

ADDENDUM TO THE NATIONWIDE AGREEMENT

In accordance with Article 56 of the Agreement between FDIC Headquarter and NTEU, effective June 1, 2012, (the Agreement) the parties entered into mid-term negotiations. As a result, the FDIC and NTEU agree to the following changes to the Agreement. The effective date of these changes is December 7, 2015.

ARTICLE 19 WORK SCHEDULES

SECTION 1

- A. This Article shall be interpreted and applied in a manner consistent with the provisions of the most recent FDIC Alternative Work Schedule Program Circular 2310.1, as well as with law, rule and regulations. During the life of the Agreement, either party may propose changes to the underlying Circular. Such proposed changes will be negotiated to the fullest extent permitted by law. Where the proposed change is inconsistent with, or in conflict with the terms of this Article, such change will only be subject to negotiation if mutually agreed to by the Parties.
- B. It is the FDIC's policy to encourage flexibility through the use of the AWS Program and provisions allowed within FDIC Hours and Tours of Duty, where such work schedule arrangements will enhance productivity and morale by providing greater options for both managers and employees. Impasses arising from the EMPLOYER's determinations not to establish or to terminate compressed work schedules shall be handled in accordance with 5 CFR Chapter XIV, Part 2472.
- C. An employee may be denied initial participation in an Alternate Work Schedule (AWS), or an employee's AWS may be terminated, due to a significant decrease in performance and/or failure to follow time and attendance rules or otherwise abusing official leave policies if there is a written record of the problem. However, the EMPLOYER shall stay the termination of AWS in these cases pending the outcome of any grievance arbitration related to the termination of the AWS.

In recognition of the above, the following definitions and procedures shall apply.

SECTION 2

Definitions:

- A. **Alternative Work Schedules ("AWS").** An arranged tour of duty that varies from regular duty hours. There are two types of alternative work schedules: flexible work schedules and compressed work schedules.
- B. **Basic work requirement.** The number of hours (except for overtime hours) an employee is required to work or account for leave.
- C. **Compressed Work Schedules ("CWS").** A scheduled tour of duty in which, in the case of a full-time employee, an 80 hour biweekly basic work requirement is satisfied in less than 10 workdays, and, in the case of a part-time employee, a biweekly basic work requirement of less than 80 hours is satisfied in less than 10 workdays.
- D. **Flexible Work Schedule ("Maxiflex" or "Flexitour").** A scheduled tour of duty which includes designated hours and days during which an employee on such a schedule must be present for work ("core hours") and designated hours during which an employee on such a schedule may elect the time of arrival at and departure from work (flexible hours). Under a "Flexitour" schedule, the employee must identify a work schedule with fixed starting and departure times for each work day, which may be different times on different days. Under a "Maxiflex" schedule, the employee must similarly identify starting and departure times for each day, but may vary his or her actual starting time up to 1/2 hour before or after the identified starting time, so long as the employee is present during core hours.
- E. **Maxiflex or Flexitour with credit hours** is a work schedule that allows an employee to elect to work hours, subject to managerial approval, in excess of his or her basic work requirement so as to vary the length of a workday or workweek.
- F. **Lunch period.** A period of thirty (30), forty-five (45) or sixty (60) minutes that employees may take in connection with their designated work schedule, normally not less than three (3) hours nor more than six (6) hours after the beginning of the work day.
- G. **Core Hours.** The hours of each workday during which an employee must normally be on duty. These are between the hours of 9:30 a.m. and 2:30 p.m. Employees who select a 2:30 departure time which is approved by the employee's supervisor may be required to change their departure time on any particular workday if necessary to meet mission, staffing or workload requirements (e.g., a meeting involving employees in different time zones, the need for coverage in a work unit to extend later into the day).

SECTION 3

- A. Employees may work either a compressed work schedule (CWS), flexitour, maxiflex, maxiflex with credit hours or flexitour with credit hours schedule, as described in Sections 4 and 5 below.
- B. Each employee may select a work schedule with starting times between 6:00 a.m. and 9:30 a.m., which may include different starting times on different days. Work schedules will be determined in advance, and will be approved absent interference with mission, staffing or workload requirements. An employee's written request to change his or her work schedule and scheduled starting time will be granted by the supervisor absent interference with mission, staffing or workload requirements, which may include consideration of whether the employee is working at an FDIC office, at an alternative telework worksite, or at a financial institution on an examination.
- C. At the request of the employee and at least one (1) day in advance, a supervisor may approve, on an exception only basis, an adjusted arrival/departure time for a given workday or workdays, in accordance with the limitations specified in Section 3 B. above.

