

NTEU Chapter 207 News

Current Issues

Friday, November 28, 2003

Student Loan Repayment Program Not Adopted by FDIC

NTEU received information about a Student Loan Repayment Program available to Federal employees. We verified that FDIC is indeed covered under this program, which can repay up to \$6,000 per annum of an outstanding student loan for employees with a total accrual amount of \$40,000. When NTEU contacted Personnel Services regarding the implementation of this program at FDIC, we were told that FDIC does report to Congress on activity of the program as required by law but that FDIC does not participate in it at all. The report shows 0 participation. According to personnel, FDIC has no need for this program since we are in a downsizing environment.

For more information on the program [follow this link](#).

Chapter Sponsoring Lunch and Learn Sessions

Chapter 207 will begin having LUNCH AND LEARN sessions with FDIC bargaining unit employees throughout the Corporation. They will be conducted by Division or Office, starting with Division of Insurance and Research in December. This purpose of this initiative is to help bargaining unit employees become more aware of what is going on in their work environment. Chapter 207 will be hosting the sessions and will be providing pizza and drinks. As the meetings rotate within your division, we encourage you to come and meet with the officers and stewards share in an information exchange.

Below is the schedule for the Division of Insurance and Research listed by Branch. Please try to attend on the day specified for your branch. These sessions for DIR will be held in the large conference room on the 2nd floor of the main building, in room 2215. The times for each meeting will be the same Noon to 1pm. We look forward to seeing you all there.

December 8 - Research Branch

December 9 - Statistics Branch

December 15 - Risk Analysis Branch

December 16- Regional Operations Branch/CDR Project Team/Financial Risk Management Branch

No Retirement Annuity - No health Benefits

Have you heard that if you leave federal government without a retirement annuity, you cannot receive health benefits later? Not necessarily true!

You can *postpone* your FERS retirement annuity and receive health benefits later when you begin your retirement annuity. If you elect to postpone your FERS retirement, you have the option to re-enroll in both health and life benefits when you later begin your retirement annuity. To be able to postpone your FERS retirement, you must meet the Minimum Retirement Age (MRA) and have at least 10 years of creditable service. Employees have chosen to postpone their retirement annuity to avoid the Age Reduction penalty. The Age Reduction penalty is a whopping 5% per year for each year under age 62. Also, when you depart the federal government with a postponed retirement annuity, you will be eligible to continue your health benefits for 18 months.

To postpone your FERS retirement annuity is very different than to **defer** your FERS retirement annuity. If you have at least 5 years creditable service and do not meet the MRA, you are eligible for a deferred retirement annuity.

The OPM web site providing specifics about deferred and postponed retirement is:
http://www.opm.gov/fers_election/facts/ri90-11.htm

Is NTEU Reaching You?

FDIC does not notify NTEU of address changes of members. If you have moved since becoming a member, it's likely that NTEU does not have your current address. You should receive the monthly NTEU Bulletin at your home address. If you are not, NTEU certainly has an incorrect address for you. You can either submit your address change online at NTEU.org by registering as a member. You will need to put in the correct ZIP code for the address that they have for you (i.e., possibly your old address). Or you can send a change of address via E-mail to margaret.allen@nteu.org.

Age Discrimination Law Suit Filed As A Class Action Against the FDIC

Several current and former FDIC Employees have filed a class action law suit against the FDIC for violations of the Age Discrimination in Employment Act. The suit alleges that FDIC has secretly implemented a policy to illegally discriminate against employees over 40 years old in an effort to force older employees to leave the FDIC so they can replace them with younger employees. The suit identifies several methods that are being used to discriminate against older employees as (1) regularly requiring employees over age 40 to reapply for their own positions and rejecting their applications in favor of younger employees; (2) regularly denying promotions to employees over age 40 in favor of younger employees; and (3) regularly demoting employees over age 40 by taking away their supervisory responsibilities in favor of younger employees, using a policy of subjective decision-making. As support for the allegations, the suit references a transcript of an FDIC Board Meeting on September 26, 1995 that was taped. In that transcription, former FDIC Chairman Ricki Helfer is quoted as stating that "We cannot legally go to people and say you have been here a long time you should leave, that we cannot legally do. To the extent taking away a benefit that benefits more senior people, more than more junior people has that effect. The question is how that would be viewed by a court." Apparently, FDIC will find out the answer to that question as this case is resolved. NTEU is not a party to this lawsuit but has received many inquires about it.

Reminder! Open season for vision, dental, and long term disability insurances as well as the **Flexible Spending Accounts** ends on December 8, 2003. Be sure to review your choices. If you are planning to retire or expect to be "retired" in the next 5 years there are several programs you must have been registered in to take with you into retirement. Check the HR webpage.

Did you Know...

FDIC must first solicit volunteers for any reassignment from all qualified individuals before conducting an involuntary reassignment!

Article 15, Section 2

This section of Article 15, Reassignments, spells out the process by which FDIC must conduct reassignments. "When it is determined that a need exists to reassign

employees," FDIC must contact all employees in the organizational unit with the requisite grade and skills and offer the opportunity for a voluntary reassignment. Only if there is an insufficient number of volunteers to be reassigned can FDIC move forward with an involuntary reassignment. In that case, involuntary reassignment will be made in inverse seniority order where seniority is determined by FDIC/RTC/FHLBB service. If a surplus of volunteers occurs, reassignment will be offered in seniority order where seniority is defined as FDIC/RTC/FHLBB service.

If you have a question regarding your rights under this Article, you may contact any NTEU Representative.

If you would like to see a specific topic addressed in this column, send your suggestions to the [Chapter Mailbox](#).

NTEU is here to support you! Contact us [NTEU 207 HQ](#)