

## MEMORANDUM OF UNDERSTANDING

This Memorandum of Understanding (MOU) constitutes an agreement between Federal Student Aid (FSA), Department of Education (Agency) and the American Federation of Government Employees, AFL-CIO (AFGE) concerning FY 2021 performance-based pay increases for Administratively Determined (AD) employees within FSA.

The purpose of this MOU is to document the amount of the pay increases to be granted to eligible AD employees for performance and work results related to their FY 2021 performance ratings, and future pay increases pending negotiation of a revised AD policy.

The parties agree to the following:

1. Eligible AD employees will be granted performance-based pay increases for FY 2021 based on their REACH ratings for the FY 2021 appraisal cycle in the following amounts:
  - 3.75 percent for Exceptional Results Achieved (ERA) ratings
  - 2.75 percent for High Results Achieved (HRA) ratings
2. The performance-based pay increases will be processed consistent with authorized salary caps as soon as possible but no later than sixty (60) calendar days from the date of the last signature on this MOU, and effective March 13, 2022.
3. Until a revised AD policy is negotiated with the Union and effected in FSA, the amount of the AD performance-based pay increases in #1 above will remain in place provided such increases are budgetarily feasible for the fiscal year involved consistent with the discretion granted to the Chief Operating Officer under the current AD policy dated April 20, 2020.

This MOU is the complete agreement between the parties and may be amended only by written agreement signed by each of the parties involved. It will expire on the effective date of revisions to the FSA's AD policy dated April 20, 2020, which will then govern future AD pay increases under its terms.

By my signature below, I attest that I am an Authorized Official duly authorized to sign on behalf of my organization.

**Amandeep Gill** Digitally signed by Amandeep Gill  
Date: 2022.07.19 09:34:09 -04'00'

On Behalf of the Department of Education (FSA)  
Amanda Gill, Deputy Chief of Administration

\_\_\_\_\_  
Date

**Abel Hernandez** Digitally signed by Abel Hernandez  
Date: 2022.07.20 10:18:40 -04'00'

On Behalf of the Department of Education  
Abel Hernandez, Chief Negotiator

\_\_\_\_\_  
Date



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On Behalf of the American Federation of  
Government Employees (AFGE)  
Sheria Smith, President, AFGE Local 252

Monday, July 25, 2022

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Date