SECTION 4 – Compressed Work Schedules

- A. Subject to applicable statutes and supervisory approval, employees may elect to work under "5/4-9" or "4/10" models of CWS. Under the 5/4-9 program, employees are scheduled to work 9 hours per day for 8 days and 8 hours for 1 day (excluding the lunch period), with 1 day off every pay period. Under the 4/10 program, eligible employees are scheduled to work for ten (10) hours per day for four (4) days each week, with one (1) day off every week. The EMPLOYER may, for business reasons, exclude certain positions from participating in the 4/10 program.
- B. Within the EMPLOYER's mission, staffing and workload requirements, the employee shall be allowed to select the day off and/or 8-hour day (for a 5/4-9 schedule) he or she wishes to have.
- C. The EMPLOYER may occasionally require an employee to deviate from a fixed work schedule because of a particular work assignment or a particular assignment at a financial institution.
- D. Employees may work no later than 6:00 p.m. under a 5/4-9 schedule or 7:00 p.m. under a 4/10 schedule.
- E. The EMPLOYER may reschedule an off-day because of mission, staffing or workload requirements, or based on an employee's request when consistent with mission, staffing and workload requirements. Except in the case of unforeseen

contingencies, an employee will not be expected to forego a scheduled day off. If the employee must forego such day off, he or she will be compensated under the provisions of Article 28, (Other Leave Provisions), or Article 29, (Overtime and Compensatory Time), of this Agreement as appropriate.

- F. Employees on a 5/4-9 or 4/10 CWS are entitled to basic pay for the number of hours of the CWS that fall on a holiday.
 - 1. When a legal holiday falls on a scheduled workday, the employee will be excused with pay and without charge to leave for the number of hours scheduled to be worked that day.
 - 2. When a legal holiday falls on a scheduled day off, a full-time employee is entitled to an in-lieu of holiday. An in-lieu of holiday is the same as a legal public holiday for pay and leave purposes. The number of hours of paid holiday leave granted on an in-lieu of holiday is the number of hours the employee would otherwise have worked that day.
 - 3. The in-lieu of holiday for a full-time employee is determined as follows:
 - a. When the holiday is on a Sunday, the next workday is the in-lieu of holiday. Holidays that can occur on a Sunday are "date certain," i.e., January 1, New Year's Day; July 4, Independence Day; November 11, Veterans Day; and December 25, Christmas.
 - b. When a holiday is not on a Sunday, the preceding workday is the in-lieu of holiday.
 - 4. A part-time employee is not entitled to an in-lieu of holiday if the holiday falls on a nonworkday.
- G. The scheduled 8-hour day shall fall on the same day each pay period.
- H. Overtime and compensatory time in-lieu of overtime can only be earned for work in excess of those hours which constitute the basic work requirement of the 5/4/9 or 4/10 CWS.
- I. Overtime for working on a scheduled day off must be approved in advance by the EMPLOYER.
- J. A change in the scheduled hours of work may be requested and will be approved by the EMPLOYER with notification of such change submitted with the Biweekly Time and Attendance Report.
- K. Employees shall maintain their CWS when engaged in activity outside their regular duty station for less than three (3) days.

SECTION 5 – Maxiflex or Flexitour with Credit Hours Schedule

- A. Credit Hours are those hours within a flexible work schedule that an employee elects to work in excess of his or her basic work requirement so as to vary the length of a workday or workweek.
- B. An employee may not “save” work that could otherwise be completed during the regular tour of duty in order to earn credit hours. Employees may be required to report work accomplished while earning credit hours.
- C. An employee will receive approval in advance to earn or accrue credit hours if there is work available for the employee that can be performed at the requested time. When an employee works in excess of his or her basic work requirement without advanced approval, he or she may subsequently request supervisory approval for credit hours covering the excess time worked. The employee must make a reasonable attempt to get advanced supervisory approval. A supervisor will approve or deny the request in accordance with this article.
- D. Credit hours earned may be used at the election of the employee to vary the length of a workday or workweek. The EMPLOYER has determined that managers will approve the use of credit hours as they would approve the use of annual leave, i.e. absent an adverse impact on the EMPLOYER’s workload, staffing or mission requirements.
- E. An employee may use credit hours to create a 5/4-9 or 4/10 flexitour schedule, if eligible and subject to supervisory approval (i.e., subject to the contractual standards on approval of earning and using credit hours).
- F. Employees working flexitour work or maxiflex schedules may select starting and stopping times within established flexible time bands but must be present during the hours and days of the administrative work week designated as "core-time". Starting and stopping times must be selected in advance by employees on flexitour schedules; employees on maxiflex schedules will identify starting and stopping times, but may vary their arrival and departure times in accordance with Section 2 D. above. In certain functions, it may be necessary to pre-identify the number of employees who can select specific arrival and/or departure times.
- G. The workday for those earning credit hours may begin as early as 6:00 a.m. and end as late as 7:00 p.m.
- H. Normally, an employee may work no more than two (2) credit hours per workday, unless an exception is approved. The appropriate management official should consider the nature of the assignment as well as the effect of extended hours on the health and well-being of the employee in determining whether to approve the employee’s request to work additional credit hours.

