore, should be fairly representative of a large segment of their respective work forces. Table III.2 shows the base pay ranges for each grade of the job matched and the average pay of the incumbents in that job. The results of our analyses are shown in figures III.1 through III.4.

The comparisons of these three jobs appear to indicate that for midlevel jobs, OTS pays the most for attorneys, OCC the most for examiners, and FDIC the most for secretaries.

GRADE LEVEL COMPARISONS

To produce an overall comparison for each grade, we combined the occupations within each grade to analyze average salaries of all incumbents of all jobs matched by each agency to jobs in each of the other agencies. Each agency's base pay and total compensation comparisons to the combined data for the other agencies are illustrated in separate line graphs for each agency (see figures III.5 to III.10.). The pay data used to compare each agency to the combination of the other agencies precede the line graphs (see tables III.3, III.4, and III.5).

Tables III.6 to III.8 show the number of employees paid above and below their grade ranges. Table III.6 does not include the data for FDIC secretaries because we were unable to complete the additional analyses required for the special salary ranges within the time allowed. Tables III.9 to III.26 show the job matches and salaries used in the analyses.

Overall, the results appear to indicate that FDIC is generally lower in base pay and total compensation than for similar jobs in OCC and OTS. OCC appears to be above the average of FDIC and OTS, and OTS' average appears to be about the same as those of FDIC and OCC. The differences in the compensation for these jobs, while illustrative, should not be used as a conclusive measure of comparability.

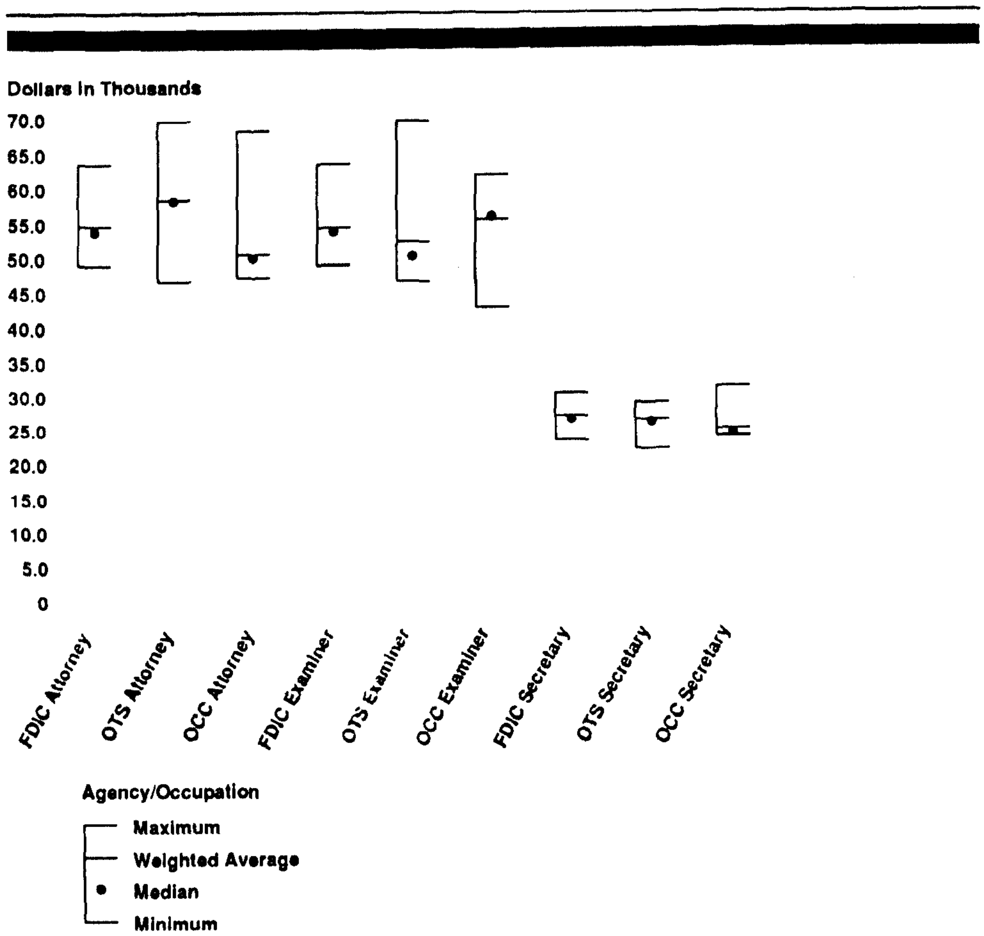
Table III.1: Near- and Full-agreement Job Matches and Match Used

ATTORNEY			
FDIC	OTS	OCC	USED
GG-13	GG-13	NO MATCH	GG-13
OT-22	OT-20	OT-20	OT-20
OC-15	OC-15	OC-15	OC-15
EXAMINER			
GG-13	GG-13	GG-13	GG-13
OT-20/21	OT-20	OT-18/20	OT-20
OC-14	OC-14	OC-14	OC-14
SECRETARY			
GG-7	GG-7	GG-7/8	GG-7
OT-10/12	OT-10	OT-10	OT-10
OC-8/9	OC-8	OC-8	OC-8

Table III.2: Pay Data for Near- and Full-agreement Job Matches

ATTORNEYS					
Grade	Base Range Minimum	Average Base Pay	Median Base Pay	Average Total Compensation	Base Range Maximum
FDIC GG-13	$48,782	$54,546	$53,661	$57,277	$63,421
OTS OT-20	$46,354	$58,272	$58,052	$61,854	$69,560
OCC OC-15	$47,000	$50,279	$49,800	$57,681	$68,200
EXAMINERS					
Grade	Base Range Minimum	Average Base Pay	Median Base Pay	Average Total Compensation	Base Range Maximum
FDIC GG-13	$48,782	$54,331	$53,661	$56,259	$63,421
OTS OT-20	$46,354	$52,192	$49,990	$56,210	$69,560
OCC OC-14	$42,700	$55,414	$55,750	$59,292	61,800
SECRETARIES					
Grade	Base Range Minimum	Average Base Pay	Median Base Pay	Average Total Compensation	Base Range Maximum
FDIC GG-7	$23,125	$26,714	$26,209	$28,926	$30,065
OTS OT-10	$21,838	$26,106	$25,769	$28,273	$28,630
OCC OC-8	$23,600	$24,738	$24,100	$27,315	$30,900

Figure III.1: Occupational Analysis of Base Pay Ranges and Average Pay



Attorney Job Matches: GG-13, OT-20, and OC-15.

Examiner Job Matches: GG-13, OT-20, and OC-14.

Secretary Job Matches: GG-7, OT-10, and OC-8. FDIC secretary pay range reflects special salary.

