

**Memorandum of Understanding  
Between the  
National Treasury Employees Union, Chapter 245 and the  
United States Patent and Trademark Office  
Regarding Time-Off Awards, Quality Step Increases (QSIs), and Additional  
Discussion Items**

This Memorandum of Understanding (“MOU” or “Agreement”) is made and entered into by and between the National Treasury Employees Union, Chapter 245 (“NTEU 245” or “Union”) and the United States Patent and Trademark Office (“Agency”, “Office” or “Management”) (collectively the “Parties”) regarding Time Off Awards and Quality Step Increases (QSIs). The Parties agree as follows:

Quality Step Increases (QSIs)

1. For the duration of this MOU, Article 31, Section 8 of the December 22, 2000 collective bargaining agreement (CBA) is superseded and replaced by the following.
2. Provided that an employee has received a rating of Outstanding in all critical elements of the Performance Appraisal Plan for that fiscal year and, if an examining attorney also qualifies for a Level III Award for Comprehensive Excellence (top ACE award), an employee may request a QSI from their Managing and/or Senior Attorney if the employee also meets the following criteria. The employee:
  - a) Received an overall Outstanding rating for the Performance Appraisal Plan for the previous three consecutive years; or otherwise demonstrated that his or her performance gives promise of continuing at the same high level in the same grade and type of position.
  - b) Has occupied the same grade and type of position for at least 6 consecutive months prior to the end of the appraisal cycle and are expected to continue in that position for at least 60 days after the effective date of the QSI; and
  - c) Is no higher than a step 9 at their current grade level;
  - d) Does not have a promotion in progress or anticipated within 60 days after the effective date of the QSI;
  - e) Has not received a QSI within the previous five years; and
  - f) Has spent a minimum of 1250 hours during the four quarter award period performing the primary functions of the employee’s job, which are trademark examining and examining related activities for Trademark examining attorneys including mentoring new examining attorneys, and deciding interlocutory motions and related activities in inter partes TTAB proceedings including mentoring new interlocutory attorneys.
3. The QSI will be made in lieu of any other ratings based awards for that fiscal year. Under the current award scheme for examining attorneys, the QSIs will be in lieu of the award for Quality (defined in Section 4 of Article 31 of the

2006 Amendment to the Collective Bargaining Agreement entitled "Performance Based Awards"). Under the current award scheme for interlocutory attorneys, QSIs will be in lieu of the award for overall performance rating.

4. The Agency will provide informational counseling sessions in the Office of Human Resources upon request of any employee.

#### Time-Off Awards

5. NTEU 245 employees are eligible for Time-Off Awards under the May 12, 2012 Time Off Award, Policy No. OHR 202-04-06 of the Agency set forth at [http://ptoweb.uspto.gov/ptointranet/ohr/policies\\_and\\_procedures/policies/time-off-award.pdf](http://ptoweb.uspto.gov/ptointranet/ohr/policies_and_procedures/policies/time-off-award.pdf). This MOU is not intended to supersede OHR 202-04-06 in any way.
6. To be eligible for a Time-Off Award, employees must have a Fully Successful rating of record and be currently at least Fully Successful in all critical elements of the Performance Appraisal Plan.
7. Time-Off Awards may be granted in accordance with the policy requirements of OHR 202-0406. Examples of the contributions that may warrant Time-Off Awards include: high quality contribution involving a difficult or important project or assignment; initiative or skill in completing an assignment or project before the deadline; or using initiative and creativity in making improvements in products, activities, programs, or services.
8. Production adjustments will be granted on an hourly basis commensurate with the hours granted in the Time-Off Award, as the hours are used.

#### Miscellaneous Provisions on Awards

9. There is no entitlement to either of these awards, which, like all awards, are subject to budgetary and staffing limitations and are paid at the discretion of the Office.
10. The Agency agrees to remind all Trademark and Trademark Trial and Appeal Board managers of the availability of QSIs and Time-Off Awards as tools. It will also alert these managers to this MOU.
11. The parties agree that all obligations to bargain over the provisions within the MOU, whether statutory, contractual, or other in nature, have been fully satisfied, and the provisions of the MOU will not have precedential effect for either party.


Informal Discussions

1. The parties agree to meet informally within the next thirty (30) days to discuss the viability of student loan reimbursement for NTEU 245 employees and research other federal programs to help employees with student loans.
2. The parties agree to meet informally within the next thirty (30) days to discuss issues related to clarifying existing system unavailable time (i.e., computer downtime) procedures.
3. The parties also agree to meet informally within the next thirty (30) days to discuss possible group awards for examining attorneys when Agency goals are met regarding either: a) the deployment of the next generation Trademark examination system (TMNG) to the Trademark examining operation, or b) another topic mutually agreeable to the parties. If the parties cannot reach agreement on such group awards for examining attorneys, they will enter negotiations regarding group awards for meeting Agency goals for the development of TMNG or for meeting Agency goals with regard to a mutually agreed upon topic under the framework provided in CBA Article 33.

FOR THE USPTO

FOR NTEU 245

  
Meryl Hershkowitz      Date  
Deputy Commissioner for Trademark Operations

  
Howard Friedman      Date  
President, NTEU 245