- I. An employee may request to earn credit hours in 15-minute increments. An employee may request to use credit hours in 15-minute increments, subject to an initial 30 minute minimum, and in 15-minute increments thereafter.
- J. A maximum of twenty-four (24) credit hours may be carried forward from pay period to pay period, for full-time employees. A part-time employee may carry forward a maximum of one fourth (1/4) the hours in such employee's basic work requirement.
- K. In cases where an employee has worked approved credit hours before his or her normal tour of duty and has subsequently been released on administrative leave due to office closing during that day, the hours will be preserved.

SECTION 6

An employee may not skip his or her lunch or rest breaks in order to shorten the day or lengthen the lunch period.

SECTION 7

Overtime and compensatory time shall be computed in accordance with 5 U.S.C. Section 6123, a provision of the Federal Employees Flexible and Compressed Work Schedules Act of 1982. For employees covered by the Fair Labor Standards Act, overtime shall be paid in accordance with the FLSA.

SECTION 8

- A. When an employee on a 5/4-9 or 4/10 schedule is on short-term training, travel, or any other activity outside their official duty station, the responsible management official should consider the factors surrounding the event in determining whether the employee should remain on the compressed work schedule or be placed on a regular (8-hour day) work schedule during the entire pay period encompassing the event.
- B. When an employee working a 5/4-9 or 4/10 is scheduled for training, a conference or work away from their official duty station for five (5) or more days in a pay period, the employee will be required to come off their CWS and convert to a regular (8-hour day) forty (40) hour work schedule. Travel time is not included in the five (5)-day count.
- C. Removal from a CWS under these circumstances does not eliminate an employee's option to earn compensatory time or overtime, provided it is warranted based on mission and approval of the supervisor.

ARTICLE 20 TELEWORK

SECTION 1

This Article establishes policies and procedures on the Telework Program. The terms telework, flexiplace and telecommuting are synonymous and include working at home or in other approved work sites. This Program allows for participation based on the specific nature and content of the work to be performed rather than on position, grade, or work schedule. The provisions of this Program apply to all FDIC employees other than those:

- on leave restriction;
- on a Performance Improvement Plan;
- currently under a proposed disciplinary/adverse action;
- receiving disciplinary/adverse action at any time within 12 months prior to the desired program participation date;
- for whom an overall summary job standards rating falls below the accomplished practitioner level, i.e., below 2.5, or the overall summary behavior standards rating falls below appropriate, i.e., 2 or more below target;
- in a probationary/trial period status; or
- Financial Institution Specialists during the first 12 months of their initial appointment.

Probationary/trial employees (including FISs) may request telework during the first twelve months of their initial appointment under limited circumstances, e.g., inclement weather, emergency situations, holiday season.

It is the policy of the Corporation to encourage the use of the Telework Program for those projects/duties that are well suited for completion at an alternative work site. This Program is offered for the convenience of the employee and as a means for supporting the Corporation's goal of enhanced employee flexibility and improved work/life balance, provided that the efficiency of the Corporation and its mission are not adversely impacted.

The employee's official duty station will not change as a result of participation in the telework program.

SECTION 2 - Program Guidelines

- A. The nature of the work to be performed must be suitable for a work-at-home or alternative work site setting and normal workflow requirements are not disrupted.
- B. Appropriate work includes work that is results oriented or quantifiable.

- C. Materials and information necessary to perform the duties of the position must be capable of being moved to and from the office with data and systems security requirements, including data sensitivity and Privacy Act concerns (FDIC Circular 1031.1 Administration of the Privacy Act), being adequately addressed.
- D. Work activities must be portable and not dependent on the employee being at the traditional worksite. Interaction with co-workers, subordinates, superiors and customers must be able to be performed electronically or by telephone without adversely affecting customer service or productivity.

Examples of appropriate work include, but are not limited to:

- briefing/report/document preparation and review;
- data compilation;
- conference planning;
- analysis (research, program, policy and financial analysis); or knowledge related work (as long as the necessary information or results can be provided to the supervisor's satisfaction);
- research;
- preparation/studying for professional courses/exams;
- computer-oriented tasks; data entry; word processing, and reading, reviewing, or responding or filing of emails and other electronics records.

