

**ARBITRATION
PROCEEDINGS
AND
COLLECTIVE
BARGAINING
AGREEMENT**



**Between
American Postal Workers Union,
AFL-CIO
and
U.S. Postal Service**

**November 21, 2000
November 20, 2003**

Part I

**Collective
Bargaining Agreement,
Memorandum**

Part II

**Arbitration Opinion,
Award, and
Supplemental Opinion**

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Notes:

1. **This copy of the National Agreement is provided only for the information of members of the APWU and does not prejudice the rights of the APWU or the USPS as to its contents or omissions. The official text of the 2000-2003 National Agreement will be finalized through agreement between the APWU and the USPS. An official contract will be printed and distributed after the parties finalize the agreement.**
2. **Bold Face Type** in the text indicates revised or new language. Bold Face Type in headings does not necessarily indicate change.
3. Cross-references to relevant Memorandums of Understanding and Letters of Intent are included in the text of the Agreement. The location of the cross-references is for the convenience of the reader, and in no way affects the content or intent of the Agreement, the Memorandums, or the Letters of Intent.
4. In the **2000** National Agreement, references to a union, craft or bargaining unit are limited to the APWU and the crafts that it represents, with the following understandings:
 - Article 1.5: The Postal Service will continue to inform the APWU of all new positions whether or not the positions are within craft units represented by the APWU.
 - Article 6: This article will continue to apply to all bargaining units covered by the September 15, 1978 Award of Arbitrator James J. Healy.
 - Article 15.4.D: The Postal Service will continue to send all National level arbitration scheduling letters and moving papers for all bargaining units to the APWU.
 - Article 33.2: This article will continue to permit employees in non-APWU represented crafts to make application for best qualified positions in APWU represented crafts after required procedures are followed.

PREAMBLE

This Agreement (referred to as the **2000** National Agreement) is entered into by and between the United States Postal Service (hereinafter referred to as the “Employer”) and the American Postal Workers Union, AFL-CIO (hereinafter referred to as the “Union”). The Agreement is effective as of **December 18, 2001** unless otherwise provided.

ARTICLE 1 UNION RECOGNITION

Section 1. Union

The Employer recognizes the Union designated below as the exclusive bargaining representative of all employees in the bargaining unit for which each has been recognized and certified at the national level:

- American Postal Workers Union, AFL-CIO -Maintenance Employees
- American Postal Workers Union, AFCIO—
Motor Vehicle Employees
- American Postal Workers Union, AFL-CIO—Postal Clerks
 - The Special Delivery Messengers were merged into the Clerk Craft by Memorandum of Understanding dated November 20, 1997.
- American Postal Workers Union, AFL-CIO—Mail Equipment Shops Employees
- American Postal Workers Union, AFL-CIO—Material Distribution Centers Employees

Section 2. Exclusions

The employee groups set forth in Section 1 above do not include, and this Agreement does not apply to:

1. Managerial and supervisory personnel;
2. Professional employees;
3. Employees engaged in personnel work in other than a purely non-confidential clerical capacity;
4. Security guards as defined in Public Law 91375, 1201(2);
5. All Postal Inspection Service employees;
6. Employees in the supplemental work force as defined in Article 7;
7. Rural letter carriers;
8. Mail handlers; or
9. Letter carriers.

Section 3. Facility Exclusions

This Agreement does not apply to employees who work in other employer facilities which are not engaged in customer services

and mail processing, previously understood and expressed by the parties to mean mail processing and delivery, including but not limited to Headquarters, Area Offices, Information Service Centers, Postal Service Training and Development Institute, Oklahoma Postal Training Operations, Postal Academies, Postal Academy Training Institute, Stamped Envelope Agency or Mail Transport Equipment Centers.

Section 4. Definition

Subject to the foregoing exclusions, this Agreement shall be applicable to all employees in the regular work force of the U.S. Postal Service, as defined in Article 7, at all present and subsequently acquired installations, facilities, and operations of the Employer, wherever located.

Section 5. New Positions

A. Each newly created position shall be assigned by the Employer to the national craft unit most appropriate for such position within thirty (30) days after its creation. Before such assignment of each new position the Employer shall consult with the Union signatory to this Agreement for the purpose of assigning the new position to the national craft unit most appropriate for such position. The following criteria shall be used in making this determination:

1. existing work assignment practices;
2. manpower costs;
3. avoidance of duplication of effort and "make work" assignments;
4. effective utilization of manpower, including the Postal Service's need to assign employees across craft lines on a temporary basis;
5. the integral nature of all duties which comprise a normal duty assignment;
6. the contractual and legal obligations and requirements of the parties.

B. The Union party to this Agreement shall be notified promptly by the Employer regarding assignments made under this provision. Should the Union dispute the assignment of the new position within thirty (30) days from the date the Union has received notification of the assignment of the position, the dispute shall be subject to the provisions of the grievance and arbitration procedure provided for herein.

Section 6. Performance of Bargaining Unit Work

A. Supervisors are prohibited from performing bargaining unit work at post offices with 100 or more bargaining unit employees, except:

1. in an emergency;
2. for the purpose of training or instruction of employees;
3. to assure the proper operation of equipment;
4. to protect the safety of employees; or

5. to protect the property of the USPS.

B. In offices with less than 100 bargaining unit employees, supervisors are prohibited from performing bargaining unit work except as enumerated in Section 6.A. 1 through 5 above or when the duties are included in the supervisor's position description.

(The preceding Article, Article 1, shall apply to Transitional Employees)

[see Memo, page 166]

ARTICLE 2 NON-DISCRIMINATION AND CIVIL RIGHTS

Section 1. Statement of Principle

The Employer and the Union agree that there shall be no discrimination by the Employer or the Union against employees because of race, color, creed, religion, national origin, sex, age, or marital status.

In addition, consistent with the other provisions of this Agreement, there shall be no unlawful discrimination against handicapped employees, as prohibited by the Rehabilitation Act.

Section 2. Committees

There are established at the national and APWU regional/USPS Area levels Joint Committees on Human Rights. The committees will be composed of responsible representatives of the Union and responsible management officials. The committees may develop affirmative action proposals on all matters affecting minority groups. The committees will also be advised of the plan for site selection for facilities planned for national postal mail networks and major metropolitan areas, and review availability of adequate housing and public transportation. The committees shall meet as required at mutually agreeable times.

Section 3. Grievances

Grievances arising under this Article may be filed at Step 2 of the grievance procedure within fourteen (14) days of when the employee or the Union has first learned or may reasonably have been expected to have learned of the alleged discrimination, unless filed directly at the national level, in which case the provisions of this Agreement for initiating grievances at that level shall apply.

(The preceding Article, Article 2, shall apply to Transitional Employees)

ARTICLE 3 MANAGEMENT RIGHTS

The Employer shall have the exclusive right, subject to the provisions of this Agreement and consistent with applicable laws and regulations:

A. To direct employees of the Employer in the performance of official duties;

B. To hire, promote, transfer, assign, and retain employees in positions within the Postal Service and to suspend, demote, discharge, or take other disciplinary action against such employees;

C. To maintain the efficiency of the operations entrusted to it;

D. To determine the methods, means, and personnel by which such operations are to be conducted;

E. To prescribe a uniform dress to be worn by designated employees; and

F. To take whatever actions may be necessary to carry out its mission in emergency situations, i.e., an unforeseen circumstance or a combination of circumstances which calls for immediate action in a situation which is not expected to be of a recurring nature.

(The preceding Article, Article 3, shall apply to Transitional Employees)

ARTICLE 4 TECHNOLOGICAL AND MECHANIZATION CHANGES

Both parties recognize the need for improvement of mail service.

Section 1. Advance Notice

The Union party to this Agreement will be informed as far in advance as practicable, but no less than 30 days in advance, of implementation of technological or mechanization changes which affect jobs including new or changed jobs in the area of wages, hours or working conditions. When major new mechanization or equipment is to be purchased and installed, the Union at the national level will be informed as far in advance as practicable, but no less than 90 days in advance.

Section 2. Labor-Management Committee

There shall be established at the national level, as a subcommittee of the national level Joint Labor-Management Committee, a Labor-Management Technological or Mechanization Changes Committee composed of an equal number of representatives of management and the APWU. The Subcommittee shall meet semiannually, or as necessary, from the conceptual stage onward, to discuss any issues concerning proposed technological and mechanization changes which may affect jobs, including new or changed jobs, which affect the wages, hours, or working conditions of the bargaining unit. For example, the Postal Service will keep the Union advised

concerning any research and development programs (e.g., study on robotics) which may have an effect on the bargaining unit. In addition, the Committee shall be informed of any new jobs created by technological or mechanization changes. Where present employees are capable of being trained to perform the new or changed jobs, the Committee will discuss the training opportunities and programs which will be available. These discussions may include the availability of training opportunities for self-development beyond the new or changed jobs. Notice to said Committee shall satisfy the notice requirements of the preceding paragraph. Upon receiving notice, said Committee shall attempt to resolve any questions as to the impact of the proposed change upon affected employees and if such questions are not resolved within a reasonable time after such change or changes are operational, the unresolved questions may be submitted by the Union to arbitration under the grievance-arbitration procedure. Any arbitration arising under this Article will be given priority in scheduling.

Section 3. New Jobs

Any new job or jobs created by technological or mechanization changes shall be offered to present employees capable of being trained to perform the new or changed job and the Employer will provide such training. During training, the employee will maintain his/her rate. It is understood that the training herein referred to is on the job and not to exceed sixty (60) days. Certain specialized technical jobs may require additional and off-site training.

An employee whose job is eliminated, if any, and who cannot be placed in a job of equal grade shall receive saved grade until such time as that employee fails to bid or apply for a position in the employee's former wage level.

The obligation hereinabove set forth shall not be construed to, in any way, abridge the right of the Employer to make such changes.

ARTICLE 5 PROHIBITION OF UNILATERAL ACTION

The Employer will not take any actions affecting wages, hours and other terms and conditions of employment as defined in Section 8(d) of the National Labor Relations Act which violate the terms of this Agreement or are otherwise inconsistent with its obligations under law.

(The preceding Article, Article 5, shall apply to Transitional Employees)

ARTICLE 6 NO LAYOFFS OR REDUCTION IN FORCE

(1) Each employee who is employed in the regular work force as of the date of the Award of Arbitrator James J. Healy, September 15, 1978, shall be protected henceforth against any involuntary layoff or force reduction.

It is the intent of this provision to provide security to each such employee during his or her work lifetime.

Members of the regular work force, as defined in Article 7 of the Agreement, include full-time regulars, part-time employees assigned to regular schedules and part-time employees assigned to flexible schedules.

(2) Employees who become members of the regular work force after the date of this Award, September 15, 1978, shall be provided the same protection afforded under (1) above on completion of six years of continuous service and having worked in at least 20 pay periods during each of the six years.

(3) With respect to employees hired into the regular work force after the date of this Award and who have not acquired the protection provided under (2) above, the Employer shall have the right to effect layoffs for lack of work or for other legitimate reasons. This right may be exercised in lieu of reassigning employees under the provisions of Article 12, except as such right may be modified by agreement. Should the exercise of the Employer's right to lay off employees require the application of the provisions of Chapter 35 of Title 5, United States Code, employees covered by that Chapter with less than three years of continuous civilian federal service will be treated as "career conditional" employees.

The Employer's right as established in this Section shall be effective July 20, 1979.

The following terms as to the employees' and Employer's rights and the rules and procedures to be followed in the implementation of Article 6 are a part of the September 15, 1978 Final Resolution and shall be final and binding upon the parties:

[see Memo, page 165]

A. Coverage

1. Employees protected against any involuntary layoff or force reduction. Those employees who occupy full-time, part-time regular or part-time flexible positions in the regular work force (as defined in Article 7) on September 15, 1978, are protected against layoff and reduction in force during any period of employment in the regular work force with the United States Postal Service or successor organization in his or her lifetime. Such employees are referred to as "protected employees."

Other employees achieve protected status under the provisions of A.3 below.

2. Employees subject to involuntary layoff or force reduction.

Except as provided in A.1 and A.3, all employees who enter the regular work force, whether, by hire, transfer, demotion, reassignment, reinstatement and reemployment on or after September 16, 1978, are subject to layoff or force reduction and are referred to as "non-protected employees."

3. Non-protected employees achieving protected status.

- (a) A non-protected employee achieves protected status upon completion of six years of continuous service in their regular work force. The service requirement is computed from the first day of the pay period in which the employee enters the regular work force. To receive credit for the year, the employee must work at least one hour or receive a call-in guarantee in lieu of work in at least 20 of the 26 pay periods during that anniversary year. Absence from actual duty for any of the following reasons will be considered as "work" solely for the purposes of this requirement
 - (1) To the extent required by law, court leave, time spent in military service covered by Chapter 43 of Title 38, or time spent on continuation of pay, leave without pay on OWCP rolls because of compensable injury on duty.
 - (2) Time spent on paid annual leave or sick leave, as provided for in Article 10 of the Agreement.
 - (3) Leave without pay for performing Union business as provided for in Article 24 of the Agreement.

All other unpaid leave and periods of suspension or time spent in layoff or RIF status will not be considered work. Failure to meet the 20 pay period requirement in any given anniversary year means the employee must begin a new six year continuous service period to achieve protected status.

- (b) Temporary details outside of the regular work force in which the employee's position of record remains in the regular work force count toward fulfilling the 20 pay periods of work requirement per year.
- (c) If a non-protected employee leaves the regular work force for a position outside the Postal Service and remains there more than 30 calendar days, upon return the employee begins a new service period for purposes of attaining six years continuous service.
- (d) If a non-protected employee leaves the regular work force and returns within two years from a position within the Postal Service the employee will receive credit for previously completed full anniversary years, for purposes of attaining the six years continuous service.

B. Preconditions for Implementation of Layoff and Reduction in Force.

- 1. The affected Union(s) shall be notified at the Regional level no less than 90 days in advance of any layoff or reduction in force that an excess of employees exists or will exist at an installation and that a layoff and reduction in force may be necessary. The Employer

will explain to the Union(s) the basis for its conclusion that legitimate business reasons require the excessing and possible separation of employees.