Figure III.2: Analysis of Attorneys' Pay--All Areas

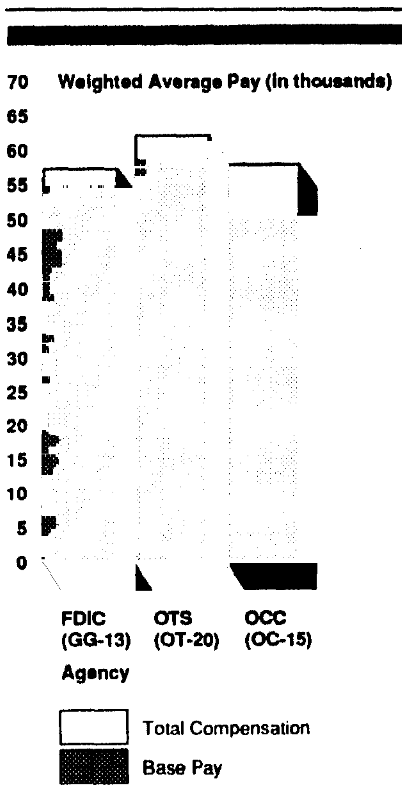


Figure III.3: Analysis of Examiners' Pay--All Areas

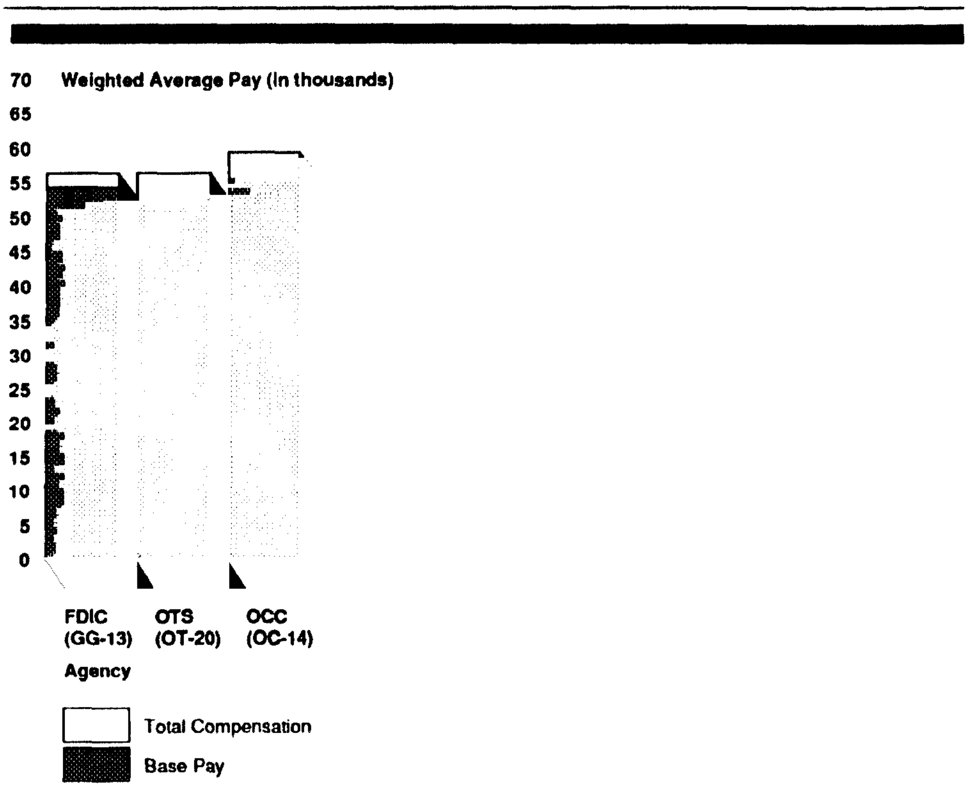


Figure III.4: Analysis of Secretaries' Pay--All areas

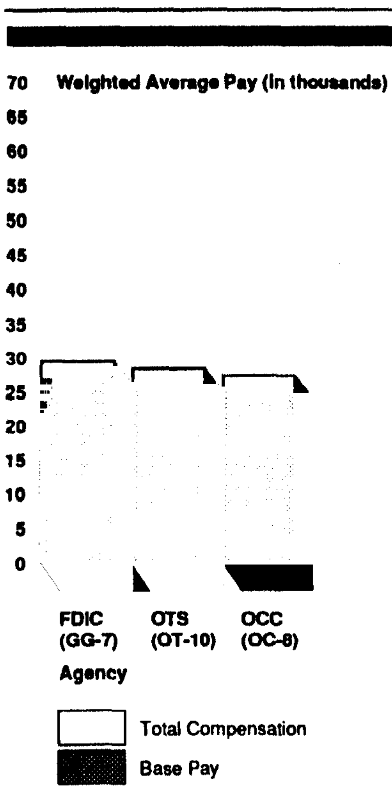


Table III.3: FDIC Pay Data Compared to Survey Pay Data

	FDIC Grade Average		Survey Grade Average	
Grade	Base Pay	Total Compensation	Base Pay	Total Compensation
GG-5	$22,335	$23,422	$23,448	$24,753
GG-7	$25,182	$26,191	$30,601	$32,439
GG-8	$30,201	$33,479	$31,373	$35,322
GG-9	$29,145	$30,599	$31,644	$33,307
GG-11	$38,115	$38,115	$45,322	$45,322
GG-12	$43,536	$45,100	$43,916	$46,483
GG-13	$54,459	$56,833	$56,362	$60,428
GG-14	$65,063	$69,066	$75,930	$81,936