Examples of work that may not be appropriate include, but are not limited to:

- group/team work that can only be conducted at a designated work site;
 - work that requires face to face contact (with other employees, customers, etc.); and
 - location-specific work (e.g. mail distribution, warehouse work, building maintenance, etc.).
- E. Telework is subject to approval by management and is not an employee entitlement.
 - F. Managers will be responsible for maintaining appropriate office coverage and can alter telework agreements if needed to ensure this coverage.
 - G. Participation/Approval: Participation by eligible employees is voluntary. Employee participation requires supervisor approval. Supervisors must maintain a current Supervisor/Employee Telework Agreement for all employees wishing to participate in the Program. This agreement provides needed contact information and outlines rights, responsibilities and general program provisions. This document does not need to be resubmitted for approval, but must be current and updated by 31 January of every calendar year. (Appendix D). This form may be submitted in electronic format, when available.

Requests for recurring and regularly scheduled telework should be submitted in writing (hard copy or email) and include a description of the work to be performed, days of the week or periods within a work cycle that teleworking would occur, and estimates of time needed. Requests for regularly scheduled and recurring telework should be submitted at least 10 workdays prior to the desired start date.

An employee's telework request, either for work that is short, one-time in nature or for work that is recurring on a periodic basis or performed on a regular schedule, can be approved provided that the work to be accomplished can be performed as well off-site as on-site and does not impede accomplishment of mission objectives.

Once management has approved a telework request, it is not necessary to submit repeat requests for regularly scheduled or recurring telework. However, if the employee has been approved for telework that is not on a regular schedule, the employee must provide the supervisor reasonable advance notice, generally at least one day prior to the desired start date. Under extenuating circumstances, approval may be granted on shorter notice. All requests should include a description of the work to be accomplished and an estimate of time needed. Requests can be submitted in hard copy or via email. Upon request, managers and supervisors will provide an employee with a written explanation of the reason(s) for denying any teleworking request.

- H. A manager/supervisor has the right to direct teleworking employees to report to the official duty station when necessary to meet mission, staffing and workload requirements (e.g., meetings in the field office). The employee will be provided as much advance notice as possible, normally not less than twenty-four (24) hours.
- I. An employee may be terminated from participation in the Telework Program for causes such as:
 - failure to adhere to provisions of the Agreement;
 - failure to accurately request and report leave time;
 - decline in performance, including failure to deliver agreed upon work products;
 - misconduct in connection with the employee's obligations under the Telework Program;
 - failure to report to the official duty station when requested to do so; and
 - failure to complete an update of the Supervisor/Employee Telework Agreement or the Home Safety Self Inspection Checklist (due by 31 January of every calendar year regardless of when last accomplished).

Managers/supervisors will provide written notification with the reasons for termination to any employees removed from the program.

- J. While supporting an employee's need for flexibility, the Program is not a substitute for personal leave or dependent care. Family and personal responsibilities must not interfere with work time at home.

SECTION 3 - General Provisions

- A. Employees must adhere to FDIC policies regarding work schedules and hours of work (Circular 2310.1, Alternative Work Schedule Program and Hours and Tours of Duty; and 2310.4, FDIC Part Time Employment Program). Teleworking employees are expected to work the same hours as established in their agreed upon tour of duty. Credit hours, overtime, or compensatory time must be approved in accordance with applicable procedures. Employees will not receive premium pay for work beyond their hours of duty unless they have obtained advance written approval.
- B. Existing pay and leave administration rules apply while employees are teleworking (FDIC Circular 2300.3, Corporation Leave Policy).
- C. Employees must submit their time and attendance in accordance with existing policy (FDIC Circular 2300.5, Time and Attendance Reporting) making certain to appropriately code hours of telework. Supervisors will certify time and attendance for hours worked at the employee's alternative work site and review work products in order to ensure an acceptable level of output while the employee is working at home.
- D. All pay and travel entitlements are based on the employee's official duty location, not the telework site. Participation in this Program will not result in a change in official duty station.
- E. The basic principles governing administrative leave for early dismissals and closings are applicable (FDIC Circular 2300.3, Chapter 12).
- An employee scheduled to telework or already teleworking must continue to telework the entire day when there is an operating status announcement for a delayed arrival, early departure, or closure. However, if the closure falls on a day other than the employee's regularly scheduled telework day, the employee is not required to telework, unless the supervisor directs the employee to telework to support the mission and/or maintain agency functions. The work performed during an emergency must be in support of the FDIC's mission and help maintain essential agency functions; these do not typically mean routine work assignments.
 - Employees participating in the Home-Based Option under Section 6 of this Article will only be required to telework in the event of an office closure, delayed arrival or early dismissal if they were scheduled to telework that day; if scheduled to work in an institution or at the office on the day of the closure,

delayed arrival or early dismissal, the employee will be granted administrative leave, and will not be required to telework.