2. No employee shall be reassigned under this Article or laid off or reduced in force unless and until that employee has been notified at least 60 days in advance that he or she may be affected by one or the other of these actions.
3. The maximum number of excess employees within an installation shall be determined by seniority unit within each category of employees (full-time, part-time regular, part-time flexible). This number determined by the Employer will be given to the Union(s) at the time of the 90-day notice.
4. Before implementation of reassignment under this Article or, if necessary, layoff and reduction in force of excess employees within the installation, the Employer will, to the fullest extent possible, separate all casuals within the craft and minimize the amount of overtime work and part-time flexible hours in the positions or group of positions covered by the seniority unit as defined in this Agreement or as agreed to by the parties. In addition, the Employer shall solicit volunteers from among employees in the same craft within the installation to terminate their employment with the Employer. Employees who elect to terminate their employment will receive a lump sum severance payment in the amount provided by Part 435 of the Employee and Labor Relations Manual, will receive benefit coverage to the extent provided by such Manual, and, if eligible, will be given the early retirement benefits provided by Section 8336(d)(2) of Title 5, United States Code and the regulations implementing that statute.
5. No less than 20 days prior to effecting a layoff, the Employer will post a list of all vacancies in other seniority units and crafts at the same or lower level which exist within the installation and within the commuting area of the losing installation. Employees in an affected seniority unit may, within 10 days after the posting, request a reassignment under this Article to a posted vacancy. Qualified employees will be assigned to such vacancies on the basis of seniority. If a senior non-preference eligible employee within the seniority unit indicates no interest in available reassignment, then such employee becomes exposed to layoff. A preference eligible employee within the seniority unit shall be required to accept such a reassignment to a vacancy in the same level at the installation, or, if none exists at the installation, to a vacancy in the same level at an installation within the commuting area of the losing installation.

If the reassignment is to a different craft, the employee's seniority in the new craft shall be established in accordance with the applicable seniority provisions of the new craft.

C. Layoff and Reduction in Force

1. **Definition.** The term "layoff" as used herein refers to the separation of non-protected, non-preference

eligible employees in the regular work force because of lack of work or other legitimate, non-disciplinary reasons. The term "reduction in force" as used herein refers to the separation or reduction in the grade of a non-protected veterans' preference eligible in the regular work force because of lack of work or other legitimate non-disciplinary reasons.

2. **Order of layoff.** If an excess of employees exists at an installation after satisfaction of the preconditions set forth in (B) above, the Employer may lay off employees within their respective seniority units as defined in the Agreement.
3. **Seniority units for purposes of layoff.** Seniority units within the categories of full-time regular, part-time regular, and part-time flexible, will consist of all non-protected persons at a given level within an established craft at an installation unless the parties agree otherwise. It is the intent to provide the broadest possible unit consistent with the equities of senior non-protected employees and with the efficient operation of the installation.
4. **Union representation.** Chief stewards and union stewards whose responsibilities bear a direct relationship to the effective and efficient representation of bargaining unit employees shall be placed at the top of the seniority unit roster in the order of their relative craft seniority for the purposes of layoff, reduction in force, and recall.
5. **Reduction in force.** If an excess of employees exists at an installation after satisfaction of the preconditions set forth in (B) above and after the layoff procedure has been applied, the Employer may implement a reduction in force as defined above. Such reduction will be conducted in accordance with statutory and regulatory requirements that prevail at the time the force reduction is effected. Should applicable law and regulations require that other non-protected, non-preference eligible employees from other seniority units be laid off prior to reduction in force, such employees will be laid off in inverse order of their craft seniority in the seniority unit.

In determining competitive levels and competitive areas applicable in a force reduction, the Employer will submit its proposal to the Union(s) at least 30 days prior to the reduction. The Union(s) will be afforded a full opportunity to make suggested revisions in the proposal. However, the Employer, having the primary responsibility for compliance with the statute and regulations, reserves the right to make the final decision with respect to competitive levels and competitive areas. In making its decision with respect to competitive levels and competitive areas the Employer shall give no greater retention security to preference eligibles than to non-preference eligibles except as may be required by law.

D. Recall Rights

1. Employees who are laid off or reduced in force shall be placed on recall lists within their seniority units and

shall be entitled to remain on such lists for two years. Such employees shall keep the Employer informed of their current address. Employees on the lists shall be notified in order of craft seniority within the seniority unit of all vacant assignments in the same category and level from which they were laid off or reduced in force. Preference eligibles will be accorded no recall rights greater than non-preference eligibles except as required by law. Notice of vacant assignments shall be given by certified mail, return receipt requested, and a copy of such notice shall be furnished to the local union president. An employee so notified must acknowledge receipt of the notice and advise the Employer of his or her intentions within 5 days after receipt of the notice. If the employee accepts the position offered he or she must report for work within 2 weeks after receipt of notice. If the employee fails to reply to the notice within 5 days after the notice is received or delivery cannot be accomplished, the Employer shall offer the vacancy to the next employee on the list. If an employee declines the offer of a vacant assignment in his or her seniority unit or does not have a satisfactory reason for failure to reply to a notice, the employee shall be removed from the recall list.

2. An employee reassigned from a losing installation pursuant to B.5 above and who has retreat rights shall be entitled under this Article to exercise those retreat rights before a vacancy is offered to an employee on the recall list who is junior to the reassigned employee in craft seniority.

E. Protective Benefits

1. **Severance pay.** Employees who are separated because of a layoff or reduction in force shall be entitled to severance pay in accordance with Part 435 of the Employee and Labor Relations Manual.
2. **Health and Life Insurance Coverage.** Employees who are separated because of a layoff or a reduction in force shall be entitled to the health insurance and life insurance coverage and to the conversion rights provided for in the Employee and Labor Relations Manual.

F. Union Representation Rights

1. The interpretation and application of the provisions of this Award shall be grievable under Article 15. Any such grievance may be introduced at the Regional level and shall be subject to priority arbitration.
2. The Employer shall provide to the affected Union a quarterly report on all reassignments, layoff and reductions in force made under this Article.
3. Preference eligibles are not deprived of whatever rights of appeal such employees may have under applicable laws and regulations. However, if an employee exercises these appeal rights, the employee thereby waives access to any procedure under this agreement beyond Step 3 of the grievance-arbitration procedure.

G. Intent

The Employer shall not lay off, reduce in force, or take any other action against a non-protected employee solely to prevent the attainment of that employee of protection status.

ARTICLE 7 EMPLOYEE CLASSIFICATIONS

Section 1. Definition and Use

A. Regular Work Force. The regular work force shall be comprised of two categories of employees which are as follows:

1. **Full-Time.** Employees in this category shall be hired pursuant to such procedures as the Employer may establish and shall be assigned to regular schedules consisting of five (5) eight (8) hour days in a service week.
2. **Part-Time.** Employees in this category shall be hired pursuant to such procedures as the Employer may establish and shall be assigned to regular schedules of less than forty (40) hours in a service week, or shall be available to work flexible hours as assigned by the Employer during the course of a service week.

B. Supplemental Work Force.

1. The supplemental work force shall be comprised of casual employees. Casual employees are those who may be utilized as a limited term supplemental work force, but may not be employed in lieu of full or part-time employees.
2. During the course of a service week, the Employer will make every effort to insure that qualified and available part-time flexible employees are utilized at the straight-time rate prior to assigning such work to casuals.
3. Beginning January 16, 1999, the number of casuals who may be employed within a District in any accounting period, other than accounting periods 3 and 4, shall not exceed 15% of the total number of career employees within a District covered by this Agreement, and also shall not exceed on average 5.9% of the total number of career employees covered by this Agreement during a fiscal year, exclusive of accounting periods 3 and 4. Disputes concerning violations of the casual cap will be addressed by the parties at the national level.
 - a. Any District exceeding the 15% casual cap in any accounting period, other than accounting periods 3 and 4, shall reduce their casual workforce by the total number of casuals exceeding the 15% cap within 2 accounting periods from when the violation took place, except that such reductions will not occur in accounting periods 3 and 4. The casual reduction associated with a violation occurring

in accounting period 12 or 13 will occur within the next 2 accounting periods.

- b. Any District exceeding the 15% casual cap in more than one accounting period during a fiscal year, other than accounting periods 3 and 4, will be required to settle the violation through a monetary resolution that shall be calculated by utilizing the Level 5, Step A, straight time rate.
4. Casuals are limited to two (2) ninety (90) day terms of casual employment in a calendar year. In addition to such employment, casuals may be reemployed during the Christmas period for not more than twenty-one (21) days.

C. Transitional Work Force

1. The transitional work force shall be comprised of noncareer, bargaining unit employees.
2. **Over the course of a pay period, the Employer will make a reasonable effort to ensure that qualified and available part-time flexible employees are utilized at straight-time rate prior to assigning such work to transitional employees working in the same work location and on the same tour.**
3. Transitional employees shall be hired pursuant to such procedures as the Employer may establish. They will be hired for a term not to exceed 360 calendar days for each appointment. Such employees have no daily or weekly work hour guarantees, except as provided for in Article 8.8.D. Transitional employees will have a break in service of at least 5 days between appointments.
4. **Without limitation as to their use or operational justification, the total number of APWU Transitional Employees working in non-REC sites will be in accordance with the schedule below. The Postal Service will phase out all non-REC Transitional Employees by no later than December 31, 2005.**

Calendar Year	Number
January 1, 2002 through December 31, 2002	4,000
January 1, 2003 through December 31, 2003	4,000
January 1, 2004 through December 31, 2004	4,000
January 1, 2005 through December 31, 2005	4,000

Section 2. Employment and Work Assignments

- A. Normally, work in different crafts, occupational groups or levels will not be combined into one job. However, to provide maximum full-time employment and provide necessary flexibility, management may establish full-time schedule assignments by including work within different crafts or occupational groups after the following sequential actions have been taken:
 1. All available work within each separate craft by tour has been combined.

2. Work of different crafts in the same wage level by tour has been combined.

The appropriate representatives of the affected Unions will be informed in advance of the reasons for establishing the combination full-time assignments within different crafts in accordance with this Article.

- B. In the event of insufficient work on any particular day or days in a full-time or part-time employee's own scheduled assignment, management may assign the employee to any available work in the same wage level for which the employee is qualified, consistent with the employee's knowledge and experience, in order to maintain the number of work hours of the employee's basic work schedule.
- C. During exceptionally heavy workload periods for one occupational group, employees in an occupational group experiencing a light workload period may be assigned to work in the same wage level, commensurate with their capabilities, to the heavy workload area for such time as management determines necessary.

[See Memo, page 166]

Section 3. Employee Complements

- A. The Employer shall staff all postal installations which have 200 or more man years of employment in the regular work force as of the date of this Agreement as follows:
 1. With respect to the combined bargaining units represented by the APWU, as set forth in Article 1—80% full-time employees.
- B. The Employer shall maximize the number of full-time employees and minimize the number of part-time employees who have no fixed work schedules in all postal installations; however, nothing in this paragraph B shall detract from the USPS' ability to use the awarded full-time/part-time ratio as provided for in paragraph 3.A. above.
- C. A part-time flexible employee working eight (8) hours within ten (10), on the same five (5) days each week and the same assignment over a six month period will demonstrate the need for converting the assignment to a full-time position.

[see Memo, page 166]

ARTICLE 8 HOURS OF WORK

Section 1. Work Week

The work week for full-time regulars shall be forty (40) hours per week, eight (8) hours per day within ten (10) consecutive hours, provided, however, that in all offices with more than 100 full-time employees in the bargaining units the normal work week for full-time regular employees will be forty hours per week, eight hours per day within nine (9) consecutive hours. Shorter work weeks will, however, exist as needed for part-time regulars.

[see Memos, pages 166]

Section 2. Work Schedules

- A. The employee's service week shall be a calendar week beginning at 12:01 a.m. Saturday and ending at 12 midnight the following Friday.
- B. The employee's service day is the calendar day on which the majority of work is scheduled. Where the work schedule is distributed evenly over two calendar days, the service day is the calendar day on which such work schedule begins.
- C. The employee's normal work week is five (5) service days, each consisting of eight (8) hours, within ten (10) consecutive hours, except as provided in Section 1 of this Article. As far as practicable the five days shall be consecutive days within the service week.

Section 3. Exceptions

The above shall not apply to part-time employees and transitional employees.

Part-time employees will be scheduled in accordance with the above rules, except they may be scheduled for less than eight (8) hours per service day and less than forty (40) hours per normal work week.

Transitional employees will be scheduled in accordance with Section 2, A and B, of this Article.

Section 4. Overtime Work

- A. Overtime pay is to be paid at the rate of one and one-half (1 ½) times the basic hourly straight-time rate.
- B. Overtime shall be paid to employees for work performed only after eight (8) hours on duty in any one service day or forty (40) hours in any one service week. Nothing in this Section shall be construed by the parties or any reviewing authority to deny the payment of overtime to employees for time worked outside of their regularly scheduled work week at the request of the Employer.
- C. Penalty overtime pay is to be paid at the rate of two (2) times the basic hourly straight-time rate. Penalty overtime pay will not be paid for any hours worked in the month of December.

- D. Penalty overtime pay will be paid to full-time regular employees for any overtime work in contravention of the restrictions in Section 5.F.
- E. Excluding December, part-time flexible employees will receive penalty overtime pay for all work in excess of ten (10) hours in a service day or fifty-six (56) hours in a service week.
- F. Wherever two or more overtime or premium rates may appear applicable to the same hour or hours worked by an employee, there shall be no pyramiding or adding together of such overtime or premium rates and only the higher of the employee's applicable rates shall apply.
- G. Overtime Work Transitional Employees

Transitional employees shall be paid overtime for work performed in excess of forty (40) work hours in any one service week. Overtime pay for transitional employees is to be paid at the rate of one and one-half (1 ½) times the basic hourly straight-time rate.

When an opportunity exists for overtime for qualified and available full-time employees, doing similar work in the work location where the employees regularly work, prior to utilizing a transitional employee in excess of eight (8) work hours in a service day, such qualified and available full-time employees on the appropriate Overtime Desired List will be selected to perform such work in order of their seniority on a rotating basis.

Section 5. Overtime Assignments

When needed, overtime work for regular full-time employees shall be scheduled among qualified employees doing similar work in the work location where the employees regularly work in accordance with the following:

- A. Two weeks prior to the start of each calendar quarter, full-time regular employees desiring to work overtime during that quarter shall place their names on an "Overtime Desired" list.
- B. Lists will be established by craft, section, or tour in accordance with Article 30, Local Implementation.
- C. 1.a. When during the quarter the need for overtime arises, employees with the necessary skills having listed their names will be selected in order of their seniority on a rotating basis.
 - b. Those absent or on leave shall be passed over.
- D. If the voluntary "Overtime Desired" list does not provide sufficient qualified people, qualified full-time regular employees not on the list may be required to work overtime on a rotating basis with the first opportunity assigned to the junior employee.
- E. Exceptions to C and D above if requested by the employee, may be approved by local management in

exceptional cases based on equity (e.g., anniversaries, birthdays, illness, deaths).