Figure III.5: FDIC Grade-Level Comparisons of Base Pay--All Areas

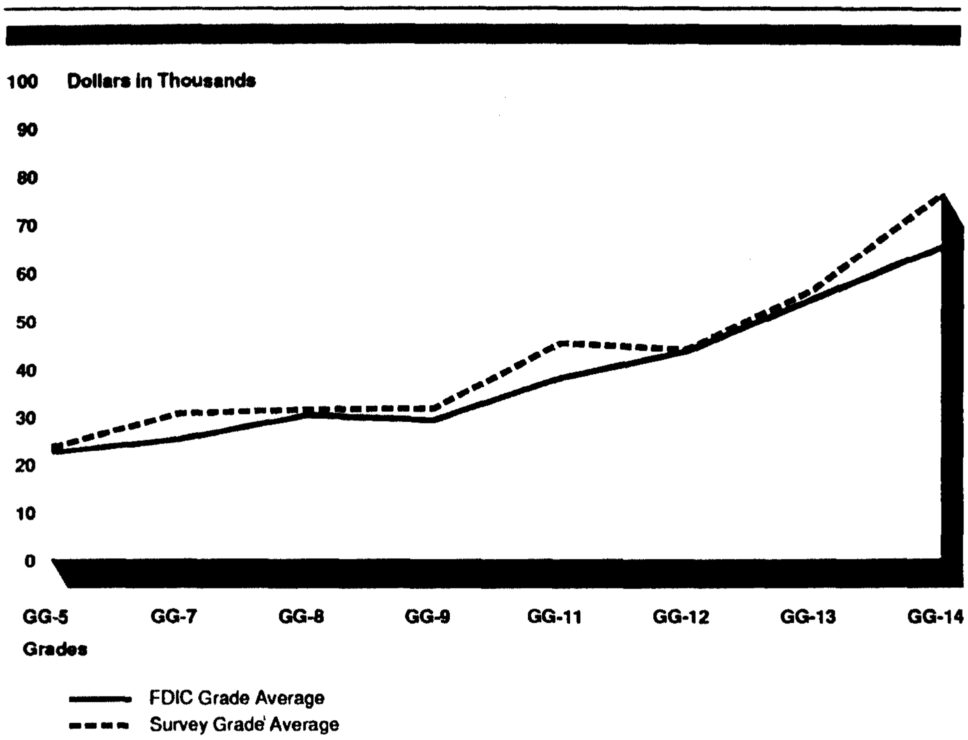


Figure III.6: FDIC Grade-Level Comparisons of Total Compensation--All Areas

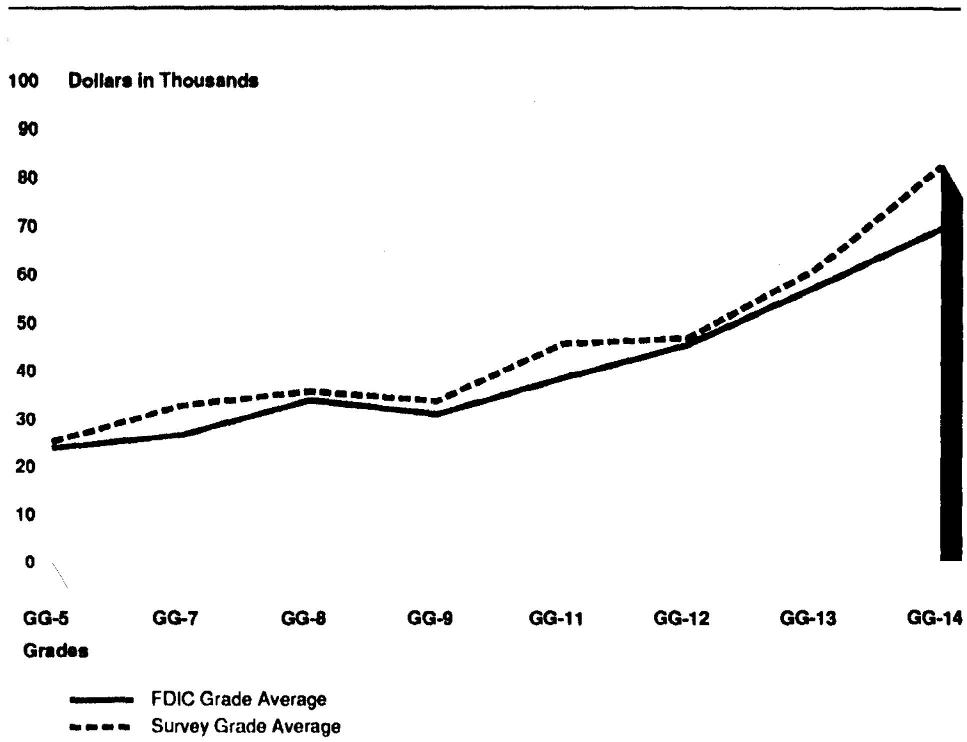


Table III.4: OCC Pay Data Compared to Survey Data

	OCC Grade Average		Survey Grade Average	
Grade	Base Pay	Total Compensation	Base Pay	Total Compensation
OC-6	$21,563	$24,308	$21,575	$25,578
OC-8	$24,065	$25,484	24,671	$26,327
OC-9	$27,865	$29,204	$27,488	$28,796
OC-10	$34,081	$35,788	$29,774	$31,519
OC-12	$42,786	$44,670	$38,635	$40,555
OC-14	$55,414	$59,292	$53,728	$56,657
OC-16	$71,180	$80,227	$62,359	$66,359
OC-17	$72,622	$78,657	$61,333	$65,114
OC-18	$80,100	$93,136	$75,225	$82,817
OC-19	$84,000	$96,012	$75,225	$82,817