- An employee who elects the unscheduled telework option is expected to telework the entire day, even if a delayed arrival, early departure, or subsequent closure is announced.
- If a teleworking employee chooses to not work after an announced departure or closure, he or she must request leave (i.e., annual leave, earned compensatory time or credit hours). However, if the employee is unable to work due to circumstances beyond his or her control (e.g., a power failure), then administrative leave should be granted.
- Employees who are on pre-approved leave on a day that the office is closed will not be charged leave for that day and will be entitled to administrative leave. However, employees on continuing leave without pay or other non-pay status are not entitled to administrative leave.
- Early dismissal announcements for holidays apply to all employees, including those who are teleworking.

F. Employees working at an alternative work site are generally covered under the Federal Employees' Compensation Act for any injuries sustained while performing official duties. In the event an employee suffers an injury while working at home, he or she must notify the supervisor as soon as possible, but no later than 30 calendar days from the date of the injury. A supervisor's signature on such a claim for workers' compensation attests only to what the supervisor can reasonably identify and verify.

G. Employees participating in the Telework Program are expected to be available to supervisors, coworkers, and other contacts by telephone, email, voice mail or other communication during their scheduled duty day as directed by their supervisor.

SECTION 4 - Space and Equipment

- A. Employees already provided with laptops may use them for teleworking purposes. For other employees, laptops will be made available by loan. The EMPLOYER will make an adequate number of laptops available to be loaned to participating employees for a limited time in accordance with Circular 1380.3. The Parties agree to review the usage of these laptops to determine if the pool is sufficient. FDIC will service and maintain FDIC-owned equipment. Reimbursement for other equipment used for telework is governed by the provisions of this Article.
- B. Employees may be authorized FDIC calling cards for work-related long distance phone charges. Telephone Calling Card usage will be in accordance with Circular 3100.2, "Use of Voice Telecommunications Services." Employees who are working from home and have a business need to contact a

Regional/Washington Office, should utilize the FDIC employee 800 number when calling from outside the local calling area. Employees who fail to use these provided services will not be reimbursed.

- C. Employees must comply with all security measures as outlined in established policies and directives. All FDIC records and data should be protected against unauthorized disclosure, access, mutilation, obliteration and destruction.
- D. Employees who use their own computers while teleworking must utilize a current virus scanning software application on their home computers or the virus scanning software available on DIT's security website. The employee is responsible for maintenance and repair of any personally owned equipment.

During work hours or when using FDIC systems, employees must adhere to the following FDIC policies: 1300.4 "Acceptable Use Policy for Information Technology Resources" and 1360.9 "Protecting Sensitive Information."

All employees wishing to participate in the program must submit a Home Self-Certification Safety Checklist. This form must be maintained along with the Supervisor/Employee Telework Agreement. It must remain current and should be updated by January 31st of each calendar year (Appendix E). This form must be submitted in electronic format through the Corporate Human Resources Information System.

SECTION 5 - Responsibilities

- A. Employees are responsible for submitting completed copies of both the Supervisor/Employee Telework Agreement and the Home Self-Certification Safety Checklist. Employees must update these documents annually or as otherwise required.
- B. Teleworking employees must be available at a specified place and telephone number during the established work schedule. Employees shall comply with supervisor direction regarding other contact requirements such as changes to voice mail messages, number of times a day required to check voice mail, email contact, etc.
- C. An employee must have a workspace designated for their telework duties that is free from interruptions and provides the necessary level of security and protection of Corporation property. Home offices must be clean and free from obstructions, unsafe conditions or hazardous materials, and must be in compliance with applicable building codes. The employee's workspace is subject to inspection by appointment.

- D. The employee is responsible for all operating costs associated with the use of a home or other location as an alternate work site. The employee is responsible for maintenance and repair of any personally owned equipment.
- E. In accordance with established Corporation policy, employees may be held liable for any loss, theft or damage to FDIC property while in the employee's possession.
- F. Teleworking employees are to utilize required security protections and follow FDIC policies as they pertain to the protection of information and information system resources and shall identify any Sensitive Information (as defined in FDIC Circular 1360.9, Protecting Sensitive Information) and the sources that may be used during telework.
- G. Employees may, upon supervisory approval, take from the worksite only as much hard copy or electronic format FDIC Sensitive Information (as defined in FDIC Circular 1360.9, Protecting Sensitive Information, 5.d.) in the performance of telework duties, or as necessary for the expected teleworking time, as long as appropriate administrative, technical, and physical safeguards are taken to ensure the security of the information. At no time shall an employee have at home/alternative work site permanent records. NOTE: These restrictions on the removal of records may be suspended in an emergency situation when records are needed for continuity of operations.
- H. Employees are responsible for immediately notifying the DIT Helpdesk (1-877-FDIC 999) regarding lost or stolen Sensitive Information in compliance with FDIC Circular 1360.9, Protecting Sensitive Information, 7a (2) and 7e (4). Employees shall provide follow-up notification to their supervisor/oversight manager and division /office Information Security Manager in order for the FDIC to meet the 1 hour required reporting time frame to the United States Computer Emergency Readiness Team (US-CERT) for incidents involving the loss or compromise of Sensitive Data.
- I. Employees shall store sensitive electronic information on corporate information (IT) equipment in compliance with FDIC Circular 1360.9, Protecting Sensitive Information, 5.d.
- J. Employees shall ensure that no unauthorized individual has access to any FDIC Sensitive Information in compliance with FDIC Circular 1360.9, Protecting Sensitive Information, 5.c.
- K. Teleworking employees may not include travel time between their home/alternative work site and their official duty station as time worked and are not entitled to payment for travel between these locations.