- F. Excluding December, no full-time regular employee will be required to work overtime on more than four (4) of the employee's five (5) scheduled days in a service week or work over ten (10) hours on a regularly scheduled day, over eight (8) hours on a non-scheduled day, or over six (6) days in a service week.
- G. Full-time employees not on the "Overtime Desired" list may be required to work overtime only if all available employees on the "Overtime Desired" list have worked up to twelve (12) hours in a day or sixty (60) hours in a service week. Employees on the "Overtime Desired" list:
 - 1. may be required to work up to twelve (12) hours in a day and sixty (60) hours in a service week (subject to payment of penalty overtime pay set forth in Section 4.D for contravention of Section 5.F); and
 - 2. excluding December, shall be limited to no more than twelve (12) hours of work in a day and no more than sixty (60) hours of work in a service week.

However, the Employer is not required to utilize employees on the "Overtime Desired" list at the penalty overtime rate if qualified employees on the "Overtime Desired" list who are not yet entitled to penalty overtime are available for the overtime assignment.

Section 6. Sunday Premium Payment

Each employee whose regular work schedule includes a period of service, any part of which is within the period commencing at midnight Saturday and ending at midnight Sunday, shall be paid extra compensation at the rate of 25 percent of the employee's base hourly rate of compensation for each hour of work performed during that period of service. An employee's regularly scheduled reporting time shall not be changed on Saturday or Sunday solely to avoid the payment of Sunday premium payment.

Section 7. Night Shift Differential

Effective for the period November 21, 1998, through November 20, 2000, for time worked between the hours of 6:00 p.m. and 6:00 a.m., employees shall be paid additional compensation at the applicable flat dollar amount at each pay grade and step in accordance with the attached table (Table Three).

Section 8. Guarantees

- A. An employee called in outside the employee's regular work schedule shall be guaranteed a minimum of four (4) consecutive hours of work or pay in lieu thereof where less than four (4) hours of work is available. Such guaranteed minimum shall not apply to an employee called in who continues working on into the employee's regularly scheduled shift.

- B. When a full-time regular employee is called in on the employee's non-scheduled day, the employee will be guaranteed eight hours work or pay in lieu thereof.
- C. The Employer will guarantee all employees at least four (4) hours work or pay on any day they are requested or scheduled to work in a post office or facility with 200 or more man years of employment per year. All employees at other post offices and facilities will be guaranteed two (2) hours work or pay when requested or scheduled to work.
- D. Effective June 7, 1996, any transitional employee who is scheduled to work and who reports shall be guaranteed two (2) hours of work or pay. Such work or pay shall not be guaranteed if such employees are directed not to report ahead of the time they were scheduled to report to work.

Section 9. Wash-Up Time

Installation heads shall grant reasonable wash-up time to those employees who perform dirty work or work with toxic materials. The amount of wash-up time granted each employee shall be subject to the grievance procedure.

(The preceding paragraph, Article 8.9, shall apply to Transitional Employees.)

ARTICLE 9 SALARIES AND WAGES

Section 1. Basic Annual Salary

For those grades and steps in effect during the term of the **1998** Agreement, the basic annual salary schedules, with proportional application to hourly rate employees, for those employees covered under the terms and conditions of this Agreement shall be increased as follows:

Effective **November 18, 2000**—the basic annual salary for each grade and step shall be increased by an amount equal to **1.2%** of the basic annual salary for the applicable grade and step as set forth in the Postal Service Salary Schedules appended hereto (Table One).

Effective **November 17, 2001**—the basic annual salary for each grade and step shall be increased by an amount equal to **1.8%** of the basic annual salary for the applicable grade and step as set forth in the Postal Service Salary Schedule appended hereto (Table One).

Effective **November 16, 2002**—the basic annual salary for each grade and step shall be increased by an amount equal to **1.4%** of the basic annual salary for the applicable grade and step as set forth in the Postal Service Salary Schedule appended hereto (Table One).

Section 2. Step Progression Schedule

The step progression for the salary schedule shall be as follows:

effective date of the one-time cash payment, i.e. December 18, 2001.

Section 4. Cost of Living Adjustment

A. Definitions

1. "Consumer Price Index" refers to the "National Consumer Price Index for Urban Wage Earners and Clerical Workers," published by the Bureau of Labor Statistics, United States Department of Labor (1967=100) and referred to herein as the "Index."
2. "Consumer Price Index Base" refers to the Consumer Price Index for the month of October **2001** and is referred to herein as the "Base Index."

B. Effective Dates of Adjustment

Each employee covered by this Agreement shall receive cost-of-living adjustments, upward, in accordance with the formula in Section 4.C, below, effective on the following dates:

- the second full pay period after the release of the January **2002** Index
- the second full pay period after the release of the July **2002** Index
- the second full pay period after the release of the January **2003** Index
- the second full pay period after the release of the July **2003** Index

C. The basic salary schedules provided for in this Agreement shall be increased 1 cent per hour for each full 0.4 of a point increase in the applicable Index above the Base Index. For example, if the increase in the Index from October **2001** to January **2002** is 1.2 points, all pay scales for employees covered by this Agreement will be increased by 3 cents per hour. In no event will a decline in the Index below the Base Index result in a decrease in the pay scales provided for in this Agreement.

D. In the event the appropriate Index is not published on or before the beginning of the effective payroll period, any adjustment required will be made effective at the beginning of the second payroll period after publication of the appropriate Index.

E. No adjustment, retroactive or otherwise, shall be made due to any revision which may later be made in the published figures for the Index for any month mentioned in 4.B, above.

F. If during the life of this Agreement, the BLS ceases to make available the CPI-W (1967 = 100), the parties agree to use the CPI-W (1982-84=100) at such time as BLS ceases to make available the CPI-W (1967=100). At the time of change to the CPI-W (1982-84=100), the cost-of-living formula in Section **4.C** will be recalculated to provide the same cost-of-living adjustment that would have been granted under the formula using the CPI-W (1967 = 100).

Section 5. Application of Salary Rates

The Employer shall continue the current application of salary rates for the duration of this Agreement.

Section 6. Granting Step Increases

The Employer will continue the program on granting step increases for the duration of this Agreement.

Section 7. Protected Salary Rates

A. The Employer shall continue the current salary rate protection program for the duration of this Agreement.

B. Employees who qualify for "saved grade" will receive "saved grade" for an indefinite period of time subject to the conditions contained in Article 4, Section 3, and Article 37.4.C.2.

Section 8 Transitional Employee

The hourly rates for transitional employees shall be increased for all grades as follows:

Effective November 18, 2000 - the hourly rates for all grades shall be increased by **1.2%**, based on the salary schedule appended hereto (Table Two).

Effective November 17, 2001 - the hourly rates for all grades shall be increased by **1.8%**, based on the salary schedule appended hereto (Table Two).

Effective November 16, 2002 - the hourly rates for all grades shall be increased by **1.4%**, based on the salary schedule appended hereto (Table Two).

TABLE ONE - Full-Time Regular APWU Salary Schedule 1

Effective September 9, 2000 (PP 20-2000)

This table does not include the 1.2% basic pay increase effective November 11, 2000.

APWU RSC P and C

	BB	AA	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P
2			35,308	35,543	35,781	36,019	36,260											
3			35,881	36,137	36,398	36,651	36,910											
4			36,505	36,782	37,063	37,340	37,615											
5			37,181	37,479	37,780	38,076	38,377											
6			37,909	38,234	38,567	38,902	39,209											
7			38,699	39,049	39,397	39,749	40,100											

TABLE ONE - Full-Time Regular APWU Salary Schedule 2

Effective September 9, 2000 (PP 20-2000)

This table does not include the 1.2% base pay increase effective November 18, 2000.

APWU RSC P and C

	BB	AA	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P
1	22,552	23,457	24,355	25,253	26,151	27,049	27,947	28,845	29,743	30,641	31,539	32,437	33,335	34,233	35,131	36,029	37,133	
2	23,598	24,487	25,376	26,265	27,154	28,043	28,932	29,821	30,710	31,599	32,488	33,377	34,266	35,155	36,044	36,933	37,924	
3	24,630	25,510	26,390	27,270	28,150	29,030	29,910	30,790	31,670	32,550	33,430	34,310	35,190	36,070	36,950	37,830	38,710	
4			27,965	28,793	29,621	30,449	31,277	32,105	32,933	33,761	34,589	35,417	36,245	37,073	37,901	38,729	39,557	
5			29,496	30,280	31,064	31,848	32,632	33,416	34,200	34,984	35,768	36,552	37,336	38,120	38,904	39,688	40,472	
6			31,124	31,864	32,604	33,344	34,084	34,824	35,564	36,304	37,044	37,784	38,524	39,264	40,004	40,744	41,484	
7			31,875	32,637	33,399	34,161	34,923	35,685	36,447	37,209	37,971	38,733	39,495	40,257	41,019	41,781	42,543	
8					37,455	38,225	38,995	39,765	40,535	41,305	42,075	42,845	43,615	44,385	45,155	45,925	46,695	
9					38,343	39,146	39,949	40,752	41,555	42,358	43,161	43,964	44,767	45,570	46,373	47,176	47,979	
10					39,279	39,918	40,557	41,196	41,835	42,474	43,113	43,752	44,391	45,030	45,669	46,308	46,947	

TABLE TWO
Transitional Employee Rates

		Pay Grade									
		1	2	3	4	5	6	7	8	9	10
	Effective September 9, 2000	10.13	10.28	10.44	11.60	12.33	13.09	13.39	15.81	16.22	16.64
	Effective November 18, 2000	10.25	10.40	10.57	11.74	12.48	13.25	13.55	16.00	16.41	16.84
	Effective November 17, 2001	10.43	10.59	10.76	11.95	12.70	13.49	13.79	16.28	16.70	17.14
	Effective November 16, 2002	10.57	10.73	10.91	12.11	12.87	13.67	13.98	16.50	16.93	17.37

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Effective November 18, 2000

Effective November 17, 2001

Effective November 16, 2002

TABLE THREE

Page 1 of 5

**Full-time and Part-time Regular Night Differential Rates
Schedule 1 - Effective November 18, 2000 (PP 25-2000)**

GRADE	PAY STEP							
	D	E	F	G	H			
2	1.37	1.38	1.39	1.40	1.41			
3	1.39	1.40	1.41	1.42	1.43			
4	1.42	1.43	1.44	1.45	1.46			
5	1.45	1.46	1.47	1.48	1.50			
6	1.48	1.49	1.50	1.52	1.53			
7	1.51	1.52	1.54	1.55	1.57			

TABLE THREE

Page 2 of 5

**Part-time Flexible Night Differential Rates
Schedule 1 - Effective November 18, 2000 (PP 25-2000)**

GRADE	PAY STEP							
	D	E	F	G	H			
2	1.42	1.43	1.44	1.45	1.46			
3	1.44	1.45	1.47	1.48	1.49			
4	1.47	1.48	1.49	1.51	1.52			
5	1.50	1.51	1.53	1.54	1.55			
6	1.53	1.55	1.56	1.57	1.59			
7	1.57	1.58	1.60	1.61	1.63			

TABLE THREE

**Full-time and Part-time Regular Night Differential Rates
Schedule 2 - Effective November 18, 2000 (PP 25-2000)**

GRADE	PAY STEP																	
	BB	AA	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P
1	0.84	0.86	0.92	0.95	0.99	1.03	1.07	1.11	1.15	1.18	1.22	1.26	1.30	1.34	1.37	1.41	1.45	
2	0.88	0.92	0.95	0.99	1.03	1.07	1.11	1.14	1.18	1.22	1.26	1.29	1.33	1.37	1.41	1.44	1.48	
3	0.93	0.97	1.00	1.04	1.08	1.11	1.15	1.18	1.22	1.26	1.29	1.33	1.37	1.40	1.44	1.47	1.51	
4			1.06	1.10	1.13	1.17	1.20	1.24	1.27	1.31	1.34	1.36	1.41	1.45	1.48	1.52	1.55	
5			1.12	1.15	1.19	1.22	1.25	1.28	1.32	1.35	1.38	1.42	1.45	1.48	1.51	1.55	1.58	
6			1.19	1.22	1.25	1.28	1.32	1.35	1.38	1.41	1.44	1.47	1.50	1.54	1.57	1.60	1.63	
7			1.22	1.25	1.28	1.32	1.35	1.38	1.41	1.45	1.48	1.51	1.54	1.57	1.61	1.64	1.67	
8						1.45	1.48	1.50	1.53	1.55	1.58	1.60	1.62	1.65	1.67	1.70	1.72	1.74
9						1.50	1.52	1.55	1.57	1.60	1.62	1.65	1.67	1.70	1.72	1.75	1.77	1.80
10						1.54	1.56	1.59	1.62	1.64	1.67	1.70	1.72	1.75	1.78	1.80	1.83	1.86

TABLE THREE

Part-time Flexible Night Differential Rates

Schedule 2 - Effective November 18, 2000 (PP 25-2000)

GRADE	PAY STEP																	
	BB	AA	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P
1	0.87	0.91	0.95	0.99	1.03	1.07	1.11	1.15	1.19	1.22	1.26	1.30	1.34	1.38	1.42	1.46	1.50	
2	0.91	0.95	0.99	1.03	1.07	1.10	1.14	1.18	1.22	1.26	1.30	1.34	1.38	1.41	1.45	1.49	1.53	
3	0.95	0.99	1.03	1.07	1.11	1.14	1.18	1.22	1.26	1.30	1.34	1.38	1.42	1.45	1.48	1.53	1.57	
4			1.10	1.14	1.17	1.21	1.24	1.28	1.31	1.35	1.39	1.42	1.46	1.49	1.53	1.56	1.60	
5			1.16	1.19	1.23	1.26	1.30	1.33	1.37	1.40	1.43	1.47	1.50	1.54	1.57	1.61	1.64	
6			1.23	1.26	1.30	1.33	1.36	1.39	1.43	1.46	1.49	1.53	1.56	1.59	1.62	1.66	1.69	
7			1.26	1.29	1.33	1.36	1.39	1.43	1.46	1.50	1.53	1.56	1.60	1.63	1.66	1.70	1.73	
8						1.52	1.54	1.57	1.59	1.62	1.64	1.67	1.69	1.72	1.74	1.77	1.79	1.82
9						1.55	1.57	1.60	1.63	1.65	1.68	1.71	1.73	1.76	1.79	1.81	1.84	1.87
10						1.59	1.62	1.65	1.67	1.70	1.73	1.76	1.79	1.82	1.84	1.87	1.90	1.93

TABLE THREE

Transitional Employee Night Differential Rates Effective November 18, 2000 (PP 25-2000)

		PAY GRADE									
		1	2	3	4	5	6	7	8	9	10
		0.88	0.90	0.91	1.02	1.09	1.16	1.18	1.41	1.44	1.48

ARTICLE 10 LEAVE

Section 1. Funding

The Employer shall continue funding the leave program so as to continue the current leave earning level for the duration of this Agreement.