Figure III.7: OCC Grade-Level Comparisons of Base Pay--All Areas

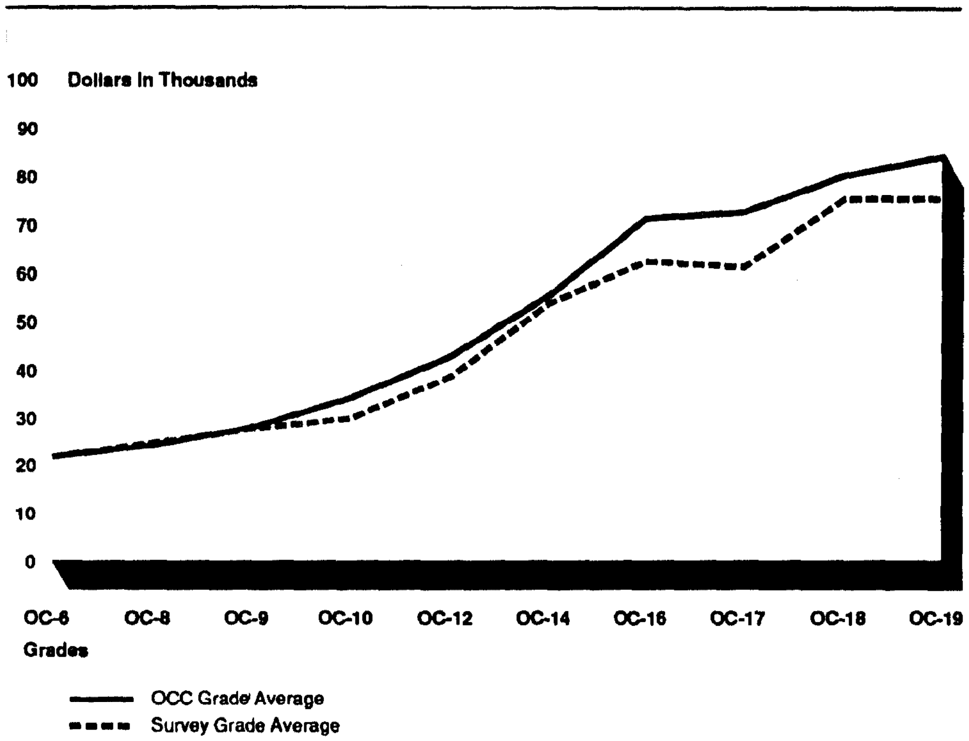


Figure III.9: OTS Grade-Level Comparison on Base Pay--All Areas

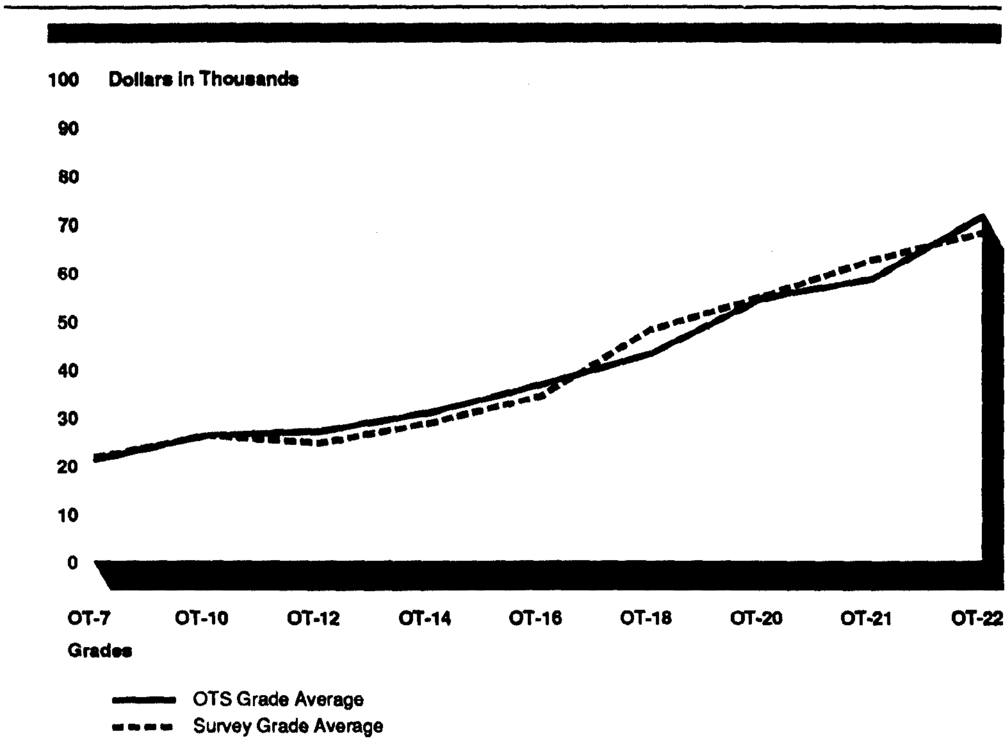


Table III.5: OTS Pay Data Compared to Survey Pay Data

	OTS Grade Average		Survey Grade Average	
Grade	Base Pay	Total Compensation	Base Pay	Total Compensation
OT-7	$21,131	$22,406	$21,644	$22,685
OT-10	$26,106	$28,273	$26,096	$28,422
OT-12	$26,792	$28,719	$24,359	$25,519
OT-14	$30,806	$33,028	$26,608	$29,955
OT-16	$36,589	$39,319	$34,246	$35,764
OT-18	$42,926	$46,018	$47,865	$49,990
OT-20	$54,266	$58,136	$54,719	$57,672
OT-21	$58,370	$62,203	$62,336	$67,244
OT-22	$71,158	$77,716	$67,907	$72,532

Figure III.8: OCC Grade-Level Comparisons of Total Compensation--All Areas

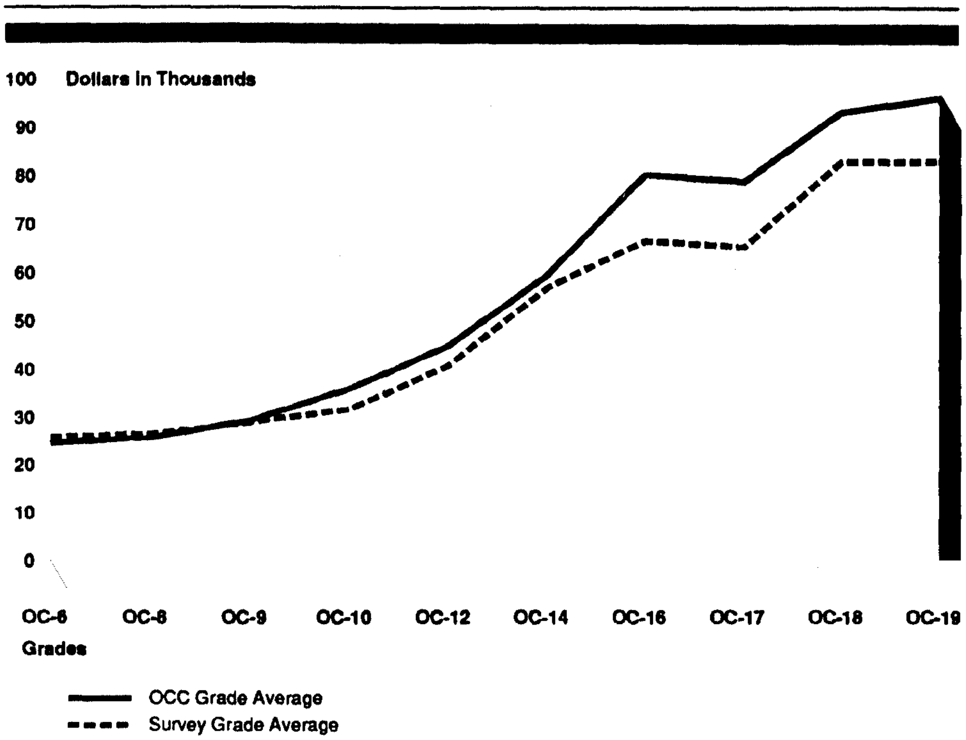


Figure III.10: OTS Grade-Level Comparisons of Total Compensation--All Areas

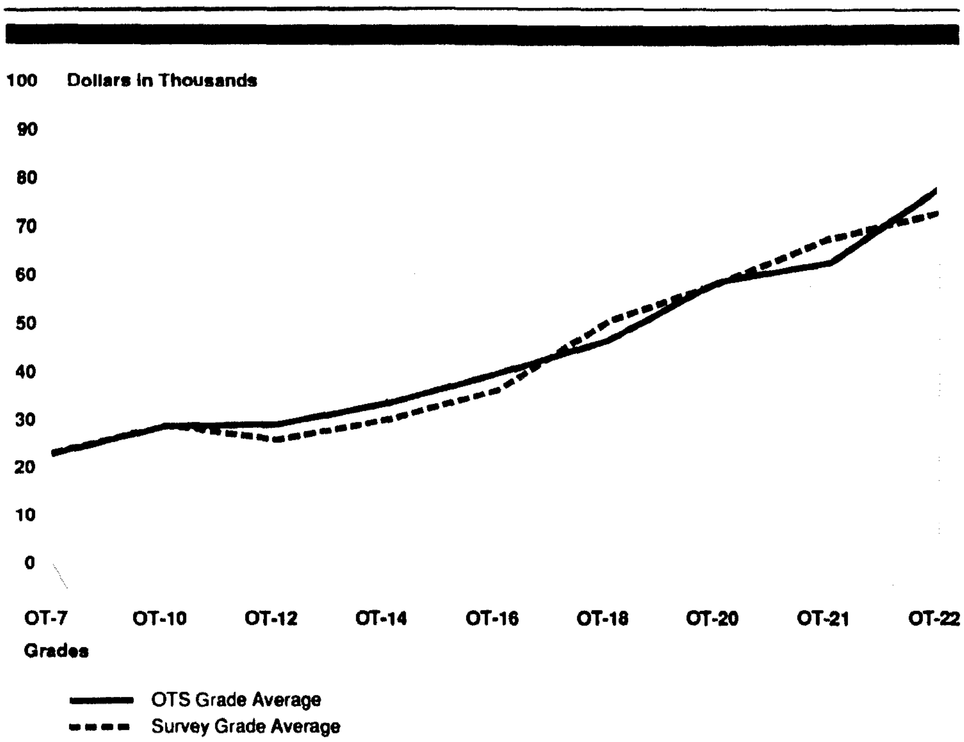


Table III.6: Number of FDIC Examiners and Attorneys With Base Pay Outside Normal Salary Ranges

FDIC		
Grade	Over	Under
GG-13 N=974	0	1
Total N=4433	0	1

Note: FDIC secretaries were not included in this analysis.