SECTION 6 – Home Based Option

- A. The provisions of Home Based Option apply to an eligible field office employee (as indicated in Section 1 of this Article) who is working as a commissioned examiner, RMS loan review specialist, DCP compliance analyst, DCP HMDA data analyst, RMS appraisal review specialist, RMS bank secrecy act specialist, RMS capital markets specialist, RMS information technology examination analyst (ITEA) or RMS investigation specialist, who elects the Home Based Option. These employees will be permitted to work out of his/her home or an approved alternate work site when not working at an insured depository institution or at another required site. The employee's official duty station will not change as a result of participation in this program. In order to receive the reimbursement under Section 6.C described below, the employee must elect to participate in the Home Based Option during the election period identified in the leasing process and prior to the approval of the Documentation of Need. Financial Institution Specialists who have been recommended by management for commissioning prior to or during the thirty-day election period for participation in the Home Based Option can elect to participate in the Home Based Option and receive reimbursement under Section 6 C. once they have been commissioned as an examiner. Absent the circumstances listed below, eligibility for reimbursement will commence upon the effective date of the new lease.

Outside of the leasing process, management may ask for volunteers to participate in the Home Based Option to avoid procuring additional work space in the office. Employees who volunteer for the Home Based Option during this volunteer election period will be reimbursed consistent with Section 6C. In this instance, eligibility for reimbursement will commence when the employee elects to participate in the Home Based Option as a result of management's solicitation for volunteers.

Employees who elect the Home Based Option outside of the two election periods noted above will not be reimbursed as provided under Section 6.C. However, an employee who becomes newly eligible for the Home Based Option after the leasing process election period ends may elect the Home Based Option when eligible (e.g., upon being commissioned as an examiner). In this instance, newly eligible employees who elect the Home Based Option will not receive reimbursement as provided in Section 6C unless the relinquished work space (cubicle) is reassigned to another employee to alleviate workstation shortages within the office. When more than one newly eligible employee in an office elects the Home Based Option and relinquished work space is subsequently reassigned, reimbursement eligibility will be made in the order in which each employee elected the Home Based Option (i.e. first-elected, first-reimbursed). In the event of a tie, seniority will be used as a tie-breaker. Seniority is defined as service with FDIC, RTC, FHLBB and OTS.* Eligibility for reimbursement may not occur prior to reassigning relinquished work space to alleviate a shortage of workstations within the office.

- B. In determining actual space allocations for employees in a particular field office, no workstation space will be allocated for employees participating in the Home Based Option. However, if such an employee seeks to end his or her participation in the option, he or she will have priority for any vacant workstation space, or the next available workstation space.
- C. The EMPLOYER will provide eligible employees participating in the Home Based Option, with a reimbursement of up to \$500 for costs associated with equipment not otherwise provided by the EMPLOYER at the home office, and an annual reimbursement of up to \$480 for costs associated with multiple phone lines and/or high speed data transmission access. Participant's official duty station will not change as a result of participation in this program.

Employees receiving reimbursement under the Home Based Option will be committed to participation during the term of their official duty station office's lease. If participants withdraw from the Option prior to the lease expiration, they will be required to pay back a pro-rata share amount of any reimbursement received.

- D. The EMPLOYER will not provide furniture or furnishings at an employee's home or alternate work site, except as provided in C above. The EMPLOYER will not incur costs to construct or alter space to provide an office environment in an employee's home or alternate work site, and the EMPLOYER will not be responsible for expenses related to basic telephone service, heating, electricity, water and space usage, except on a reimbursable basis in accordance with C above.
- E. Participating employees will be required to attend scheduled meetings, training and other activities as directed by the EMPLOYER.
- F. Participants must meet the requirements detailed in this Article. Employees taking part in this program will have the same responsibilities as identified in Section 5 above.
- G. Either party may initiate bargaining over adding positions to the Home Based Option consistent with Article 50 (Mid-Contract Negotiations).