Section 2. Leave Regulations

A. The leave regulations in Subchapter 510 of the Employee and Labor Relations Manual, insofar as such regulations establish wages, hours and working conditions of employees covered by this Agreement, shall remain in effect for the life of this Agreement.

B. Career employees will be given preference over noncareer employees when scheduling annual leave. This preference will take into consideration that scheduling is done on a tour-by-tour basis and that employee skills are a determining factor in this decision.

(The preceding paragraph, Article 10.2B, applies to Transitional Employees.)

[see Memos, pages 169,170]

Section 3. Choice of Vacation Period

A. It is agreed to establish a nationwide program for vacation planning for employees in the regular work force with emphasis upon the choice vacation period(s) or variations thereof.

B. Care shall be exercised to assure that no employee is required to forfeit any part of such employee's annual leave.

C. The parties agree that the duration of the choice vacation period(s) in all postal installations shall be determined pursuant to local implementation procedures.

D. Annual leave shall be granted as follows:

1. Employees who earn 13 days annual leave per year shall be granted up to ten (10) days of continuous annual leave during the choice period. The number of days of annual leave, not to exceed ten (10), shall be at the option of the employee.
2. Employees who earn 20 or 26 days annual leave per year shall be granted up to fifteen (15) days of continuous annual leave during the choice period. The number of days of annual leave, not to exceed fifteen (15), shall be at the option of the employee.
3. The subject of whether an employee may at the employee's option request two (2) selections during the choice period(s), in units of either 5 or 10 working days, the total not to exceed the ten (10) or fifteen (15) days above, may be determined pursuant to local implementation procedures.

4. The remainder of the employee's annual leave may be granted at other times during the year, as requested by the employee.

E. The vacation period shall start on the first day of the employee's basic work week. Exceptions may be granted by agreement among the employee, the Union representative and the Employer.

F. An employee who is called for jury duty during the employee's scheduled choice vacation period or who attends a National State or Regional Convention (Assembly) during the choice vacation period is eligible for another available period provided this does not deprive any other employee of first choice for scheduled vacation.

Section 4. Vacation Planning

The following general rules shall be observed in implementing the vacation planning program:

A. The Employer shall, no later than November 1, publicize on bulletin boards and by other appropriate means the beginning date of the new leave year, which shall begin with the first day of the first full pay period of the calendar year.

B. The installation head shall meet with the representatives of the Union to review local service needs as soon after January 1 as practical. The installation head shall then:

1. Determine the amount of annual leave accrued to each employee's credit including that for the current year and the amount he/she expects to take in the current year.
2. Determine a final date for submission of applications for vacation period(s) of the employee's choice during the choice vacation period(s).
3. Provide official notice to each employee of the vacation schedule approved for each employee.

C. A procedure in each office for submission of applications for annual leave for periods other than the choice period may be established pursuant to the implementation procedure above.

D. All advance commitments for granting annual leave must be honored except in serious emergency situations.

Section 5. Sick Leave

The Employer agrees to continue the administration of the present sick leave program which shall include the following specific items:

A. Credit employees with sick leave as earned.

B. Charge to annual leave or leave without pay (at employee's option) approved absence for which employee has insufficient sick leave.

C. Employee becoming ill while on annual leave may have leave charged to sick leave upon request.

D. For periods of absence of three (3) days or less, a supervisor may accept an employee's certification as reason for an absence.

[See Memo, page 170]

Section 6. Minimum Charge for Leave

The minimum unit charged for sick leave and annual leave for regular work force employees as defined in Article 7, Section 1A, is one hundredth of an hour (.01 hour).

Employees may utilize annual and sick leave in conjunction with leave without pay, subject to the approval of the leave in accordance with normal leave approval procedures. The Employer is not obligated to approve such leave for the last hour of the employee's scheduled workday prior to and/or the first hour of the employee's scheduled workday after a holiday.

(Additional leave provisions regarding Transitional Employees can be found in Appendix A)

ARTICLE 11 HOLIDAYS

Section 1. Holidays Observed

The following ten (10) days shall be considered holidays for full-time and part-time regular scheduled employees hereinafter referred to in this Article as "employees":

New Year's Day
Martin Luther King, Jr.'s Birthday
Washington's Birthday
Memorial Day
Independence Day
Labor Day
Columbus Day
Veterans' Day
Thanksgiving Day
Christmas Day

Section 2. Eligibility

To be eligible for holiday pay, an employee must be in a pay status the last hour of the employee's scheduled workday prior to or the first hour of the employee's scheduled workday after the holiday.

Section 3. Payment

A. An employee shall receive holiday pay at the employee's base hourly straight time rate for a number of hours equal to the employee's regular daily working schedule, not to exceed eight (8) hours. **Effective February 2, 2002, employees who work their holiday, at their option, may elect to have their annual leave balance credited with eight (8) hours of annual leave in lieu of holiday leave pay.**

B. Holiday pay is in lieu of other paid leave to which an employee might otherwise be entitled on the employee's holiday.

Section 4. Holiday Work

A. An employee required to work on a holiday other than Christmas shall be paid the base hourly straight time rate for each hour worked up to eight (8) hours. **Effective February 2, 2002, employees who work their holiday, at their option, may elect to have their annual leave balance credited with eight (8) hours of annual leave or receive holiday pay to which the employee is entitled as above described.**

B. An employee required to work on Christmas shall be paid one and one-half (1½) times the base hourly straight time rate for each hour worked. **Effective February 2, 2002, employees who work their holiday, at their option, may elect to have their annual leave balance credited with eight (8) hours of annual leave or receive holiday pay to which the employee is entitled as above described.**

C. Deferred holiday leave credited in accordance with Section 4.A or 4.B, above, will be subject to all applicable rules for requesting and scheduling annual leave and shall be combined with annual leave and counted as annual leave for purposes of annual leave carryover.

Section 5. Holiday on Non-Work Day

A. When a holiday falls on Sunday, the following Monday will be observed as the holiday. When a holiday falls on Saturday, the preceding Friday shall be observed as the holiday.

B. When an employee's scheduled non-work day falls on a day observed as a holiday, the employee's scheduled workday preceding the holiday shall be designated as that employee's holiday.

Section 6. Holiday Schedule

A. The Employer will determine the number and categories of employees needed for holiday work and a schedule shall be posted as of the Tuesday preceding the service week in which the holiday falls.

B. As many full-time and part-time regular schedule employees as can be spared will be excused from duty on a holiday or day designated as their holiday. Such employees will not be required to work on a holiday or day designated as their holiday unless all casuals and part-time flexibles are utilized to the maximum extent possible even if the payment of overtime is required, and unless all full-time and part-time regulars with the needed skills who wish to work on the holiday have been afforded an opportunity to do so.

C. An employee scheduled to work on a holiday who does not work shall not receive holiday pay, unless such absence is based on an extreme emergency situation and is excused by the Employer.

D. Transitional Employee

Transitional employees will be scheduled for work on a holiday or designated holiday after all full-time volunteers are scheduled to work on their holiday or designated holiday. They will be scheduled, to the extent possible, prior to any full-time volunteers or nonvolunteers being scheduled to work a

nonscheduled day or any full-time nonvolunteers being required to work their holiday or designated holiday. If the parties have locally negotiated a pecking order that would schedule full-time volunteers on a nonscheduled day, the Local Memorandum of Understanding will apply.

Section 7. Holiday Part-Time Employee

A part-time flexible schedule employee shall not receive holiday pay as such. The employee shall be compensated for the ten (10) holidays by basing the employee's regular straight time hourly rate on the employee's annual rate divided by 2,000 hours. For work performed on December 25 a part-time flexible schedule employee shall be paid in addition to the employee's regular straight time hourly rate, one-half (1/2) times the employee's regular straight time hourly rate for each hour worked up to eight (8) hours.

ARTICLE 12 PRINCIPLES OF SENIORITY, POSTING AND REASSIGNMENTS

Section 1. Probationary Period

A. The probationary period for a new employee shall be ninety (90) calendar days. The Employer shall have the right to separate from its employ any probationary employee at any time during the probationary period and these probationary employees shall not be permitted access to the grievance procedure in relation thereto. If the Employer intends to separate an employee during the probationary period for scheme failure, the employee shall be given at least seven (7) days advance notice of such intent to separate the employee. If the employee qualifies on the scheme within the notice period, the employee will not be separated for prior scheme failure.

B. The parties recognize that the failure of the Employer to discover a falsification by an employee in the employment application prior to the expiration of the probationary period shall not bar the use of such falsification as a reason for discharge.

C. When an employee completes the probationary period, seniority will be computed in accordance with this Agreement as of the initial day of full-time or part-time employment.

D. When an employee who is separated from the Postal Service for any reason is rehired, the employee shall serve a new probationary period. If the separation was due to disability, the employee's seniority shall be established in accordance with Section 2, if applicable.

Section 2. Principles of Seniority

A. Except as specifically provided in this Article, the principles of seniority are established in the craft Articles of this Agreement.

B. An employee who left the bargaining unit on or after November 20, 1994, and returns to the same craft and installation:

1. will begin a new period of seniority if the employee returns from a position outside the Postal Service; or

2. will begin a new period of seniority if the employee returns from a non-bargaining unit position within the Postal Service, unless the employee returns within 1 year from the date the employee left the unit.

C. An employee who left the bargaining unit before July 21, 1973, and returns to the same craft shall have seniority as specified in the 1971-1973 National Agreement.

D. An employee who left the bargaining unit during the period from July 21, 1973, to November 19, 1994, and returns to the same craft has seniority as provided in the 1990-1994 National Agreement.

E. Except as provided in the Motor Vehicle craft, an employee who left the craft and/or installation and returns to the same craft and/or installation will begin a new period of seniority unless the employee returns within 1 year from the date the employee left the craft and/or installation.

F. The seniority for employees returning, within one year, under B.2. above shall be established after reassignment as the seniority the employee had when he/she left minus seniority credit for service outside the bargaining unit, craft and/or installation.

Section 3. Principles of Posting

A. To insure a more efficient and stable work force, an employee may be designated a successful bidder no more than five (5) times during the duration of this Agreement unless such bid:

1. is to a job in a higher wage level;
2. is due to elimination or reposting of the employee's duty assignment; or
3. enables an employee to become assigned to a station closer to the employee's place of residence.

B. Specific provisions for posting for each craft are contained in the craft posting provisions of this Agreement.

Section 4. Principles of Reassignments

A. A primary principle in effecting reassignments will be that dislocation and inconvenience to employees in the regular work force shall be kept to a minimum, consistent with the needs of the service. Reassignments will be made in accordance with this Section and the provisions of Section 5 below.

B. When a major relocation of employees is planned in major metropolitan areas or due to the implementation of national postal mail networks, the Employer will apply this Article in the development of the relocation and reassignment plan. At least 90 days in advance of implementation of such plan, the Employer will meet with the Union at the national level to fully advise the Union how it intends to implement the plan. If the Union believes such plan violates the National Agreement, the matter may be grieved.

Such plan shall include a meeting at the regional level in advance (as much as six months whenever possible) of the reassignments anticipated. The Employer will advise the Union

based on the best estimates available at the time of the anticipated impact; the numbers of employees affected by craft; the locations to which they will be reassigned; and, in the case of a new installation, the anticipated complement by tour and craft. The Union at the Regional Level will be periodically updated by the Employer should any of the information change due to more current data being available.

C. When employees are excessed out of their installation, the Union at the national level may request a comparative work hour report of the losing installation 60 days after the excessing of such employees.

If a review of the report does not substantiate that business conditions warranted the action taken, such employees shall have their retreat rights activated. If the retreat right is denied, the employees have the right to the grievance-arbitration procedure.

D. In order to minimize the impact on employees in the regular work force, the Employer agrees to separate, to the extent possible, casual employees working in the affected craft and installation prior to excessing any regular employee in that craft out of the installation. The junior full-time employee who is being excessed has the option of reverting to part-time flexible status in his/her craft, or of being reassigned to the gaining installation.

Section 5. Reassignments

A. Basic Principles and Reassignments

When it is proposed to:

1. Discontinue an independent installation;
2. Consolidate an independent installation (i.e., discontinue the independent identity of an installation by making it part of another and continuing independent installation);
3. Transfer a classified station or classified branch to the jurisdiction of an other installation or make an independent installation;
4. Reassign within an installation employees excess to the needs of a section of that installation;
5. Reduce the number of regular work force employees of an installation other than by attrition;
6. Centralized mail processing and/or delivery installation (Clerk Craft only);
7. Reassignment---motor vehicles;
8. Reassignment--part-time flexibles in excess of quota; such actions shall be subject to the following principles and requirements.

B. Principles and Requirements

1. Dislocation and inconvenience to full-time and part-time flexible employees shall be kept to the minimum consistent with the needs of the service.

2. The Vice-President, Area Operations shall give full consideration to withholding sufficient full-time and part-time flexible positions within the area for full-time and part-time flexible employees who may be involuntarily reassigned. When positions are withheld, local management will periodically review the continuing need for withholding such positions and discuss with the union the results of such review.
3. No employee shall be allowed to displace, or “bump” another employee, properly holding a position or duty assignment.
4. The Union shall be notified in advance (as much as six (6) months whenever possible), such notification to be at the regional level, except under A.4 above, which shall be at the local level.
5. Full-time and part-time flexible employees involuntarily detailed or reassigned from one installation to another shall be given not less than 60 days advance notice, if possible, and shall receive moving, mileage, per diem and reimbursement for movement of household goods as appropriate if legally payable will be governed by the standardized Government travel regulations as set forth in Methods Handbook F- 10, “Travel.”
6. Any employee volunteering to accept reassignment to another craft or occupational group, another branch of the Postal Service, or another installation shall start a new period of seniority beginning with such assignment, except as provided herein.
7. Whenever changes in mail handling patterns are undertaken in an area including one or more postal installations with resultant successive reassignments of clerks from those installations to one or more central installations, the reassignment of clerks shall be treated as details for the first 180 days in order to prevent inequities in the seniority lists at the gaining installations. The 180 days is computed from the date of the first detail of a clerk to the central, consolidated or new installation in that specific planning program. If a tie develops in establishing the merged seniority roster at the gaining installation, it shall be broken by total continuous service in the regular work force in the same craft.
8. Whenever in this Agreement provision is made for reassignments, it is understood that any full-time or part-time flexible employee reassigned must meet the qualification requirements of the position to which reassigned.
9. Whenever the provisions of the Section establishing seniority are inconsistent with the provisions of the Craft Articles of this Agreement, the provisions of the Craft Articles shall prevail.
10. It is understood that any employee entitled hereunder to a specific placement may exercise such entitlement only if no other employee has a superior claim hereunder to the same position.