Table III.7: Number of OCC Secretaries, Examiners, and Attorneys With Base Pay Outside Normal Salary Ranges

OCC		
Grade	Over	Under
OC-5 N=1	1	0
OC-6 N=40	4	0
OC-12 N=376	25	1
OC-13 N=68	21	0
OC-14 N=486	21	0
OC-15 N=90	40	0
OC-16 N=220	77	0
OC-17 N=245	3	0
Total N=2669	192	1

Table III.8: Number of OTS Secretaries, Examiners, and Attorneys With Base Pay Outside Normal Salary Ranges

OTS		
Grade	Over	Under
OT-6 N=19	0	2
OT-7 N=69	8	6
OT-8 N=53	8	10
OT-10 N=112	27	8
OT-12 N=119	3	41
OT-14 N=212	6	86
OT-16 N=276	12	102
OT-18 N=290	11	112
OT-20 N=170	7	33
OT-21 N=19	0	3
OT-22 N=64	7	0
OT-23 N=17	3	0
OT-27 N=4	1	0
Total N=1432	93	403

Table III.9: FDIC Attorney Job Matches/Weighted Average Base Pay

ATTORNEY		
FDIC GRADE/ PAY	OTS GRADE/ PAY	OCC GRADE/ PAY
GG-11 $38,115	OT-16 OT-18 $45,565	OC-12 $37,294
GG-12 $43,569	OT-20 $58,272	OC-13 $40,508
GG-13 $54,546	OT-22 $74,310	OC-15 $50,279
GG-14 $63,023	No Match	OC-17 OC-18 $65,522
GG-15 $74,066	OT-22 OT-23 $78,071	No Match

Table III.10: FDIC Attorney Job Matches/Weighted Average Total Compensation

ATTORNEY		
FDIC GRADE/ PAY	OTS GRADE/ PAY	OCC GRADE/ PAY
GG-11 $40,867	OT-16 OT-18 $48,158	OC-12 $42,627
GG-12 $46,313	OT-20 $61,854	OC-13 $46,773
GG-13 $57,277	OT-22 $79,050	OC-15 $57,681
GG-14 $67,516	No Match	OC-17 OC-18 $73,418
GG-15 $81,729	OT-22 OT-23 $83,228	No Match

Table III.11: FDIC Examiner Job Matches Weighted Average Base Pay

EXAMINER		
FDIC GRADE/ PAY	OTS GRADE/ PAY	OCC GRADE/ PAY
GG-5 $23,035	OT-12 $25,806	OC-8 $23,745
GG-7 $24,751	OT-14 $30,806	OC-9 OC-10 $31,861
GG-9 $29,145	OT-14 $30,806	OC-9 OC-10 $31,861
GG-11 $34,579	0T-16 $36,589	OC-12 $42,786
GG-12 $43,531	OT-18 $42,505	OC-12 $42,786
GG-13 $54,331	OT-20 OT-21 $53,088	OC-14 $55,414
GG-14 $65,063	OT-22 OT-23 $70,329	OC-17 OC-18[a] $76,136

[a] Grade matches limited to the two highest graded jobs matched.

Table III.12: FDIC Examiner Job Matches/Weighted Average Total Compensation

EXAMINER		
FDIC GRADE/ PAY	OTS GRADE/ PAY	OCC GRADE/ PAY
GG-5 $24,280	OT-12 $27,236	OC-8 $24,611
GG-7 $25,422	OT-14 $33,028	OC-9 OC-10 $33,380
GG-9 $30,599	OT-14 $33,028	OC-9 OC-10 $33,380
GG-12 $44,895	OT-18 $45,660	OC-12 $44,670
GG-13 $56,259	OT-20 OT-21 $57,079	OC-14 $59,292
GG-14 $69,066	OT-22 OT-23 $77,409	OC-17 OC-18[a] $82,103

[a]Grade matches limited to the two highest graded jobs matched.

Table III.13: FDIC Secretary Job Matches/Weighted Average Base Pay

SECRETARY		
FDIC GRADE/ PAY	OTS GRADE/ PAY	OCC GRADE/ PAY
GG-4 $19,202	OT-6 $19,260	OC-5 $24,400
GG-5 $21,649	OT-7 $21,131	OC-6 $21,563 2
GG-6 $24,179	OT-8 OT-10 $24,683	OC-8 OC-9 $25,911
GG-7 $26,714	OT-10 OT-12 $26,813	OC-8 OC-9 $25,911
GG-8 $30,201	OT-14 $32,515	OC-9[a] OC-10 $30,783
GG-9 $33,222	No Match	OC-9[a] OC-10 $30,783

[a]Grade matches limited to the two highest graded jobs matched.

Table III.14: FDIC Secretary Job Matches/Weighted Average Total Compensation

SECRETARY		
FDIC GRADE/ PAY	OTS GRADE/ PAY	OCC GRADE/ PAY
GG-4 $20,973	OT-6 $20,516	OC-5 $27,889
GG-5 $22,581	OT-7 $22,406	OC-6 $24,308
GG-6 $26,111	OT-8 OT-10 $26,682	OC-8 OC-9 $28,700
GG-7 $28,926	OT-10 OT-12 $29,186	OC-8 OC-9 $28,700
GG-8 $33,479	OT-14 $36,660	OC-9[a] OC-10 $34,630
GG-9 $38,046	No Match	OC-9[a] OC-10 $34,630

[a]Grade matches limited to the two highest graded jobs matched.

Table III.15: OCC Attorney Job Matches/Weighted Average Base Pay

ATTORNEY		
OCC GRADE/ PAY	FDIC GRADE/ PAY	OTS GRADE/ PAY
OC-12 $37,294	No Match	OT-16 $37,264
OC-13 $40,508	No Match	OT-18 $46,710
OC-15 $50,279	No Match	OT-20 $58,272
OC-17 $64,254	GG-13 GG-14[a] $57,579	OT-22 $74,310
OC-18 $80,100	GG-15 $74,066	OT-23 $91,234
OC-19 $84,000	GG-15 $74,066	OT-23[b] $91,234
OC-20 $88,700	No Match	OT-25[b] $91,709

[a]Grade matches limited to the two highest graded jobs matched.

[b]Matches resulting in inverse grade relationships were assumed to be in error and were corrected to achieve normal grade ranking.

Table III.16: OCC Attorney Job Matches/Weighted Average Total Compensation

ATTORNEY		
OCC GRADE/ PAY	FDIC GRADE/ PAY	OTS GRADE/ PAY
OC-12 $42,627	No Match	OT-16 $40,299
OC-13 $46,773	No Match	OT-18 $49,242
OC-15 $57,681	No Match	OT-20 $61,854
OC-17 $71,704	GG-13 GG-14[a] $60,940	OT-22 $79,050
OC-18 $93,136	GG-15 $81,729	OT-23 $97,849
OC-19 $96,012	GG-15 $81,729	OT-23[b] $97,849
OC-20 $97,859	No Match	OT-25[b] $98,850

[a]Grade matches limited to the two highest graded jobs matched.

[b]Matches resulting in inverse grade relationships were assumed to be in error and were corrected to achieve normal grade ranking.

Table III.17: OCC Examiner Job Matches/Weighted Average Base Pay

EXAMINER		
OCC GRADE/ PAY	FDIC GRADE/ PAY	OTS GRADE/ PAY
OC-8 $23,745	GG-5 $23,035	OT-12 $25,806
OC-9 $27,706	GG-7 GG-9 $26,706	OT-14 $30,806
OC-10 $34,081	GG-9 $29,145	OT-16 $36,589
OC-12 $42,786	GG-11 GG-12[a] $40,251	OT-16 OT-18 $39,491
OC-14 $55,414	GG-13 $54,331	OT-18 OT-20 $45,414
OC-15 $68,920	GG-13 $54,331	No Match
OC-16 $71,180	GG-14 $65,063	OT-20 OT-21 $53,088
OC-17 $74,556	GG-14 GG-15 $66,580	OT-21 $58,370
OC-18 $83,124	No Match	OT-22 $71,158
OC-19 $86,211	No Match	OT-23 $63,700

[a]Grade matches limited to the two highest graded jobs matched.