SECTION 7 - Medical Telework

- A. As provided in Article 37 (Employees With Disabilities), the EMPLOYER recognizes its obligation under applicable law and FDIC directives to provide reasonable accommodations for employees who are qualified individuals with disabilities. Consistent with Article 37, a qualified employee with a disability may request telework as a reasonable accommodation. To support the request, the employee must provide medical documentation consistent with the provisions of FDIC Circular 2710.5. The EMPLOYER will modify its telework requirements to reasonably accommodate a qualified employee with a disability when necessitated by the employee's disability-related limitations absent undue hardship, and to the extent required by law, rule, regulation, or FDIC directive.
- B. Additionally, an employee may request to telework for medical reasons for a specified period of time, normally not to exceed ninety (90) days, even if the employee does not meet the requirements of Article 37 (Employees With Disabilities) or of Section 1 of this Article, under the following circumstances:
1. The employee suffers from a personal injury or illness that prevents the employee from performing work at the employee's assigned official duty station and would not prevent the employee from performing her/his official duties at home; and
 2. The employee has submitted administratively acceptable medical certification in support of the request. The certification will, at a minimum, provide the specific nature of the personal injury or illness, the anticipated beginning and end dates of the telework, the specific reason(s) why the injury or illness prevents the employee from performing work at the employee's assigned official duty station, and a statement that the employee is capable of performing her/his duties at home; and
 3. The employee has furnished additional medical certification deemed necessary by the approving official.
- C. Requests for medical telework will be decided on a case-by-case basis. Employees will be notified in writing if their request for medical telework is denied.
- D. Requests for medical telework for a period that exceeds 90 days will normally be evaluated as a request for a reasonable accommodation under Article 37 (Employees With Disabilities).

*FHLBB service is defined as Federal service with the FHLBB for those employees who were reassigned to the FDIC/RTC from the FHLBB pursuant to FIRREA. OTS service is defined as Federal Service with the OTS for those employees who were transferred to the FDIC during 2011 pursuant to the Dodd-Frank Wall Street Reform and Consumer Protection Act.

**ARTICLE 45
DISCIPLINARY ACTIONS**

SECTION 1

- A. Disciplinary actions will be taken for such cause as will promote the efficiency of the service.
- B. For the purpose of this Agreement, a disciplinary action is defined as a written letter of admonishment, reprimand, or a suspension of fourteen (14) calendar days or less.
- C. In no case may a letter which does not support a SF-50 be placed in an employee's Official Personnel Folder before the conclusion of any arbitration appeal filing period or the arbitration appeal is decided. If a disciplinary action is canceled, all documentation relative to the action will be destroyed, with confirmation of said action sent to the employee.

SECTION 2

The Parties agree to the concept of progressive discipline designed primarily to correct and improve employee behavior rather than to punish. However, each situation warranting discipline must be evaluated individually and, in instances involving serious offenses, progressive discipline may not be appropriate. Prior to deciding what disciplinary action is a proper response to the incident or act, the EMPLOYER will consider the following factors:

- A. The degree of harm or interference that the act has caused;
- B. The seriousness of the act in terms of the employee's position and assignment in the Corporation;
- C. Except in unusual cases which warrant severe penalties, whether the penalty is fair, equitable and no more severe than that which sincere judgment indicates is required to correct the attitude or conduct of the employee or to correct the situation;
- D. Any past corrective action; and
- E. Any mitigating circumstances.

For the purposes of a suspension the EMPLOYER will consider the factors set forth in Douglas v. Veterans Administration, 5 MSPB 313 (1981).

SECTION 3

Any and all documents or any other evidence upon which a disciplinary action is based will be made available to the affected employee and his/her designated representative. This provision in no way limits the UNION's right to request information under 5 U.S.C. Section 7114.

SECTION 4

- A. The employee has a right to UNION representation at any examination of them by the EMPLOYER in connection with an investigation, if the employee reasonably believes that the examination may result in disciplinary action against the employee and the employee so requests representation.
- B. The provisions of Section 7., Article 3, (EMPLOYEE RIGHTS), apply to examinations under this Article.
- C. Where the EMPLOYER has relied on witnesses to support the reasons for a disciplinary action to the extent any written statements were taken, they shall be made a part of the file which is provided to the employee and his/her representative.

SECTION 5

The EMPLOYER and the UNION encourage the use of alternative approaches to traditional disciplinary actions, when appropriate. The goal of such an approach is to positively change an employee's conduct by offering an alternative means of correcting such conduct.

SECTION 6

- A. When the EMPLOYER finds it necessary to issue a letter of admonishment or reprimand:
 - 1. The EMPLOYER will hand-deliver the letter to the employee, unless the employee is in an extended non-duty status, then the EMPLOYER will mail the letter to the employee's address of record. If a meeting is held to deliver the letter, the employee will be entitled to UNION representation.
 - 2. The letter will include the specific reasons for the action, the retention period in the Official Personnel Folder, the employee's right to reply and the time limits for same, and the employee's right to and time limit for filing a grievance. The employee shall also be provided with any and all documentation or other evidence upon which the action is based.