11. Surplus/excess U.S. Postal Service Employees-- Surplus/excess U.S. Postal Service employees from non-mail processing and non-mail delivery installations, regional offices, the U.S. Postal Service Headquarters or from other Federal departments or agencies shall be placed at the foot of the part-time flexible roll and begin a new period of seniority effective the date of reassignment. Except as provided in Article 12.2, surplus/excess U.S. Postal Service employees from an APWU bargaining unit in any such facility shall begin a new period of seniority but will retain their full-time or part-time status.

C. Special Provisions on Reassignments

In addition to the general principles and requirements above specified, the following specific provisions are applicable:

1. Discontinuance of an Independent Installation

- a. When an independent installation is discontinued, all full-time and part-time flexible employees shall, to the maximum extent possible, be involuntarily reassigned to continuing postal positions in accordance with the following:
- b. Involuntary reassignment of full-time employees with their seniority for duty assignments to vacancies in the same or lower level in the same craft or occupational group in installations within 100 miles of the discontinued installation, or in more distant installations, if after consultation with the Union, it is determined that it is necessary. The Postal Service will designate such installations for the reassignment of excess full-time employees. When two or more such vacancies are simultaneously available, first choice of duty assignment shall go to the senior employee entitled by displacement from a discontinued installation to such placement.
- c. Involuntary reassignment of full-time employees for whom consultation did not provide for placement under C.1.b above in other crafts or occupational groups in which they meet minimum qualifications at the same or lower level with permanent seniority for duty assignments under (1) and (2) below, whichever is lesser:
 - (1) One day junior to the seniority of the junior full-time employee in the same level and craft or occupation in the installation to which assigned, or
 - (2) The seniority the employee had in the craft from which reassigned.
- d. Involuntary reassignment of part-time flexible employees with seniority in any vacancy in the part-time flexible quota in the same craft or occupational group at any installation within 100 miles of the discontinued installation, or in

more distant installations, if after consultation with the Union it is determined that it is necessary, the Postal Service will designate such installations for the reassignment of the part-time flexible employees.

- e. Involuntary reassignment of part-time flexible employees for whom consultation did not provide for placement under C.1.d above in other crafts or occupational groups in which they meet minimum qualification at the same or lower level at the foot of the existing part-time flexible roster at the receiving installation and begin a new period of seniority.
- f. Full-time employees for whom no full-time vacancies are available by the time the installation is discontinued shall be changed to part-time flexible employees in the same craft and placed as such, but shall for six months retain placement rights to full-time vacancies developing within that time within any installation within 100 miles of the discontinued installation, or in more distant installations, if after consultation with the Union it is necessary, U.S. Postal Service will designate such installations for the reassignment of excess full-time employees on the same basis as if they had remained full-time.
- g. Employees, full-time or part-time flexible, involuntarily reassigned as above provided shall upon the reestablishment of the discontinued installation be entitled to reassignment with full seniority to the first vacancy in the reestablished installation in the level, craft or occupational group from which reassigned.

2. Consolidation of an Independent Installation

- a. When an independent postal installation is consolidated with another postal installation, each full-time or part-time flexible employee shall be involuntarily reassigned to the continuing installation without loss of seniority in the employee's craft or occupational group.
- b. Where reassignments under 2.a, preceding, result in an excess of employees in any craft or occupational group in the continuing installation, identification and placement of excess employees shall be accomplished by the continuing installation in accordance with the provisions of this Agreement covering such situations.
- c. If the consolidated installation again becomes an independent installation, each full-time and part-time flexible employee whose reassignment was necessitated by the previous consolidation shall be entitled to the first vacancy in the reestablished installation in the level and craft or occupational group held at the time the installation was discontinued.

3. Transfer of a Classified Station or Classified Branch to the Jurisdiction of Another Installation or Made an Independent Installation

- a. When a classified station or classified branch is transferred to the jurisdiction of another installation or made an independent installation, all full-time employees shall at their option remain with the classified station or classified branch without loss of seniority, or remain with the installation from which the classified station or classified branch is being transferred.
- b. A realistic appraisal shall be made of the number of employees by crafts or occupations who will be needed in the station after transfer, and potential vacancies within these requirements created by the unwillingness of employees to follow the station to the new jurisdiction shall be posted for bid on an office-wide basis in the losing installation.
- c. If the postings provided in paragraph 3.b, preceding, do not result in sufficient employees to staff the transferred classified station or classified branch, junior employees, by craft or occupational group on an installation-wide seniority basis in the losing installation, shall be involuntarily reassigned to the classified station or classified branch and each employee thus involuntarily reassigned shall be entitled to the first vacancy in such employee's level and craft or occupational group in the installation from which transferred.

4. Reassignment Within an Installation of Employees Excess to the Needs of a Section

- a. The identification of assignments comprising for this purpose a section shall be determined locally by local negotiations. If no sections are established immediately by local negotiations, the entire installation shall comprise the section.
- b. Full-time employees, excess to the needs of a section, starting with that employee who is junior in the same craft or occupational group and in the same level assigned in that section, shall be reassigned outside the section but within the same craft or occupational group. They shall retain their seniority and may bid on any existing vacancies for which they are eligible to bid. If they do not bid, they may be assigned in any vacant duty assignment for which there was no senior bidder in the same craft and installation. Their preference is to be considered if more than one such assignment is available.
- c. Such reassigned full-time employee retains the right to retreat to the section from which withdrawn only upon the occurrence of the first residual vacancy in the salary level after employees in the section have completed bidding. Such bidding in the section is limited to

employees in the same salary level as the vacancy. Failure to bid for the first available vacancy will end such retreat right. The right to retreat to the section is optional with the employee who has retreat rights with respect to a vacancy in a lower salary level. Failure to exercise the option does not terminate the retreat rights in the salary level in which the employee was reassigned away from the section. In the Clerk Craft, an employee may exercise the option to retreat to a vacancy in a lower salary level only to an assignment for which the employee would have been otherwise eligible to bid.

- d. The duty assignment vacated by the reassignment of the junior full-time employee from the section shall be posted for bid of the full-time employees in the section. If there are no bids, the junior remaining unassigned full-time employee in the section shall be assigned to the vacancy.

5. Reduction in the Number of Employees in an Installation Other Than by Attrition

- a. Reassignments within installation. When for any reason an installation must reduce the number of employees more rapidly than is possible by normal attrition, that installation:
 - (1) Shall determine by craft and occupational group the number of excess employees;
 - (2) Shall, to the extent possible, minimize the impact on regular work force employees by separation of all casuals;
 - (3) Shall, to the extent possible, minimize the impact on full-time positions by reducing part-time flexible hours;
 - (4) Shall identify as excess the necessary number of junior full-time employees in the salary level, craft, and occupational group affected on an installation-wide basis within the installation; make reassignments of excess full-time employees who meet the minimum qualifications for vacant assignments in other crafts in the same installation; involuntarily reassign them (except as provided for letter carriers and vehicle service employees in Section C.5.b below) in the same or lower level with seniority, whichever is the lesser of:
 - (a) One day junior to the seniority of the junior full-time employee in the same level and craft or occupational group in the installation to which assigned, or

- (b) The seniority the employee had in the craft from which reassigned. The 5- year rule does not apply.
 - (5) The employee shall be returned at the first opportunity to the craft from which reassigned.
 - (6) When returned, the employee retains seniority previously attained in the craft augmented by intervening employment in the other craft.
 - (7) The right of election by a senior employee provided in paragraph b(3), below is not available for this cross-craft reassignment within the installation.
- b. Reassignments to other installations after making reassignments within the installation:
- (1) Involuntarily reassign such excess full-time employees starting with the junior with their seniority for duty assignments to vacancies in the same or lower level in the APWU crafts in installations within 100 miles of the losing installation, or in more distant installations if after consultation with the Union it is determined that it is necessary, the Postal Service will designate such installations for the reassignment of excess full-time employees. Employees who meet the minimum qualifications will be afforded their option of available vacancies by seniority. However:
 - (a) Whenever full-time or part-time motor vehicle craft assignments are discontinued in an installation and there is an excess in a position designation and salary level, the excess shall be adjusted to the maximum extent possible by making voluntary reassignments to vacant motor vehicle craft positions in installations within 100 miles unless the employee applies for a vacancy in a more distant installation. Senior qualified applicants for such vacant positions shall be reassigned. When reassignment is in the same designation and salary level, the reassigned employee retains his/her seniority.
 - (2) Involuntarily reassign full-time employees for whom consultation did not provide for placement under b(1) above in other crafts or occupational groups in which they meet minimum qualifications at the same or lower level with permanent seniority for duty assignments whichever is lesser of:

- (a) one day junior to the seniority of the junior full-time employee in the same level and craft or occupational group in the installation to which assigned, or
 - (b) the seniority he/she had in the craft from which reassigned. The 5-year rule does not apply.
- (3) Any senior employee in the same craft or occupational group in the same installation may elect to be reassigned to the gaining installation and take the seniority of the senior full-time employee subject to involuntary reassignment. Such senior employees who accept reassignment to the gaining installation do not have retreat rights.
- (4) When two or more such vacancies are simultaneously available, first choice of duty assignment shall go to the senior employee entitled by displacement from a discontinued installation to such placement.
- (5) A full-time employee shall have the option of changing to part-time flexible in the same craft or occupational group in lieu of involuntary reassignment.
- (6) Employees involuntarily reassigned under b(1) and (2) above, other than senior employees who elect to be reassigned in place of junior employees, shall be entitled at the time of such reassignment to file a written request to be returned to the first vacancy in the level, in the craft or occupational group in the installation from which reassigned, and such request shall be honored so long as the employee does not withdraw it or decline to accept an opportunity to return in accordance with such request.

In the Clerk Craft, an employee(s) involuntarily reassigned shall be entitled at the time of such reassignment to file a written request to return to the first vacancy in the craft and installation from which reassigned. Such request for retreat rights must indicate whether the employee(s) desires to retreat to the same, lower, and/or higher salary level assignment and, if so, what salary level(s). The employee(s) shall have the right to bid for vacancies within the former installation and the written request for retreat rights shall serve as a bid for all vacancies in the level from which the employee was reassigned and for all residual vacancies in other levels for which the employee has expressed a desire to retreat. The employee(s) may

retreat to only those assignments for which the employee(s) would have been otherwise eligible to bid. If vacancies are available in a specified lower, higher or same salary level, the employee will be given the option. Failure to exercise retreat rights to the first available vacancy terminates such rights. Furthermore, employee(s) electing to retreat to a lower level assignment are not entitled to salary protection.

6. **Centralized Mail, Processing and/or Delivery Installation (Clerk Craft Only)**
 - a. When the operations at a centralized installation or other mail processing and/or delivery installation result in an excess of full-time clerks at another installation(s), full-time clerks who are excess in a losing installation(s) by reason of the change, shall be reassigned as provided in Section C.5.b. Reassignments of clerks shall be treated as details for the first 180 days to avoid inequities in the selection of preferred duty assignments by full-time clerks in the gaining installation.
 - b. Previously established preferred duty assignments which become vacant before expiration of the detail period must be posted for bid and awarded to eligible full-time clerks then permanently assigned in the gaining installation. Excess part-time flexible clerks may be reassigned as provided for in Section C.8.
 - c. All new duty assignments created in the gaining installation and all other vacant duty assignments in the centralized installation shall be posted for bid. One hundred eighty (180) days is computed from the date of the first detail of an employee. Bidding shall be open to all full-time clerks of the craft involved at the gaining installation. This includes full-time clerks assigned to the gaining installation.
 - d. When the centralized installation is a new one:
 - (1) Full-time clerks who apply for reassignment from the losing installation, shall be reassigned with their seniority.
 - (2) Reassignments shall be in the order of seniority and shall not exceed the number of excess full-time clerks in the losing installation.
 - (3) The provisions of 5.a, above, apply to reassign junior full-time excess clerks, with their seniority, when there are excess full-time clerks after the reassignment of senior full-time clerks who apply for reassignment.

7. Reassignments - Motor Vehicle

- a. When a vehicle maintenance facility is established to replace an auxiliary garage, full-time and part-time flexible craft positions in the gaining installation are to be posted in the losing installation for applications by full-time and part-time flexible employees, respectively. Senior qualified applicants shall be reassigned without loss of seniority, but not to exceed the number of excess employees in the losing installation.
- b. When a vehicle maintenance facility is established to replace vehicle maintenance in a perimeter office, full-time and part-time flexible craft positions in the new maintenance facility shall be posted in the losing installation for applications by full-time and part-time flexible employees, respectively. Senior qualified applicants shall be reassigned without loss of seniority, but not to exceed the number of excess employees in the losing installation.
- c. When vehicle operations are changed by transfer from one installation to another, new full-time and part-time flexible craft positions shall be posted for applications in the losing installation by full-time and part-time flexible employees in the craft, respectively. Senior qualified applicants shall be reassigned without loss of seniority, but not to exceed the number of excess employees in the losing installation.
- d. After all reassignments have been made to the gaining installation, pursuant to Subsections a, b and c, the new full-time assignments in the gaining installation shall be posted for bid.
- e. If, after establishment of a new installation, operations result in further excess at losing installation(s), the procedures in Subsections a, b, c and d, above, apply to reassign senior applicants from the losing installation(s) to positions in the new installation.

8. Reassignment - Part-Time Flexible Employees in Excess of Quota (Other Than Motor Vehicle)

Where there are part-time flexible employees in excess of the part-time flexible quota for the craft for whom work is not available, part-time flexibles lowest on the part-time flexible roll equal in number to such excess may at their option be reassigned to the foot of the part-time flexible roll in the same or another craft in another installation.

- a. An excess employee reassigned to another craft in the same or another installation shall be assigned to the foot of the part-time flexible roll and begin a new period of seniority.
- b. An excess part-time flexible employee reassigned to the same craft in another installation shall be placed at the foot of the part-time

flexible roll. Upon change to full-time from the top of the part-time flexible roll, the employee's seniority for preferred assignments shall include the seniority the employee had in losing installation augmented by part-time flexible service in the gaining installation.

