

To: Federal Employees and Federal Retirees in Non-Foreign Areas
From: Robert Mullendore and George Nethercutt
Re: Instructions for Using Individual Back Pay Estimators
Date: August 28, 2019

The accompanying estimators can be used by individual class members to see the approximate amounts of underpayment in their own salaries and annuities since 1990 that have resulted from federal pay discrimination against employees and retirees in non-foreign areas. Current employees need to use only the salary estimator; retirees will need to use both. They are very easy to use, aided by the instructions below. These estimators are preliminary and subject to further refinement. Also, the estimated amounts of back pay may be reduced by various compromises pursuant to the proposed legislation. The legislation will create a framework for negotiating a set of common terms for individual settlements, which may vary from area to area. This set of common terms is called the settlement administration agreement. Whether or not to accept a settlement under the common terms will be an individual choice. Based on experience, we expect nearly 100% of those submitting claims pursuant to the settlement administration agreement to accept the settlements according to their terms.

The salary estimator can be used by any current or former/retired federal employee to see the dollar amounts of underpayment in his or her own salary for time worked in non-foreign areas from 1990 through 2019. The user should simply enter in column 6, by year, the amount of his or her GS pay or other scheduled pay, not including COLA or locality pay, for all time worked in a non-foreign area (or in multiple areas) during each year. Salary discrimination did not begin until Jan. 1, 1994, but entering amounts for 1990-1993 will provide a helpful comparison. (If detailed pay records are not readily available, the user can enter rough numbers into column 6 to get a quick look at the results.) Each line in column 7 will show the amount withheld from user's salary that year as a result of lower annual pay raises beginning Jan. 1, 1994. The amount in column 8 is the cumulative total of these withheld amounts.

The annuity estimator can be used by any retiree whose high-3 years were worked in a non-foreign area (or in multiple areas) to see the dollar amounts of underpayment in his or her own annuity since Jan. 1, 1990. (Annuity discrimination actually began long before that.) The user should simply enter in column 13, by year, the gross amount of his or her retirement annuity (before deductions) beginning with the first year it was received. (If detailed annuity records are not readily available, the user can enter rough numbers into column 13 to get a quick look at the results.) Each line in column 14 shows the dollar amount withheld from the user's annuity as a result of the effect, on the retiree's high-3 average salary, of the equal pay gap during the three years before retirement. The amount in column 15 is the cumulative total of these withheld amounts. (Please note: there have been no underpayments of this kind to employees who retired after 2009.) Each line in column 19 shows the dollar amount withheld from the user's annuity as a result of the unlawful exclusion of COLA from the retirement base. The amount in column 20 is the cumulative total of these withheld amounts. The accumulated totals at the bottoms of columns 15 and 20 must be added together to see the full magnitude of discrimination in retirement annuities.