

## GAO gives raises to 12 of 308 staff

Contributed by Kelly McCormack  
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After several hundred employees were denied pay increases at the Government Accountability Office (GAO) in 2006, the agency recently settled with 12 employees, promoting them and granting them the pay they would have earned with interest, according to several sources.

The outcome of the settlement may put the GAO, the government's watchdog agency, in a precarious position with hundreds of other employees, who could argue that they are also eligible for promotions and raises.

The GAO used a compensation study as grounds to deny 17 percent of analysts a cost-of-living adjustment last year, saying that a number of employees were overpaid. At the same time, the agency separated 1,200 senior analysts into two groups: 800 analysts went into Band II A, with a lower pay rate, while 400 analysts were placed in Band II B, with a higher pay rate.

Each of the 12 employees in the settlement had a slightly different grievance with the agency, but they were all placed into the lower-paid band, The Hill learned. According to sources, these analysts believed that there was little or no justification for their placement into the lower pay grade.

The employees were granted everything they wanted in the settlement, which was finalized on April 5, a source told The Hill. The amount of money awarded varies for each employee, but all are banned from speaking to anyone about the details of the agreement unless they are asked by a congressional inquiry.

Another source said that most employees did not come forward because they fear retaliation from the GAO management.

Many employees are interested to know why the GAO decided to settle with the 12 employees over a year after complaints were raised, and after the agency insisted that it was in the right, one of the sources said.

Some sources believe that the GAO decided to settle with the employees because they knew detailed information about the compensation study. If made public, those details could be damaging to the agency and its pay system.

"The GAO caved after all these months because they were caught with their pants down," said one source, adding that the agency did not want any of the information made public.

Rep. Danny Davis (D-Ill.), chairman of the House Oversight and Government Reform Committee's Federal Workforce, Postal Service and District of Columbia panel, knew of the settlement and was happy to hear of the agreement. But he was unsure of what would happen with the other employees.

"I think it's an issue that hasn't been resolved with the other 300 employees," Davis told The Hill. "I'm pleased that the GAO and these 12 employees were able to reach an accord. [But] the verdict is still out with the others."

A GAO spokesman said yesterday that the agency and employees were satisfied with the outcome of the settlement.

"On April 5, 2007, GAO and a number of its employees who had challenged GAO's workforce restructuring and initial placement process and decisions before GAO's Personnel Appeals Board resolved their concerns to the satisfaction of all parties," the spokesman said.

The GAO said that no employee had his or her pay reduced as a result of the restructuring and that there are currently

508 Band II B employees and 777 Band II A employees.

In September 2006, the GAO Personnel Appeals Board's general counsel filed petitions on behalf of each of a dozen Band II A analysts seeking back pay, interest and restoration of promotion status. Each petition alleged that the Band II Restructuring Order violated employee rights and the GAO Human Capital Reform Act of 2004, resulting in an illegal demotion and prohibited personnel practices. The petitions also alleged that Band II B selection criteria were not validated prior to the restructuring.

The recent agreement was beneficial to both sides, a source told The Hill. If the case had gone to court, the losing side would have most likely appealed the case.

"There's a big difference between 12 people and 800 people, and the [public relations] disgrace of having the whole thing thrown out," a source said.

Davis believes that both parties were satisfied with the ultimate agreement.

"I think the plaintiffs or employees have been pleased [by the outcome of the settlement],"

Davis said. "If it's OK with the GAO, OK with the employees, then it's OK with me."

In a chat last week between Comptroller General David Walker and all GAO employees, one employee queried Walker about the settlement agreement, asking why 12 employees were given their promotions and pay while other analysts affected were not, a source said.

Walker responded by saying that the issue had been resolved and the details of the settlement were confidential. He met with his employee advisory council after the chat to discuss the issue.

In 2003, Walker promised Congress that all employees with "met expectations" ratings would receive cost-of-living adjustments. But in January 2006, about 17 percent of GAO analysts who qualified under that condition did not get increases.

At a recent panel hearing, the Congressional Research Service (CRS) testified that the GAO confirmed that 308 employees who did not receive raises had "met expectations" performance ratings.

Several lawmakers and GAO employees have questioned Walker repeatedly on the details of the compensation study, which was conducted by Watson Wyatt.

Agency employees also launched a union-organizing campaign in January, citing the pay issue and the restructuring as stimuli for the campaign.

Davis and seven other lawmakers recently asked Walker to provide specifics about the study. Davis's subcommittee will hold a hearing on the issues on May 22.

"We will be interfacing with the GAO in the future," Davis said.