- c. A senior part-time flexible in the same craft or occupational group in the same installation may elect to be reassigned in another installation in the same or another craft and take the seniority, if any, of the senior excess part-time flexible being reassigned, as set forth in a and b, above.
- d. The Postal Service will designate, after consultation with the Union, vacancies at installations in which excess part-time flexibles may request to be reassigned beginning with vacancies in other crafts in the same installation; then vacancies in the same craft in other installations; and finally vacancies in other crafts in other installations making the designations to minimize relocation hardships to the extent practicable.
- e. Part-time flexibles reassigned to another craft in the same installation shall be returned to the first part-time flexible vacancy within the craft and level from which reassigned.
- f. Part-time flexibles reassigned to other installations have retreat rights to the next such vacancy according to their standing on the part-time flexible roll in the losing installation but such retreat right does not extend to part-time flexibles who elect to request reassignment in place of the junior part-time flexibles.
- g. The right to return is dependent upon a written request made at the time of reassignment from the losing installation and such request shall be honored unless it is withdrawn or an opportunity to return is declined.

D. Part-Time Regular Employees

Part-time regular employees assigned in the craft units shall be considered to be in a separate category. All provisions of this Section apply to part-time regular employees within their own category.

Section 6. Transfers

A. Installation heads will consider requests for transfers submitted by employees from other installations.

B. Providing a written request for a voluntary transfer has been submitted, a written acknowledgment shall be given in a timely manner.

ARTICLE 13
ASSIGNMENT OF ILL OR INJURED REGULAR
WORKFORCE EMPLOYEES

Section 1. Introduction

A. Part-time fixed schedule employees assigned in the craft unit shall be considered to be in a separate category. All provisions of this Article apply to part-time fixed schedule employees within their own category.

B. The U.S. Postal Service and the Union recognizing their responsibility to aid and assist deserving full-time regular or part-time flexible employees who through illness or injury are unable to perform their regularly assigned duties, agree to the following provisions and conditions for reassignment to temporary or permanent light duty or other assignments. It will be the responsibility of each installation head to implement the provisions of this Agreement within the installation, after local negotiations.

Section 2. Employee's Request for Reassignment

A. Temporary Reassignment

Any full-time regular or part-time flexible employee recuperating from a serious illness or injury and temporarily unable to perform the assigned duties may voluntarily submit a written request to the installation head for temporary assignment to a light duty or other assignment. The request shall be supported by a medical statement from a licensed physician or by a written statement from a licensed chiropractor stating, when possible, the anticipated duration of the convalescence period. Such employee agrees to submit to a further examination by a Public Health Service doctor or physician designated by the installation head, if that official so requests.

B. Permanent Reassignment

1. Any ill or injured full-time regular or part-time flexible employee having a minimum of five years of postal service, or any full-time regular or part-time flexible employee who sustained injury on duty, regardless of years of service, while performing the assigned duties can submit a voluntary request for permanent reassignment to light duty or other assignment to the installation head if the employee is permanently unable to perform all or part of the assigned duties. The request shall be accompanied by a medical certificate from the United States Public Health Service or a physician designated by the installation head giving full evidence of the physical condition of the employee, the need for reassignment, and the ability of the employee to perform other duties. A certificate from the employee's personal physician will not be acceptable.
2. The following procedures are the exclusive procedures for resolving a disagreement between the employee's physician and the physician designated by the USPS concerning the medical condition of an employee who has requested a permanent light duty assignment. These procedures shall not apply to cases where the employee's medical condition arose out of an occupational illness or injury. On request of the

Union, a third physician will be selected from a list of five Board Certified Specialists in the medical field for the condition in question, the list to be supplied by the local Medical Society. The physician will be selected by the alternate striking of names from the list by the Union and the Employer. The Employer will supply the selected physician with all relevant facts including job description and occupational physical requirements. The decision of the third physician will be final as to the employee's medical condition and occupational limitations, if any. Any other issues relating to the employee's entitlement to a light duty assignment shall be resolved through the grievance-arbitration procedure. The costs of the services of the third physician shall be shared by the Union and the Employer.

C. Installation heads shall show the greatest consideration for full-time regular or part-time flexible employees requiring light duty or other assignments, giving each request careful attention, and reassign such employees to the extent possible in the employee's office. When a request is refused, the installation head shall notify the concerned employee in writing, stating the reasons for the inability to reassign the employee.

Section 3. Local Implementation

Due to varied size installations and conditions within installations, the following important items having a direct bearing on these reassignment procedures (establishment of light duty assignments) should be determined by local negotiations.

A. Through local negotiations, each office will establish the assignments that are to be considered light duty within each craft represented in the office. These negotiations should explore ways and means to make adjustments in normal assignments, to convert them to light duty assignments without seriously affecting the production of the assignment.

B. Light duty assignments may be established from part-time hours, to consist of 8 hours or less in a service day and 40 hours or less in a service week. The establishment of such assignment does not guarantee any hours to a part-time flexible employee.

C. Number of Light Duty Assignments. The number of assignments within each craft that may be reserved for temporary or permanent light duty assignments, consistent with good business practices, shall be determined by past experience as to the number of reassignments that can be expected during each year, and the method used in reserving these assignments to insure that no assigned full-time regular employee will be adversely affected, will be defined through local negotiations. The light duty employee's tour hours, work location and basic work week shall be those of the light duty assignment and the needs of the service, whether or not the same as for the employee's previous duty assignment.

Section 4. General Policy Procedures

A. Every effort shall be made to reassign the concerned employee within the employee's present craft or occupational group, even if such assignment reduces the number of hours of work for the supplemental work force. After all efforts are

exhausted in this area, consideration will be given to reassignment to another craft or occupational group within the same installation.

B. The full-time regular or part-time flexible employee must be able to meet the qualifications of the position to which the employee is reassigned on a permanent basis. On a temporary reassignment, qualifications can be modified provided excessive hours are not used in the operation.

C. The reassignment of a full-time regular or part-time flexible employee to a temporary or permanent light duty or other assignment shall not be made to the detriment of any full-time regular on a scheduled assignment or give a reassigned part-time flexible preference over other part-time flexible employees.

D. The reassignment of a full-time regular or part-time flexible employee under the provisions of this Article to an agreed-upon light duty temporary or permanent or other assignment within the office, such as type of assignment, area of assignment, hours of duty, etc., will be the decision of the installation head who will be guided by the examining physician's report, employee's ability to reach the place of employment and ability to perform the duties involved.

E. An additional full-time regular position can be authorized within the craft or occupational group to which the employee is being reassigned, if the additional position can be established out of the part-time hours being used in that operation without increasing the overall hour usage. If this cannot be accomplished, then consideration will be given to reassignment to an existing vacancy.

F. The installation head shall review each light duty reassignment at least once each year, or at any time the installation head has reason to believe the incumbent is able to perform satisfactorily in other than the light duty assignment the employee occupies. This review is to determine the need for continuation of the employee in the light duty assignment. Such employee may be requested to submit to a medical review by the United States Public Health Service or by a physician designated by the installation head if the installation head believes such examination to be necessary.

G. The following procedures are the exclusive procedures for resolving a disagreement between the employee's physician and the physician designated by the USPS concerning the medical condition of an employee who is on a light duty assignment. These procedures shall not apply to cases where the employee's medical condition arose out of an occupational illness or injury. On request of the Union, a third physician will be selected from a list of five Board Certified Specialists in the medical field for the condition in question, the list to be supplied by the local Medical Society. The physician will be selected by the alternate striking of names from the list by the Union and the Employer. The Employer will supply the selected physician with all relevant facts including job description and occupational physical requirements. The decision of the third physician will be final as to the employee's medical condition and occupational limitations, if any. Any other issues relating to the employee's entitlement to a light duty assignment shall be resolved through the grievance-arbitration procedure. The costs of the services of the third physician shall be shared by the Union and the Employer.

H. When a full-time regular employee in a temporary light duty assignment is declared recovered on medical review, the employee shall be returned to the employee's former duty assignment, if it has not been discontinued. If such former regular assignment has been discontinued the employee becomes an unassigned full-time regular employee.

I. If a full-time regular employee is reassigned in another craft for permanent light duty and later is declared recovered, on medical review, the employee shall be returned to the first available full-time regular vacancy in complement in the employee's former craft. Pending return to such former craft, the employee shall be an unassigned full-time regular employee. The employee's seniority shall be restored to include service in the light duty assignment.

J. When a full-time regular employee who has been awarded a permanent light duty assignment within the employee's own craft is declared recovered, on medical review, the employee shall become an unassigned full-time regular employee.

K. When a part-time flexible on temporary light duty is declared recovered, the employee's detail to light duty shall be terminated.

L. When a part-time flexible who has been reassigned in another craft on permanent light duty is declared recovered, such assignment to light duty shall be terminated. Section 4.I, above, does not apply even though the employee has advanced to full-time regular while on light duty.

Section 5. Filling Vacancies Due to Reassignment of an Employee to Another Craft

When it is necessary to permanently reassign an ill or injured full-time regular or part-time flexible employee who is unable to perform the regularly assigned duties, from one craft to another craft within the office, the following procedures will be followed:

A. When the reassigned employee is a full-time regular employee, the resulting full-time regular vacancy in the complement, not necessarily in the particular duty assignment of the losing craft from which the employee is being reassigned, shall be posted to give the senior of the full-time regular employees in the gaining craft the opportunity to be reassigned to the vacancy, if desired.

B. If no full-time regular employee accepts the opportunity to be assigned to the vacancy in the complement, not necessarily in the particular duty assignment in the other craft, the senior of the part-time flexibles on the opposite roll who wishes to accept the vacancy shall be assigned to the full-time regular vacancy in the complement of the craft of the reassigned employee.

C. When the reassigned employee is a part-time flexible, the resulting vacancy in the losing craft shall be posted to give the senior of the full-time regular or part-time flexible employees in the gaining craft the opportunity to be assigned to the part-time flexible vacancy, if desired, to begin a new period of seniority at the foot of the part-time flexible roll.

D. The rule in A and B, above, applies when a full-time regular employee on permanent light duty is declared recovered and is returned to the employee's former craft, to give the senior of the full-time regular or part-time flexible employees in the gaining craft the opportunity, if desired, to be assigned in the resulting full-time regular vacancy in the complement, not necessarily in the particular duty assignment of the losing craft.

Section 6. Seniority of an Employee Assigned to Another Craft

A. Except as provided for in Section 4.I, above, a full-time regular employee assigned to another craft or occupational group in the same or lower level in the same installation shall take the seniority for preferred tours and assignments, whichever is the lesser of (a) one day junior to the junior full-time regular employee in the craft or occupational group, (b) retain the seniority the employee had in the employee's former craft.

B. A part-time flexible employee who is permanently assigned to a full-time regular or part-time flexible assignment in another craft, under the provisions of this Article, shall begin a new period of seniority. If assigned as a part-time flexible, it shall be at the foot of the part-time flexible roll.

ARTICLE 14 SAFETY AND HEALTH

Section 1. Responsibilities

It is the responsibility of management to provide safe working conditions in all present and future installations and to develop a safe working force. The Union will cooperate with and assist management to live up to this responsibility. The Employer will meet with the Union on a semiannual basis and inform the Union of its automated systems development programs. The Employer also agrees to give appropriate consideration to human factors in the design and development of automated systems. Human factors and ergonomics of new automated systems are a proper subject for discussion at the National Joint Labor-Management Safety Committee.

Section 2. Cooperation

The Employer and the Union insist on the observance of safe rules and safe procedures by employees and insist on correction of unsafe conditions. Mechanization, vehicles and vehicle equipment, and the work place must be maintained in a safe and sanitary condition, including adequate occupational health and environmental conditions. The Employer shall make available at each installation the appropriate forms to be used by employees in reporting unsafe and unhealthful conditions. If an employee believes he/she is being required to work under unsafe conditions, such employees may:

- (a) notify such employee's supervisor who will immediately investigate the condition and take corrective action if necessary;
- (b) notify such employee's steward, if available, who may discuss the alleged unsafe condition with such employee's supervisor;

- (c) file a grievance at Step 2 of the grievance procedure within fourteen (14) days of notifying such employee's supervisor if no corrective action is taken during the employee's tour, and/or
- (d) make a written report to the Union representative from the local Safety and Health Committee who may discuss the report with such employee's supervisor.

Upon written request of the employee involved in an accident, a copy of the PS Form 1769 (Accident Report) will be provided.

Any grievance filed in accordance with Section 2. (c) above which is not resolved at Step 2 may only be appealed to the local Safety and Health Committee for discussion and decision. Any such appeal must be made within fifteen (15) days after receipt of the Employer's Step 2 decision unless the parties agree to extend the time for appeal. The committee shall meet to discuss the grievance at the next regularly scheduled local Safety and Health Committee meeting. Any grievance not resolved by the committee may be appealed directly to arbitration within 21 days of the committee's review.

Any grievance which has as its subject a safety or health issue directly affecting an employee(s) which is subsequently properly appealed to arbitration in accordance with the provisions of Article 15 may be placed at the head of the appropriate arbitration docket at the request of the Union.

Section 3. Implementation

To assist in the positive implementation of the various programs:

A. There shall be established at the Employer's Headquarters level a Joint Labor-Management Safety Committee and a Joint Labor-Management Ergonomics Committee. Representation on the Committees, to be specifically determined by the Employer and the Union, shall include one person from the Union and representatives from appropriate Departments in the Postal Service. Not later than 60 days following the effective date of this National Agreement, designated representatives of the Union and Management will meet for the purpose of developing a comprehensive agenda which will include all aspects of the Employer's Safety Program and Ergonomics Program. Subsequent to the development of this agenda, priorities will be established and a tentative schedule will be developed to insure full discussion of all topics. Meetings may also be requested by either party for the specific purpose of discussing additional topics of interest within the scope of the Committees.

The responsibility of the Safety and the Ergonomics Committees will be to evaluate and make recommendations on all aspects of the Employer's respective Safety and Ergonomics Programs, to include program adequacy, field implementation, studies for improving the work environment, training, and unsafe conditions. To support this process the Employer shall establish a fund of \$500,000 within ninety (90) days of the effective date of this Agreement. In **January 2002 and 2003** the Employer will replenish the fund to its original amount. The Fund shall be supervised by the Joint National Labor-

Management Safety Committee. Disbursement of the funds for any expenditures shall be authorized by the chairperson of the Committee.