3. The employee and his or her representative will be given five (5) workdays after actual receipt of the letter in which to reply in writing to charges in the letter. An employee's timely written reply will be attached to the official copy and filed in the Official Personnel Folder. The employee shall have a reasonable amount of official time (generally not to exceed four (4) hours) to prepare this reply.
 4. The employee will be given twenty (20) workdays from the date of receipt of the letter to file a grievance in accordance with the negotiated grievance procedure contained in this Agreement.
- B. When a suspension of fourteen (14) calendar days or less is taken, the following procedure will apply except in emergency situations:
1. The employee will be given at least ten (10) workdays advance notice of the proposed suspension; the notice will state specifically why the suspension is being proposed, the employee's right to reply and the time limits for same. The employee shall also be provided with any and all documentation or other evidence upon which the proposed action is based.
 2. In cases where a suspension is proposed for reasons of off-duty misconduct, the EMPLOYER's written notification will also contain a statement of the nexus between the off-duty-misconduct and the efficiency of the service. If the EMPLOYER elects to change the stated nexus prior to issuing a final decision letter, the employee will be informed of such changes or modifications in writing and be given an opportunity to respond prior to final EMPLOYER action.
 3. An employee has the right to make an oral and/or written reply within ten (10) workdays of the employee's actual receipt of the letter of proposed action. Prior to the expiration of the ten (10) workdays, the employee shall have a reasonable amount of official time to make the oral and/or written reply. The employee may make any representation he or she believes might sway the final decision in the matter. If the employee elects to make an oral reply, the oral reply will be made to the deciding official. The employee may submit a written outline of the points covered upon conclusion of the oral reply. A verbatim transcript will be made of the oral reply and the EMPLOYER will provide a copy to the employee or his or her UNION representative. The UNION will provide written corrections within three workdays of receipt. The EMPLOYER will pay all the travel and per diem expenses of the employee.
 4. The final decision in any sustained suspension will normally be made by a higher level management official than the official who issued the notice of proposed action. The final decision letter will be issued prior to the

beginning date of the suspension, and shall contain the EMPLOYER's findings with respect to each reason and specification made against the employee in the notice of proposed action, and the dates of the suspension. The final decision will contain a statement of the employee's right to file a grievance as stated in the negotiated grievance procedure contained in this Agreement.

5. Once a final decision has been issued by the EMPLOYER, the UNION shall have the right to interview witnesses or other parties providing statements, or other evidence relied upon or considered by the EMPLOYER.

SECTION 7

At the option of the employee or the union, a grievance filed under the provisions of this Article may bypass Step One of the negotiated grievance procedure, and be filed directly at Step Two.

SECTION 8

In deciding what action may be appropriate, the EMPLOYER will give due consideration to the relevance of any mitigating and/or aggravating circumstances as set forth in this Article and prevailing law.

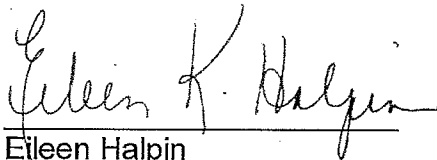
SECTION 9

Letters of reprimand (LOR) will be removed from an employee's Official Personnel Folder (OPF) no later than two (2) years from the date of issuance. Letters of admonishment (LOA) will be removed from an employee's Official Personnel Folder (OPF) no later than (1) year from the date of issuance. Upon request from an employee, the EMPLOYER will provide confirmation that the Letter has been removed from the employee's OPF. All references in the OPF and the supervisor's file will be destroyed. Such actions may not thereafter be relied upon or used as evidence for progressive discipline unless, prior to the removal of the LOA or LOR from an employee's OPF, the FDIC relies on them to support a subsequent action.

SECTION 10

Counseling letters and warning letters are not disciplinary actions. Employees may respond in writing to a counseling letter or warning letter, and such response will be attached to the counseling/warning letter in all of the EMPLOYER'S files containing the letter. Counseling letters and warning letters will normally be removed from the EMPLOYER'S files no later than one year from the date of issuance absent a legitimate administrative need (e.g., ongoing corrective efforts or litigation that is pending or reasonably anticipated). Upon request from an employee, the EMPLOYER will provide confirmation that the letter has been removed from the EMPLOYER'S files. All references in the supervisor's file will be destroyed. As counseling letters and warning letters are not disciplinary actions, they may not be used as evidence for progressive discipline.

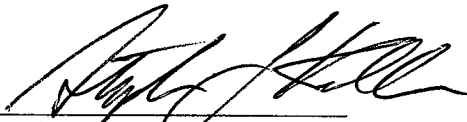
FOR FDIC



Eileen Halpin
Sr. HR Specialist

12/8/15
Date

FOR NTEU



Stephen J. Keller
Sr. Counsel for Compensation Negotiations

12/9/15
Date