Table III.18: OCC Examiner Job Matches/Weighted Average Total Compensation

EXAMINER		
OCC GRADE/ PAY	FDIC GRADE/ PAY	OTS GRADE/ PAY
OC-8 $24,611	GG-5 $24,280	OT-12 $27,236
OC-9 $28,873	GG-7 GG-9 $27,726	OT-14 $33,028
OC-10 $35,788	GG-9 $30,599	OT-16 $39,319
OC-12 $44,670	GG-11 GG-12[a] $41,532	OT-16 OT-18 $42,429
OC-14 $59,292	GG-13 $56,259	OT-18 OT-20 $48.827
OC-15 $75,503	GG-13 $56,259	No Match
OC-16 $80,227	GG-14 $69,066	OT-20 OT-21 $57,079
OC-17 $80,264	GG-14 GG-15 $70,988	OT-21 $62,203
OC-18 $90,237	No Match	OT-22 $77,716
OC-19 $94,663	No Match	OT-23 $74,954

[a]Grade matches limited to the two highest graded jobs matched.

Table III.19: OCC Secretary Job Matches/Weighted Average Base Pay

SECRETARY		
OCC GRADE/ PAY	FDIC GRADE/ PAY	OTS GRADE/ PAY
OC-6 $21,563	GG-6 $24,179	OT-7 $21,131
OC-8 $24,738	GG-7 GG-8 $27,877	OT-10 $26,106
OC-9 $29,876	GG-9 $33,222	OT-12 $28,895
OC-10 $33,163	No Match	OT-14 $32,515

Table III.20: OCC Secretary Job Matches/Weighted Average Total Compensation

SECRETARY		
OCC GRADE/ PAY	FDIC GRADE/ PAY	OTS GRADE/ PAY
OC-6 $24,308	GG-6 $26,111	OT-7 $22,406
OC-8 $27,315	GG-7 GG-8 $30,443	OT-10 $28,273
OC-9 $33,383	GG-9 $38,046	OT-12 $31,879
OC-10 $37,905	No Match	OT-14 $36,660

Table III.21: OTS Attorney Job Matches/Weighted Average Base Pay

ATTORNEY		
OTS GRADE/ PAY	FDIC GRADE/ PAY	OCC GRADE/ PAY
OT-16 $37,264	No Match	OC-12 $37,294
OT-18 $46,710	GG-13 $54,546	OC-13 $40,508
OT-20 $58,272	GG-13 $54,546	OC-15 $50,279
OT-22 $74,310	No Match	OC-17 OC-18 $65,522
OT-23 $91,234	No Match	OC-18 $80,100

Table III.22: OTS Attorney Job Matches/Weighted Average Total Compensation

ATTORNEY		
OTS GRADE/ PAY	FDIC GRADE/ PAY	OCC GRADE/ PAY
OT-16 $40,299	No Match	OC-12 $42,627
OT-18 $49,242	GG-13 $57,277	OC-13 $46,773
OT-20 $61,854	GG-13 $57,277	OC-15 $57,681
OT-22 $79,050	No Match	OC-17 OC-18 $73,418
OT-23 $97,849	No Match	OC-18 $93,136

Table III.23: OTS Examiner Job Matches/Weighted Average Base Pay

EXAMINER		
OTS GRADE/ PAY	FDIC GRADE/ PAY	OCC GRADE/ PAY
OT-12 $25,806	GG-5 GG-7 $23,850	OC-8 $23,745
OT-14 $30,806	GG-9 $29,145	OC-9 $27,706
OT-16 $36,589	GG-11[a] $34,579	OC-10 $34,081
OT-18 $42,505	GG-12[a] $43,531	OC-12 $42,786
OT-20 $52,192	GG-13 $54,331	OC-14 $55,414
OT-21 $58,370	GG-13 GG-14 $60,034	OC-16 $71,180
OT-22 $71,158	GG-14 GG-15 $66,580	OC-18 $83,124
OT-23 $63,700	No Match	OC-19 $86,211

[a]Matches resulting in inverse grade relationships were assumed to be in error and were corrected to achieve normal grade ranking.

Table III.24: OTS Examiner Job Matches/Weighted Average Total Compensation

EXAMINER		
OTS GRADE/ PAY	FDIC GRADE/ PAY	OCC GRADE/ PAY
OT-12 $27,236	GG-5 GG-7 $24,822	OC-8 $24,611
OT-14 $33,028	GG-9 $30,599	OC-9 $28,873
OT-16 $39,319	GG-11[a] $35,717	OC-10 $35,788
OT-18 $45,660	GG-12[a] $44,895	OC-12 $44,670
OT-20 $56,210	GG-13 $56,259	OC-14 $59,292
OT-21 $62,203	GG-13 GG-14 $63,064	OC-16 $80,227
OT-22 $77,716	GG-14 GG-15 $70,988	OC-18 $90,237
OT-23 $74,954	No Match	OC-19 $94,663

[a]Matches resulting in inverse grade relationships were assumed to be in error and were corrected to achieve normal grade ranking.

Table III.25: OTS Secretary Job Matches/Weighted Average Base Pay

SECRETARY		
OTS GRADE/ PAY	FDIC GRADE/ PAY	OCC GRADE/ PAY
OT-7 $21,131	GG-5 $21,649	OC-6 $21,563
OT-8 $21,674	GG-6 $24,179	No Match
OT-10 $26,106	GG-7 $26,714	OC-8 $24,738
OT-12 $28,895	GG-8 GG-9 $30,633	OC-9 $29,876
OT-14 $32,515	No Match	OC-10 $33,163

Table III.26: OTS Secretary Job Matches/Weighted Average Total Compensation

SECRETARY		
OTS GRADE/ PAY	FDIC GRADE/ PAY	OCC GRADE/ PAY
OT-7 $22,406	GG-5 $22,581	OC-6 $24,308
OT-8 $23,319	GG-6 $26,111	No Match
OT-10 $28,273	GG-7 $28,926	OC-8 $27,315
OT-12 $31,879	GG-8 GG-9 $34,131	OC-9 $33,383
OT-14 $36,660	No Match	OC-10 $37,905

COMPARISON OF BANKING AGENCIES' EMPLOYEE BENEFIT PLANS

Employees of FDIC/RTC, OCC, and OTS may elect coverage of benefits offered to all federal employees, such as the Federal Employees' Health Benefits Program (FEHBP), Federal Employees' Group Life Insurance (FEGLI), the Civil Service Retirement System (CSRS) and the Federal Employees' Retirement System (FERS). They also have the option of electing benefits plans sponsored by the agencies. Such plans are in lieu of or in addition to the benefits offered other federal employees. These benefits are highlighted in table IV.1.

As of January 1, 1991, FDIC/RTC, OCC, and OTS had offered employee benefit plans in lieu of or in addition to the governmentwide federal benefits programs. Specifically, each had implemented its own health, dental, vision, and life insurance plans. As a result of FIRREA, Federal Home Loan Bank and Office of Regulatory Activities employees were involuntarily transferred to OTS on October 8, 1989. The employees were allowed to elect continuation of their participation in the Financial Institutions Retirement Fund (FIRF) or elect coverage under CSRS or FERS. The employees could also continue to contribute to the Financial Institutions Thrift Plan (FITP). FDIC/RTC also made available to its employees a 401(k) savings plan in addition to the federal Thrift Savings Plan. In addition, the agencies also provide for variety of ancillary benefits, such as employee assistance programs, physical examinations, and business travel insurance. Provision-by-provision comparisons of the agencies' employee life, health, dental and vision insurance plans are shown in tables IV.2 to IV.5.