The Chairman will be designated by the Employer. The Employer shall furnish the Union information relating to injuries, illness and safety, including the morbidity and mortality experience of employees. This report shall be in form of reports furnished OSHA on a quarterly basis. The Headquarters level Committee will meet quarterly and the Employer and Union Representatives will exchange proposed agenda items two weeks before the scheduled meetings. If problems or items of significant, national nature arise between scheduled quarterly meetings either party may request a special meeting of the Committee. Either party will have the right to be accompanied to any Committee meeting by technical advisors.

B. There shall be established at the Employer's Area level, an Area Joint Labor-Management Safety Committee, which will be scheduled to meet quarterly. The Employer and Union Representatives will exchange proposed agenda items two weeks before the scheduled meetings. If problems or items of a significant Area nature arise between scheduled quarterly meetings, either party may request a special meeting of the Committee. Either party will have the right to be accompanied to any Committee meeting by technical advisors. Representation on the Committee shall include one person from the Union and appropriate representatives from the Postal Service Area Office. The Chairman will be designated by the Employer.

C. The Employer will make Health Service available for the treatment of job related injury or illness where it determines they are needed. The Health Service will be available from any of the following sources: U.S. Public Health Service; other government or public medical sources within the area; independent or private medical facilities or services that can be contracted for; or in the event funds, spaces and personnel are available for such purposes, they may be staffed at the installation. The Employer will promulgate appropriate regulations which comply with applicable regulations of the Office of Workers' Compensation Programs, including employee choice of health services.

D. The Employer will comply with Section 19 of the Williams-Steiger Occupational Safety and Health Act.

Section 4. Local Safety Committee

At each postal installation having 50 or more employees, a Joint Labor-Management Safety and Health Committee will be established. In installations having fewer than 50 employees, installation heads are encouraged to establish similar committees when requested by the Union. Where no Safety and Health Committee exists, safety and health items may be placed on the agenda and discussed at labor-management meetings. There shall be equal representation on the Committee between the Union and management. The representation on the Committee to be specifically determined by the Employer and the Union shall include one person from the Union, except in installations with two or more APWU crafts where up to two persons may be designated by the Union, and appropriate management representatives. The Chairman will be designated by the Employer.

It is recognized that under some circumstances, the presence of an additional employee employed at the installation will be useful to the local Safety and Health Committee because of that employee's special expertise or experience with the agenda item being discussed. Under these circumstances, which will not normally be applicable to most agenda items, the employee may, at the request of the Union, be in attendance only for the time necessary to discuss that item. Payment for the actual time spent at such meetings by the employee will be at the applicable straight-time rate, providing the time spent is a part of the employee's regular workday.

Section 5. Subjects for Discussion

Individual grievances may be made the subject of discussion during local Safety and Health Committee meetings, in accordance with Article 14, Section 2.

Section 6. Employee Participation

It is the intent of this program to insure broad exposure to employees, to develop interest by active participation of employees, to insure new ideas being presented to the Committee and to make certain that employees in all areas of an installation have an opportunity to be represented. At the same time, it is recognized that for the program to be effective, it is desirable to provide for a continuity in the committee work from year to year. Therefore, except for the Chairman and Secretary, the Committee members shall serve three-year terms and shall at the discretion of the Union be eligible to succeed themselves.

Section 7. Local Committee Meetings

The Safety and Health Committee shall meet at least quarterly and at such other times as requested by a Committee member and approved by the Chairman in order to discuss significant problems or items. The meeting shall be on official time. Each Committee member shall submit agenda items to the Secretary at least three (3) days prior to the meeting. A member of the Health Unit will be invited to participate in the meeting of the Labor-Management Safety and Health Committee when agenda item(s) relate to the activities of the Health Unit.

Section 8. Local Committee Responsibilities

A. The Committee shall review the progress in accident prevention and health at the installation; determine program areas which should have increased emphasis; and it may investigate major accidents which result in disabling injuries. Items properly relating to employee safety and health shall be considered appropriate discussion items. Upon a timely request, information or records necessary for the local Safety and Health Committee to investigate real or potential safety and health issues will be made available to the Committee.

In addition, the Committee shall promote the cause of safety and health in the installation by:

1. Reviewing safety and health suggestions, safety training records and reports of unsafe conditions or practices.
2. Reviewing local safety and health rules.

3. Identifying employee unsafe work practices and assisting in enforcing safety work rules.
4. Reviewing updated list of hazardous materials used in the installation.
5. Identifying areas in which it is appropriate to require the presence of an additional person while maintenance work assignments are performed in hazardous areas to ensure adequate safety precautions.

Once such work assignments are identified, the committee will develop an on-the-job safety review/analysis (Form 1783) to document that an additional person will be used to avoid or minimize identified hazards.

The Committee shall at its discretion render reports to the installation head and may at its discretion make recommendations to the installation head for action on matters concerning safety and health. The installation head shall within a reasonable period of time advise the Committee that the recommended action has been taken or advise the Headquarters Safety and Health Committee and the President of the local Union as to why it has not. Any member of the Committee may also submit a written report to the Headquarters Safety and Health Committee in the event the Committee's recommendations are not implemented.

Upon proper written request to the Chairman of the Committee, on-the-spot inspection of particular troublesome areas may be made by individual Committee members or a Subcommittee or the Committee as a whole. Such request shall not be unreasonably denied. When so approved, the Committee members shall be on official time while making such inspection.

The Union representatives from the local Safety and Health Committee may participate on the annual inspection, conducted by District safety and health services personnel in the main facility of each Processing and Distribution Center, Facility and BMC, provided that the Union represents employees at the main facility of the Processing and Distribution Center, Facility or BMC being inspected. In no case shall there be more than one (1) Union representative on such inspections except in 200 man-year facilities where up to (2) union representatives may participate.

The Union representative from the local Safety and Health Committee may participate on other inspections of the main facility of each post office, Processing and Distribution Center, Facility, BMC, or other installation with 100 or more man years of employment in the regular work force, and of an individual station or branch where the station or branch has 100 or more man years of employment in the regular work force, provided that the Union represents employees at the main facility or station or branch and provided that the Union representative is domiciled at the main facility or station or branch to be inspected. If the Union representative to the local Safety and Health Committee is not domiciled at the main facility or station or branch to be inspected and if the Union represents employees at the main facility or station or branch, at the Union's option, a representative from the Committee may participate on the inspection (at no additional cost for the Employer) or the Union may designate a representative domiciled at the main facility or station or branch to be inspected to participate on the inspection.

In no case shall there be more than one (1) Union representative on such inspections.

The Union representative from the local Safety and Health Committee may participate on the annual inspection of each installation with less than 100 man years of employment in the regular work force, where such Committee exists in the installation being inspected. In those installations that do not have a Safety and Health Committee, the inspector shall afford the opportunity for an APWU bargaining unit employee from that installation to accompany him/her during these inspections.

B. An appointed member of a local committee will receive an orientation by the Employer which will include:

1. Responsibilities of the Committee and its members.
2. Basic elements of the Safety and Health Program.
3. Identification of hazards and unsafe practices.
4. Explanation of reports and statistics reviewed and analyzed by the Committee.

C. Where an investigation board is appointed by a Vice-President, Area Operations or a District Manager, Customer Services to investigate a fatal or serious industrial non-criminal accident and/or injury, the Union at the installation will be advised promptly. When requested by the Union, a representative from the local Safety and Health Committee will be permitted to accompany the board in its investigation.

D. In installations where employees represented by the Union accept, handle and/or transport hazardous materials, the Employer will establish a program of promoting safety awareness through communications and/or training, as appropriate. Elements of such a program would include, but not be limited to:

1. Informational postings, pamphlets or articles in Postal and Area Bulletins.
2. Distribution of Publication 52 to employees whose duties require acceptance of and handling hazardous or perishable items.
3. On-the-job training of employees whose duties require the handling and/or transportation of hazardous or perishable items. This training will include, but is not limited to, hazard identification; proper handling of hazardous materials; personal protective equipment availability and its use; cleanup and disposal requirements for hazardous materials.
4. All mailbags containing any hazardous materials, as defined in Publication 52, will be appropriately identified so that the employee handling the mail is aware that the mailbag contains one or more hazardous material packages.
5. Personal protective equipment will be made available to employees who are exposed to spills and breakage of hazardous materials.

Section 9. Field Federal Safety and Health Councils

In those cities where Field Federal Safety and Health Councils exist, one representative of the Union who is on the Local Safety and Health Committee in an independent postal installation in that city and who serves as a member of such Councils, will be permitted to attend the meetings. Such employee will be excused from regularly assigned duties without loss of pay. Employer authorized payment as outlined above will be granted at the applicable straight time rate, provided the time spent in such meetings is a part of the employee's regular work day.

(The preceding Article, Article 14, shall apply to Transitional Employees)

ARTICLE 15 GRIEVANCE-ARBITRATION PROCEDURE

Section 1. Definition

A grievance is defined as a dispute, difference, disagreement or complaint between the parties related to wages, hours, and conditions of employment. A grievance shall include, but is not limited to, the complaint of an employee or of the Union which involves the interpretation, application of, or compliance with the provisions of this Agreement or any local Memorandum of Understanding not in conflict with this Agreement.

Section 2. Grievance Procedure Steps

Step 1:

(a) Any employee who feels aggrieved must discuss the grievance with the employee's immediate supervisor within fourteen (14) days of the date on which the employee or the Union first learned or may reasonably have been expected to have learned of its cause. The employee, if he or she so desires, may be accompanied and represented by the employee's steward or a Union representative. The Union also may initiate a grievance at Step 1 within 14 days of the date the Union first became aware of (or reasonably should have become aware of) the facts giving rise to the grievance. In such case the participation of an individual grievant is not required. A Step 1 Union grievance may involve a complaint affecting more than one employee in the office. When the Union files a class action grievance, Management will designate the appropriate employer representative responsible for handling such complaint.

(b) In any such discussion the supervisor shall have authority to settle the grievance. The steward or other Union representative likewise shall have authority to settle or withdraw the grievance in whole or in part. No resolution reached as a result of such discussion shall be a precedent for any purpose.

(c) If no resolution is reached as a result of such discussion, the supervisor shall render a decision orally stating the reasons for the decision. The supervisor's decision should be stated during the discussion, if possible, but in no event shall it be given to the Union representative (or the grievant, if no Union representative was requested) later than five (5) days thereafter unless the parties agree to extend the five (5) day period. Within five (5) days after the supervisor's decision, the supervisor shall,

at the request of the Union representative, initial the standard grievance form that is used at Step 2 confirming the date upon which the decision was rendered.

(d) The Union shall be entitled to appeal an adverse decision to Step 2 of the grievance procedure within ten (10) days after receipt of the supervisor's decision. Such appeal shall be made by completing a standard grievance form developed by agreement of the parties, which shall include appropriate space for at least the following:

1. Detailed statement of facts;
2. Contentions of the grievant;
3. Particular contractual provisions involved; and
4. Remedy sought.

Step 2:

(a) The standard grievance form appealing to Step 2 shall be filed with the installation head or designee. In any associate post office of twenty (20) or less employees, the Employer shall designate an official outside of the installation as the Step 2 official, and shall so notify the Union Step 1 representative.

(b) Any grievance initiated at Step 2, pursuant to Article 2 or 14 of this Agreement, must be filed within 14 days of the date on which the Union or the employee first learned or may reasonably have been expected to have learned of its cause.

(c) The installation head or designee will meet with the steward or a Union representative as expeditiously as possible, but no later than seven (7) days following receipt of the Step 2 appeal unless the parties agree upon a later date. In all grievances appealed from Step 1 or filed at Step 2, the grievant shall be represented in Step 2 for all purposes by a steward or a Union representative who shall have authority to settle or withdraw the grievance as a result of discussions or compromise in this Step. The installation head or designee in Step 2 also shall have authority to grant or settle the grievance in whole or in part.

(d) At the meeting the Union representative shall make a full and detailed statement of facts relied upon, contractual provisions involved, and remedy sought. The Union representative may also furnish written statements from witnesses or other individuals. The Employer representative shall also make a full and detailed statement of facts and contractual provisions relied upon. The parties' representatives shall cooperate fully in the effort to develop all necessary facts, including the exchange of copies of all relevant papers or documents in accordance with Article 31. The parties' representatives may mutually agree to jointly interview witnesses where desirable to assure full development of all facts and contentions. In addition, in cases involving discharge either party shall have the right to present no more than two witnesses. Such right shall not preclude the parties from jointly agreeing to interview additional witnesses as provided above.

(e) Any settlement or withdrawal of a grievance in Step 2 shall be in writing or shall be noted on the standard grievance form, but shall not be a precedent for any purpose, unless the parties specifically so agree or develop an agreement to dispose of future similar or related problems.

(f) Where agreement is not reached the Employer's decision shall be furnished to the Union representative in writing, within ten (10) days after the Step 2 meeting unless the parties agree to extend the ten (10) day period. The decision shall include a full statement of the Employer's understanding of (1) all relevant facts, (2) the contractual provisions involved, and (3) the detailed reasons for denial of the grievance.

(g) If the Union representative believes that the facts or contentions set forth in the decision are incomplete or inaccurate, such representative should, within ten (10) days of receipt of the Step 2 decision, transmit to the Employer's representative a written statement setting forth corrections or additions deemed necessary by the Union. Any such statement must be included in the file as part of the grievance record in the case. The filing of such corrections or additions shall not affect the time limits for appeal to Step 3 or arbitration.

(h) The Union may appeal an adverse Step 2 decision to Step 3. Any such appeal must be made within fifteen (15) days after receipt of the Employer's decision unless the parties' representatives agree to extend the time for appeal. However, the Union may appeal an adverse Step 2 decision directly to arbitration for disciplinary grievances or contract grievances which involve the interpretation, application of, or compliance with the provisions of any local Memorandum of Understanding not in conflict with this Agreement, and those issues the parties have agreed are appealed to Expedited Arbitration. These grievances will be appealed to the appropriate Grievance/Arbitration Processing Center within thirty (30) days after the receipt of the Employer's Step 2 decision. Any appeal must include copies of (1) the standard grievance form, (2) the Employer's written Step 2 decision, and, if filed, (3) the Union corrections or additions to the Step 2 decision.

Step 3:

(a) Any appeal from an adverse decision in Step 2 shall be in writing to the appropriate management official at the Grievance/Arbitration Processing Center, with a copy to the Employer's Step 2 representative, and shall specify the reasons for the appeal.

