

SETTLEMENT AGREEMENT

The Department of Housing and Urban Development (HUD or Agency) and the American Federation of Government Employees, Council 222 of HUD Locals, AFL-CIO (AFGE) agree to the following terms and conditions as full and complete settlement of the Union's May 13, 2022, Unfair Labor Practice–Grievance of the Parties: Performance Award Criteria, as amended.

1. HUD agrees to rescind immediately its policy that “Only employees that have completed the full rating cycle (October 1 . . . through September 30 . . .) will be eligible to receive a performance award during the awards process.” By rescinding its policy, the Agency is not conceding its policy is unlawful or otherwise improper and is not relinquishing any discretion it has to establish eligibility for performance awards, subject to the Agency's statutory and contractual obligations.
2. HUD agrees to issue the appropriate [REDACTED] performance cash award, plus the appropriate amount of interest in accordance with the Back Pay Act and any other applicable law and regulation, for [REDACTED] as soon as possible but no more than 90 days of this agreement being signed by both parties. HUD will notify the Union at the time the payment is issued and will advise the Union of the means of issuance (e.g., direct deposit, U.S. Postal Service).
3. As soon as possible, but no more than 90 days of this agreement being signed by both parties, HUD shall process the documents necessary to issue the appropriate cash awards for bargaining unit employees who were employed by HUD in Fiscal Years 2021 and 2022, received a final rating of record, and did not receive a performance award because they did not complete the full rating cycle. HUD shall include the appropriate amount of interest in addition to the amount of the performance award in accordance with the Back Pay Act and any other applicable law and regulation.
4. Within 90 days of this agreement being signed by both parties, HUD shall provide the Union with a list of all individuals issued payments pursuant to this agreement, including each person's name, award amount, interest, means of delivery of the payment, and date the payment was issued/mailed.
5. The Union agrees to delay scheduling an arbitration hearing date for 90 days from the date this agreement is signed by both parties to give the Agency time to comply with the terms of this agreement. Upon receipt of documents showing HUD has complied with the above provisions, the Union will withdraw with prejudice its May 13, 2022, Unfair Labor Practice–Grievance of the Parties, as amended, the related arbitration, and its May 13, 2022, and March 28, 2023, Requests for Information.
6. If HUD delays in complying with the terms of a settlement to the point that the selected arbitrator imposes a cancellation fee, or the parties incur any other arbitration-related fees, HUD shall be responsible for paying the full amount of the cancellation fee and all other associated fees.
7. HUD agrees to pay \$900.00 for attorney's fees.

8. Nothing in this Settlement Agreement constitutes an admission of liability or indication of guilt, wrongdoing, violation of contract, Unfair Labor Practice, violation of the Federal Service Labor-Management Relations Statute (5 U.S.C. §§ 7101-35) or violation of any other law, rule or regulation by any Party or individual, including by HUD managers and supervisors who may have been involved, in any respect, in this matter.
9. This Settlement Agreement is non-precedential and cannot be cited in any future grievance, arbitration, Unfair Labor Practice proceeding or other matter unrelated to the Union's May 13, 2022, Grievance mentioned above, but may be cited by the Agency or the Union in any proceeding, whether judicial or administrative, in order to enforce the terms of the Settlement Agreement.

For HUD:

Lori A. Michalski

Lori Michalski, Chief Human
Capital Officer

DATE: May 4, 2023

For AFGE Council 222:

Jerry Gross
Jerry Gross, Bargaining Co-Chair

May 3, 2023