Table IV.1: Summary of Employee Benefits

Federal benefit programs	FDIC	OCC	OTS
Civil Service Retirement System	X	X	X
FERS	X	X	X
Thrift Savings Plan	X	X	X
FEGLI	X	X	X
Medicare	X	X	X
FEHBP	X	X	X
FECA (Workers' Compensation)	X	X	X

Agency-sponsored benefits	FDIC	OCC	OTS
Financial Inst. Retirement Plan[a]			X
Financial Inst. Thrift Plan			X
FDIC Savings Plan (401(k))	X		
Health insurance	X	X	X
Life insurance	X	X	X
Dental insurance	X	X	X
Vision insurance	X	X	X
Long-term disability		X	X
Voluntary - accidental death ins.		X	X
Premium conversion plan	X	X	X
Flexible spending account		X	X

Other fringe benefits	FDIC	OCC	OTS
Business travel accident ins.	X	X	X
Physical exam reimbursement	X	X	X
Fitness center	X	X	X
Employee assistance program	X	X	X
Parking - Carpool/Seniority	X	X	X
Tuition assistance	X	X	X
Leave/holidays	X	X	X

[a]Available only to former Federal Home Loan Bank and Office of Regulatory Activities employees involuntarily transferred as a result of FIRREA.

LIFE INSURANCE

The life insurance plans developed by the agencies are offered as an alternative to FEGLI. OCC's eligibility requirements cover permanent and full-time temporary employees who (1) have an appointment for at least 1 year that consists of a prearranged, regularly scheduled tour of duty and (2) are eligible to enroll within 31 days of their appointment. They are not required to provide evidence of insurability. FDIC/RTC eligibility requirements cover full-time and part-time employees whose appointments are for 1 year or more, and OTS eligibility requirements cover full-time and part-time employees whose appointments are expected to exceed 1 year.

For employees not enrolled in FEGLI, FDIC/RTC and OTS pay the entire cost of the basic life insurance plan, which includes accidental death and dismemberment coverage. OCC employees, on the other hand, pay a portion of the cost for basic life insurance, which includes the accidental death and dismemberment coverage. In all four agencies, if an employee is enrolled in both the agency life insurance plan and FEGLI, the agency will contribute only to the cost of the FEGLI basic insurance.

Table IV.2: Comparison of Agency Life Insurance Plans

Life Insurance	FDIC	OCC	OTS
Basic			
Life	Amount of salary[a]+$2,000	Amount of salary[a]+$2,000	Twice the salary[a]
Extra	additional benefit if under age 45	additional benefit if under age 45	
Additional benefit			
Accidental death	Amount of salary[a]+$2,000	Amount of salary[a]+$2,000	Twice the salary[a]
Employee cost (Agency)	None	$.128 per $1,000 biweekly	None
Employee cost (Agency & FEGLI)	$.153 per $1,000 biweekly	$.251 per $1,000 biweekly	$.10 per $1,000 biweekly
Optional			
Life	$25,000 to $300,000	$25,000 to $300,000	1-5 times salary[a] to $300,000
Accidental death	None	None	None
Employee cost	100% employee-paid	100% employee-paid	100% employee paid

Table IV.2: Comparison of Agency Life Insurance Plans

Life Insurance	FDIC	OCC	OTS
Dependent Life			
Spouse	50%/100% of employee's Basic Life	50% of employee's Basic Life	50%/100% of employee's Basic Life
Spouse/ Dependent	$10,000/$5,000	$10,000/$5,000	$10,000/$5,000
Employee cost	100% employee-paid	100% employee-paid	100% employee-paid

[a] Salary is the annual base salary rounded to the next higher $1,000.

HEALTH INSURANCE

The benefits of the four agencies' health insurance plans are nearly identical (see table IV.3). All four agencies have premium conversion plans that allow employees to pay health premiums on a "pre-tax" basis. Instead of deducting premium contributions from paychecks after taxes are withheld, employee premium contributions are deducted before the taxes are withheld. The plan is available to all employees who contribute to the cost of their health plans.

OCC and OTS also provide flexible spending accounts. Employees designate portions of their salaries on a tax-free basis to be set aside to pay out-of-pocket expenses, such as deductibles and copayment expenses not paid for by the health insurance plans. When they pay out-of-pocket expenses, for example, employees draw against their account to get reimbursed with their own tax-free money.

In each of the agencies' plans, no more than two family members are required to meet deductibles. In addition, OTS has three levels of cost--self-only, two persons, and three or more persons. Retiree health benefits and cost are the same as for active employees.

Table IV.3: Comparison of Agency Health Insurance Provisions

Plan Design	FDIC	OCC	OTS
Deductible	$200/$400	$200/$400	$100/$200
Co-insurance Hospital Major Medical	 100% 80%	 100% 80%	 100% 80%
Out-of-Pocket maximum	$500/$1000	$500/$1000	$500/$1000
Employee Cost Employee only Family (biweekly payments)	 $0 $29.48	 $15.00 $38.00	 $5.00 $20.00 $30.00
Premium conversion plan	Yes	Yes	Yes
Flexible spending account	No	Yes	Yes

DENTAL INSURANCE

OTS includes dental coverage in its health insurance program. Employees must enroll in OTS' health plan in order to obtain dental coverage. FDIC/RTC and OCC have separate dental plans, and all employees are covered at no cost.

Table IV.4: Comparison of Agency Dental Insurance Provisions

Plan Design	FDIC	OCC	OTS
Co-payment			
Preventive	100%	100%	100%
Restorative	80%	80%	80%
Major Restorative	60%	60%	50%
Orthodontic	60%	60%	50%
Deductible			
Preventive	$0	$0	$0
Restorative	$50/$150	$50/$150	$50/$100
Major Restorative	$50/$150	$50/$150	$50/$100
Orthodontic	$50/$150	$50/$150	$50/$100
Annual maximum	$2,000	$2,000	$1,500
Orthodontic lifetime maximum	$1,000	$1,000	$1,000
Employee cost			Included with medical plan
Employee only	None	None	
Family	None	None	

VISION INSURANCE

All four agencies offer vision care plans. FDIC/RTC's plan has a lesser amount of employee reimbursement for examination, glasses, and contact lenses than do OTS and OCC. OTS employees can receive benefits from the vision plan once every 12 months; FDIC/RTC and OCC employees may only receive benefits once every 24 months. Because OTS' vision coverage is included as part of its health insurance program, employees must enroll in OTS' health plan to receive the vision coverage. FDIC/RTC and OCC have separate vision plans under which all employees are covered at no cost to the employees. FDIC/RTC and OCC's vision plans, however, do not cover employees' families.

