

Questions presented to Chairman Levitt
for the June 14, 1999 Division of Corporation Finance meeting

**SEC pay decreased 10% compared to the GS schedule since 1992;
SEC pay is 10%-30% below comparable agencies
such as the FDIC and the Fed**

1. In 1992, Chairman Breeden gave Corp Fin attorneys and accountants a 10% pay increase to achieve greater pay parity with employees at comparable agencies such as the FDIC and Federal Reserve. This 10% pay increase has since eroded almost completely. Last fall, you indicated that you would look into this matter. What money is there in the fiscal year 2000 budget request to reinstate the 10% special pay rate?

Child care, telecommuting, and compressed work schedules

2. Most regulatory agencies have compressed work schedules, flex time, flex place, and telecommuting options for career employees, not political appointees. What are the specific criteria to participate in these programs? When will these options become available to all SEC career employees?

Uncompensated overtime

3. Under the Federal Employees Pay Act, employees who work more than 8 hours a day or 40 hours per week must be compensated. Director Lane has acknowledged that Corp Fin employees are working considerable overtime and has encouraged this practice. Do you support the right of employees to be paid overtime? If so, what specific steps are you taking to ensure that SEC employees are compensated for overtime work?

Annual raises: eliminate 2 and 3 year waiting period

4. There is a retention problem at the SEC. To address the retention problem, why don't you reduce the waiting period for raises? There is no legal requirement to have waiting periods for increases within grade longer than one year. An increase within grade each year would greatly improve employee retention at the SEC. What money is there in the fiscal year 2000 budget request to eliminate a waiting period longer than one year for steps 4-10?

Secret bonuses

5. Corp Fin staff morale plummeted after learning of significant bonuses being paid to new hires. Director Lane stated at a recent Corp Fin meeting that only a few bonuses were paid and that they were only a few thousand dollars each. How many people were paid hiring bonuses in the last two years, and what was the aggregate dollar amount paid?

Annual bonuses

6. Director Lane also stated that annual discretionary bonuses could not be paid to everyone because it "wouldn't be enough to go to McDonald's." How many people were paid discretionary bonuses in the last two years, and what was the aggregate dollar amount paid?

**\$65 monthly farecards are maximum amount allowed federal employees;
SEC gives \$20 monthly farecards compared to
\$65 monthly farecards at other agencies such as the FDIC and IRS**

7. When the federal government's transportation subsidy was introduced, the SEC \$20 monthly subsidy was the maximum amount allowed. The SEC subsidy has not increased although the maximum federal government's transportation subsidy today is \$65 per month. What money is there in the fiscal year 2000 budget request to increase the SEC subsidy?

Union election

8. Over 650 SEC employees have signed a petition for an union election. On June 9, 1999, The National Treasury Employees Union filed a petition with the Federal Labor Relations Authority to hold an union election at the SEC. What specific steps are you taking to cooperate in every way with the right of employees to meet and share information about the union election at the SEC?

Cooperating with SEC employees to communicate about the union

9. The Washington Post in an article on June 4, 1999 quoted you: "I have always felt that the right of employees to organize unions is an important one. I have made sure that the commission has respected that right and cooperated in every way with the request of employees to meet and share information regarding organizing a union." Are you aware that the Commission's Executive Director refused the request of employees to use e-mail for the posting of organizing meetings? If not, do you approve of the Executive Director's refusal of the request of employees to use e-mail for the posting of organizing meetings?

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1998 and 1997 bonuses

10. What was the total amount of bonus money paid in fiscal years 1998 and 1997 to Corp Fin employees? What percentage went to management employees? What percentage went to nonmanagement employees? How many employees were management? How many

employees were nonmanagement? How did you determine the allocation of bonus money? What were the specific criteria used to award bonuses?

Training

11. How much money in the Corp Fin budget is allocated to training per employee? Over the next 12 months, what are your specific plans for Corp Fin employee training and development?

GS 15 positions

12. Director Richard H. Walker recently announced that he was going to try to create more GS 15 positions within the Division of Enforcement by making branch chiefs GS 15s or by creating a new deputy assistant director position at GS 15. Do you have any specific plans to try to create more GS 15 positions within Corp Fin?