Table IV.5: Comparison of Agency Vision Insurance Provisions

Plan Design	FDIC	OCC	OTS
Benefits			
Exam	$30	$ 50	$ 50
Lenses			
Single vision	$25	$ 40	$ 40
Bifocal	$50	$ 80	$ 80
Trifocal	$70	$115	$115
Lenticular	$90	$150	$150
Frames	$25	$ 40	$ 40
Contacts	$50	$ 80	$ 80
Frequency			
Exam	24 months	24 months	12 months
Lenses	24 months	24 months	12 months
Frames	24 months	24 months	12 months
Contacts	24 months	24 months	12 months
Employee cost			Included with medical plan
Employee only	None	None	
Family	None		

EMPLOYEE SEPARATIONS AT THE FOUR BANKING AGENCIES

As shown in table V.1, a total of 354 full-time permanent attorneys, examiners, and secretaries left FDIC/RTC, OCC, and OTS during the overall period of January 1, 1991, to July 17, 1991. OTS had the largest number of separations. We found that 28 of the separated employees were re-employed by two of the banking agencies, FDIC/RTC (see table V.2). One of the 28 left OCC and the other 27 left OTS.

During the earlier period between August 10, 1989, through December 31, 1990, 352 other employees in these occupations were separated from the four agencies. OTS separation data covered the period November 30, 1990, through December 31, 1990. Of these 352 employees, 13 were re-employed in the four banking agencies.

In addition, we asked the Office of Personnel Management (OPM) to use its Central Personnel Data File to identify whether any of the remaining 665 attorneys, examiners, and secretaries who were not reemployed by the four agencies had found employment with other federal agencies. According to OPM, 13 had found employment in 12 different federal agencies from August 10, 1989, to March 31, 1991.

OTS had the highest overall 1991 turnover rate in the selected occupations. It also had the highest turnover rate in virtually all of the selected locations of Washington, D.C.; San Francisco; and New York City, as shown in table V.3.

OTS' turnover rates for attorneys, examiners, and secretaries were 16.6 percent, 7.7 percent, and 12.1 percent, respectively. In Washington, D.C., attorneys left at a 25-percent rate, while secretaries left at a rate of 19.5 percent. FDIC/RTC had the highest turnover rate for secretaries, 12.5 percent in New York City.

Table V.1: Summary of Employees Separated at the Banking Agencies During 1991

Agency	Occupational Series: Attorney	Examiner	Secretary	Total
FDIC/RTC	21	60	55	136
OCC	1	63	3	67
OTS	29	85	37	151
Total	51	208	95	354

Note: OCC data are as of May 10; FDIC/RTC data are as of July 17; and OTS' are as of July 13, 1991.

Table V.2: Summary of Separated Banking Employees Re-employed by the Four Banking Agencies in 1991

Employing Agency	Occupational Series: Attorney	Examiner	Secretary	Total
FDIC/RTC	9	8	11	28
OCC	0	0	0	0
OTS	0	0	0	0
Total	9	8	11	28

Table V.3: 1991 Annual Turnover Rates for Attorneys, Examiners, and Secretaries at the Four Banking Agencies

Agency	Occupational Series: Attorney	Examiner	Secretary
	------------Percentages------------		
FDIC/RTC			
Overall	2.0	2.0	4.3
Washington, D.C.	1.7	0.0	1.7
San Francisco	0.0	1.3	0.0
New York City	3.6	0.0	12.5
OCC			
Overall	0.9	2.6	2.9
Washington, D.C.	1.3	1.6	2.4
San Francisco	0.0	1.2	0.0
New York City	0.0	4.5	0.0
OTS			
Overall	16.6	7.7	12.1
Washington, D.C.	25.0	8.3	19.5
San Francisco	0.0	10.1	3.2
New York City	7.7	2.9	8.3

OBJECTIVE, SCOPE, AND METHODOLOGY

Our objective was to provide information relating to efforts by FDIC, RTC, OCC, and OTS to implement section 1206 of FIRREA. These agencies are the largest employers of all of the federal banking agencies covered by this section of the act. RTC is part of FDIC for the purpose of the administration of pay and benefits programs. Therefore, references to FDIC in the report include RTC unless otherwise indicated. Our analyses indicate the relative competitiveness of each agency's aggregate pay for the occupations selected but cannot be used to determine comparability for purposes of making pay structure or program changes. This is because of (1) the lack of a common definition of comparability in the law or among the agencies and (2) time constraints which limited the comprehensiveness of our analyses and did not permit an opportunity to reach full agreement among the agencies on all the job matches they initially made for us.

To accomplish our objective, we obtained data and information on agencies' (1) efforts to consult with each other in seeking comparability in setting their compensation schedules and benefits and notify each other and Congress of changes; (2) pay and benefits policies and practices; and (3) actual compensation and turnover for attorney, examiner, and secretary positions.

To identify agency consultation and notification efforts, we interviewed agency officials and obtained studies and correspondence among the agencies and Members of Congress.

To determine pay and benefits policies and practices, we interviewed agency officials and obtained policy statements and publications describing how the agencies set salary, merit pay, bonuses, awards, and geographic pay differentials; pay schedules; and the agencies' employee benefit programs.

In order to determine the comparability of salaries in the four surveyed agencies, we obtained job descriptions for three positions--examiners, attorneys, and secretaries--at the entry, journeyman, and highest nonsupervisory levels that agency officials agreed were representative among the banking agencies.

In order to determine which jobs were similar enough to be used for salary comparisons, we provided each agency copies of the job descriptions of the other three agencies and asked them to match them to jobs in their respective organizations. Because we did not verify or attempt to reach a consensus on the job matches each agency made, we made two assumptions in order to make the salary comparisons. First, for jobs matched to more than one job in another agency, we limited the job match to the two highest-graded jobs to limit the salary range used and computed a weighted average salary for both jobs. Second, job matches resulting in inverse grade relationships were assumed to be in error and were corrected to achieve normal grade ranking. For example, OCC matched its attorney OC-19 to an OTS attorney OT-25 and its OC-20 attorney to an OTS OT-23. We assumed the correct job match relationship should have been (1) OC-19 and OT-23 and (2) OC-20 and OT-25.

In order to determine the salaries for the jobs matched, we obtained current payroll data, in June and August 1991, from each agency for all employees in each of the three occupations. The data included annual base pay, cash awards or bonuses, merit pay and geographic cost-of-living salary differential. We then compared the average base salaries and "total compensation" (defined as base pay increased by any applicable geographic differential, bonus or other one-time cash payments, and merit pay). We weighted the salary and total compensation dollar averages by the number of employees in each job matched in each of the other two agencies and combined the result to calculate a "survey average" for comparison. We also used the salary data to compute median salaries and to determine the number of employees paid above and below their applicable pay ranges.

In order to determine turnover of attorneys, examiners, and secretaries, the agencies provided separation data for the period August 10, 1989, through May 10, 1991, at OCC and through July 17, 1991, at FDIC/RTC. OTS provided data for the period November 30, 1990 to July 13, 1991, because it did not have a central personnel and payroll information system and did not believe data prior to this date was accurate.

We provided the social security numbers of the separated employees from each agency to the other three agencies to match with their employee rolls to see if these employees were currently employed there. To further determine whether the separated employees were currently employed by other federal government agencies, the Office of Personnel Management matched the social security numbers of the four agencies' employees who had separated since August 10, 1989, with its Central Personnel Data File, which was current as of March 31, 1991.

We did not independently verify the accuracy of the statistical pay and turnover data the banking agencies provided us nor the re-employment data the Office of Personnel Management provided.

We did our detailed review work between June and September 1991 in accordance with generally accepted government auditing standards.

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