(b) The grievant shall be represented at the Employer's Step 3 Level by a Union's Regional representative, or designee. The Step 3 meeting of the parties' representatives to discuss the grievance shall be held within fifteen (15) days after it has been appealed to Step 3. Each party's representative shall be responsible for making certain that all relevant facts and contentions have been developed and considered. The Union representative shall have authority to settle or withdraw the grievance in whole or in part. The Employer's representative likewise shall have authority to grant the grievance in whole or in part. In any case where the parties' representatives mutually conclude that relevant facts or contentions were not developed adequately in Step 2, they shall have authority to return the grievance to the Step 2 level for full development of all facts and further consideration at that level. In such event, the parties' representatives at Step 2 shall meet within seven (7) days after the grievance is returned to Step 2. Thereafter, the time limits and procedures applicable to Step 2 grievances shall apply.

(c) The Employer's written Step 3 decision on the grievance shall be provided to the Union's Step 3 representative within fifteen (15) days after the parties have met in Step 3, unless the

parties agree to extend the fifteen (15) day period. Such decision shall state the reasons for the decision in detail and shall include a statement of any additional facts and contentions not previously set forth in the record of the grievance as appealed from Step 2. If either party's Step 3 representative believes that an interpretive issue under the National Agreement or some supplement thereto which may be of general application is involved in the case, the issue will be discussed with the appropriate National Union/Management Representatives at the Headquarters Level. If either party's National Representative determines the issue to be interpretive, a written notice will be sent to the other party specifying in detail the facts giving rise to the dispute, the precise interpretive issues to be decided and the initiating party's contention. The grievance(s) shall be held at the Area and/or District Level pending discussion at the national level or the outcome of a National Arbitration award.

(d) The Union may appeal an adverse decision directly to arbitration at the appropriate Grievance/Arbitration Processing Center within twenty-one (21) days after the receipt of the Employer's Step 3 decision in accordance with the procedure hereinafter set forth.

(e) Where grievances appealed to Step 3 involve the same, or substantially similar issues or facts, one such grievance to be selected by the Union representative shall be designated the "representative" grievance. If not resolved at Step 3, the "representative" grievance may be appealed to arbitration in accordance with the above and placed at the head of the appropriate arbitration docket, or the issue will be referred to the parties' national representatives at the Headquarters level pursuant to (c) above. All other grievances which have been mutually agreed to as involving the same, or substantially similar issues or facts as those involved in the "representative" grievance shall be held at Step 3 pending resolution of the "representative" grievance, provided they were timely filed at Step 1 and properly appealed to Steps 2 and 3 in accordance with the grievance procedure.

Following resolution of the "representative" grievance, the parties involved in that grievance shall meet at Step 3 to apply the resolution to the other pending grievances involving the same, or substantially similar issues or facts. Disputes over the applicability of the resolution of the "representative" grievance shall be resolved through the grievance-arbitration procedures contained in this Article; in the event it is decided that the resolution of the "representative" grievance is not applicable to a particular grievance, the merits of that grievance shall also be considered.

(f) In order to discourage the filing of multiple local grievances involving any new or changed District or Area-wide policy, instructions, or guidelines, the APWU Regional Coordinator or National Business Agent may file one grievance concerning such policy, instructions, or guidelines, directly at Step 3 of the grievance procedure. The grievance may be filed within fourteen (14) days of the date on which such union representative first learned or may reasonably have been expected to have learned of the implementation of such policy, instructions, or guidelines. Timely local grievances, which had already been filed concerning such policy, instructions, or guidelines, will be held at or returned to Step 2 of the grievance procedure, as applicable, pending the resolution of the grievance filed directly at Step 3. Thereafter, local grievances

will be finally adjudicated in accordance with the resolution of the grievance filed directly at Step 3. If not resolved, the grievance filed directly at Step 3 may be appealed to arbitration within twenty-one (21) days and placed at the head of the appropriate arbitration docket.

Step 4:

(a) In any dispute properly initiated at this Step by the appropriate National Union/Management Representative, the parties shall meet at the National level promptly, but in no event later than thirty (30) days after initiating such dispute in an effort to define the precise issues involved, develop all necessary facts and reach agreement. The Union representative shall have authority to settle or withdraw the dispute in whole or in part. The Employer's representative shall have authority to grant or settle the dispute in whole or in part. The parties' Step 4 representatives may, by mutual agreement, return any dispute to Step 3 where (a) the parties agree that no national interpretive issue is fairly presented or (b) it appears that all relevant facts have not been developed adequately. In such event, the parties shall meet at Step 3 within fifteen (15) days after the dispute is returned to Step 3. Thereafter the procedures and time limits applicable to Step 3 grievances shall apply. Should the parties at the National level fail to reach agreement, then within fifteen (15) days of such meeting each party shall provide the other with a statement in writing of its understanding of the issues involved, and the facts giving rise to the interpretive dispute. In the event the parties have failed to reach agreement within sixty (60) days of the initiation of the dispute, the Union then may appeal it to national arbitration within thirty (30) days thereafter. Any local grievances filed on the specific interpretive issue shall be held in abeyance at the appropriate level pending resolution of the national interpretive dispute.

Section 3. Mediation

Where the local parties identify the need for either assistance in the grievance/arbitration procedure or the need to improve the labor/management relationship, the following mediation process may be invoked:

A. The local installation head and the local Union president (local parties) may jointly initiate a request for mediation where they identify such a need in a particular installation. Such joint request must be in writing and submitted to the parties' designated Area/Regional level representatives.

B. Such Area/Regional level representatives may also recommend mediation for a particular installation. However, when a recommendation for mediation is made by the Area/Regional level representatives, such recommendation must be discussed with and agreed to by the local parties before the mediation process can be invoked at the local site.

C. The mediation will be conducted jointly by the Union official designated by the President of the Union and management official designated by the Vice President/Labor Relations (USPS). The designated officials will have been trained, and/or certified in the dispute resolution process. Such designated union/management mediation representatives will be utilized to assist the local parties in an effort to resolve timely grievances, as defined in Article 15, Sections 1 and 2, as well as any identified local issues or problems.

D. The designated union/management mediation representatives will meet at the local installation within thirty (30) days of the joint mediation request, which is described in Section 3.A or B above. At least seven (7) days prior to the on-site meeting, the local parties will jointly provide the mediation representatives with an agenda and all available relevant information. In the event the local parties cannot agree on an agenda for mediation, each party will submit their respective agendas to the mediation representatives seven (7) days prior to the on-site meeting, as well as all available relevant information.

E. The mediation will be held with the local parties to explore ways of resolving the previously submitted agenda items, as well as to seek ways of improving the labor/management climate within the installation. The mediation process, including all meetings connected with mediation, is considered to be off-the-record. However, all resolutions will be on the record, in writing and jointly signed by the local parties. Where the local parties agree, a particular mediation resolution(s) will serve as precedent for that installation, provided such resolution does not violate the National Agreement.

If the local parties are unable to reach a resolution on pending grievances of those local issues for which they have jointly requested mediation, then the mediation representatives may jointly resolve any of the above referenced issues or grievances.

F. The Employer's mediation representative will provide to the appropriate Union official a statement of position for each grievance(s) listed on the agenda, which is not resolved through mediation, within fifteen (15) days of the final mediation meeting. Within twenty-one (21) days of receipt of the statement of position, the Union may appeal such grievance(s) to District level arbitration.

Section 4. Grievance Procedure-General

A. The parties expect that good faith observance, by their respective representatives, of the principles and procedures set forth above will result in settlement or withdrawal of substantially all grievances initiated hereunder at the lowest possible step and recognize their obligation to achieve that end. **Every effort shall be made to ensure timely compliance and payment of monetary grievance settlements and arbitration awards. The Employer agrees that upon receipt of necessary paperwork from the grievant and/or union, concerning a grievance settlement or arbitration award, monetary remuneration will be made. The necessary paperwork is the documents and statements specified in Subchapter 436.4 of the ELM. The Employer will provide the union copies of appropriate pay adjustment forms, including confirmation that such forms were submitted to the appropriate postal officials for compliance and that action has been taken to ensure that affected employee(s) receives payment and/or other benefits. In the event that an employee is not paid within sixty (60) days after submission of all the necessary paperwork, such employee, upon request, will be granted authorization from management to receive a pay advance equal to the net amount due, or seventy (70) percent of the payment owed the employee, whichever is less. In the event of a dispute between the parties concerning the correct amount to be paid, the advance required by this section will be the amount that is not in dispute.**

B. The failure of the employee or the Union in Step 1, or the Union thereafter to meet the prescribed time limits of the Steps of this procedure, including arbitration, shall be considered as a waiver of the grievance. However, if the Employer fails to raise the issue of timeliness at Step 2, or at the step at which the employee or Union failed to meet the prescribed time limits, whichever is later, such objection to the processing of the grievance is waived.

C. Failure by the Employer to schedule a meeting or render a decision in any of the Steps of this procedure within the time herein provided (including mutually agreed to extension periods) shall be deemed to move the grievance to the next Step of the grievance-arbitration procedure.

D. It is agreed that in the event of a dispute between the Union and the Employer as to the interpretation of this Agreement, such dispute may be initiated at the Step 4 level by either party. Such a dispute shall be initiated in writing and must specify in detail the facts giving rise to the dispute, the precise interpretive issues to be decided and the contention of either party. Thereafter the parties shall meet in Step 4 within thirty (30) days in an effort to define the precise issues involved, develop all necessary facts, and reach agreement. Should they fail to agree, then, within fifteen (15) days of such meeting, each party shall provide the other with a statement in writing of its understanding of the issues involved, and the facts giving rise to such issues. In the event the parties have failed to reach agreement within sixty (60) days of the initiation of the dispute in Step 4, the Union then may appeal it to arbitration, within thirty (30) days thereafter. Any local grievances filed on the specific interpretive issue shall be held in abeyance at the appropriate level pending resolution of the national interpretive dispute.

Section 5. Arbitration

A. General Provisions

1. A request for arbitration shall be submitted within the specified time limit for appeal.
2. No grievance may be arbitrated at the National level except when timely notice of appeal is given the Employer in writing by the National President of the Union. No grievance may be appealed to arbitration at the District panel level except when timely notice of appeal is given in writing to the appropriate management official at the Grievance/Arbitration Processing Center by the certified representative of the Union in the Area. Such representative shall be certified to appeal grievances by the National President of the Union to the Employer at the National level.
3. All grievances appealed to arbitration will be placed on the appropriate pending arbitration list in the order in which appealed. The Employer, in consultation with the Union, will be responsible for maintaining appropriate dockets of grievances, as appealed, and for administrative functions necessary to assure efficient scheduling and hearing of cases by arbitrators at all levels.

4. In order to avoid loss of available hearing time, except in National level cases, a minimum of six (6) expedited or three (3) regular cases, when available, are to be scheduled for each hearing date. In addition, pending cases on the docket in the order in which appealed should be assigned to the designated advocates no less than sixty (60) days prior to the scheduled date and, if possible, the parties will discuss the cases no less than thirty (30) days prior to the scheduled date. The parties agree that backup cases will include all cases pending arbitration at the location. These backup cases will be scheduled in the order they appear on the District docket when available in the event of late settlement or withdrawal of grievances before the hearing. In the event that either party withdraws all cases less than five (5) days prior to the scheduled arbitration date, and the parties are unable to agree on scheduling other cases on that date, the party withdrawing the cases shall pay the full costs of the arbitrator for that date. In the event that the parties settle and/or withdraw all cases five (5) or more days prior to the scheduled arbitration date, backup cases on the appropriate arbitration list shall be scheduled. If the parties settle cases less than five (5) days prior to the scheduled arbitration date and are unable to agree to schedule another case, the parties shall share the costs of the arbitrator for that date. This paragraph shall not apply to National level arbitration cases.
5. Arbitration hearings normally will be held during working hours where practical. Employees whose attendance as witnesses is required at hearings during their regular working hours shall be on Employer time when appearing at the hearing, provided the time spent as a witness is part of the employee's regular working hours. Absent a more permissive local past practice and at no cost to the Employer, the Employer will permit one (1) change of work schedule per case scheduled for arbitration for either the grievant or a witness, provided notice is given to his or her immediate supervisor at least two (2) days prior to the scheduled arbitration hearing.
6. All decisions of an arbitrator will be final and binding. All decisions of arbitrators shall be limited to the terms and provisions of this Agreement, and in no event may the terms and provisions of this Agreement be altered, amended, or modified by an arbitrator. Unless otherwise provided in this Article, all costs, fees, and expenses charged by an arbitrator will be shared equally by the parties.
7. All arbitrators on the Regular District Panels and the Expedited Panels and on the National Panel shall serve for the term of this Agreement and shall continue to serve for six (6) months thereafter, unless the parties otherwise mutually agree.
8. Arbitrators on the National Panel and on the Regular and Expedited District Panels shall be selected by the method agreed upon by the parties at the National Level.

9. In any arbitration proceeding in which a Union feels that its interests may be affected, it shall be entitled to intervene and participate in such arbitration proceeding, but it shall be required to share the cost of such arbitration equally with any or all other Union parties to such proceeding. Any dispute as to arbitrability may be submitted to the arbitrator and be determined by such arbitrator. The arbitrator's determination shall be final and binding.

B. District Level Arbitration - Regular

1. At the appropriate Grievance/Arbitration Processing Center four (4) separate lists of cases to be heard in arbitration shall be maintained for the Union: (a) one for all removal cases and cases involving suspensions for more than 14 days or 14 days or less referred from Expedited Arbitration, (b) one for all cases referred to Expedited Arbitration, (c) one for Contract disputes, and (d) one for Impasses from Local Negotiations appealed to arbitration at the appropriate Grievance/Arbitration Processing Center. In each District separate panels will be established for scheduling and hearing cases involving (a) removals and suspensions for more than 14 days, and suspensions of 14 days or less referred from Expedited Arbitration; (b) Contract disputes, (c) cases referred to Expedited Arbitration, and (d) Impasses from Local Negotiations.
 - a. Arbitration hearings are to be scheduled and heard within 120 days following receipt of the arbitration appeal, unless the parties agree upon a later date.
2. Cases will be scheduled for arbitration in the order in which appealed, unless the Union and Employer otherwise agree. **Prior to arbitration dates being scheduled by the parties for the next round of scheduling, each party may, at its option, advance one case per month to the top of the docket.**
3. Only discipline cases involving suspensions of 14 days or less and those other disputes as may be mutually determined by the parties shall be referred to Expedited Arbitration in accordance with Section Chereof.
4. Cases referred to arbitration, which involve removals or suspensions for more than 14 days, shall be scheduled for hearing at the Grievance/Arbitration Processing Center at the earliest possible date in the order in which appealed by the Union.
5. If either party believes that a case referred to Regular Arbitration involves an interpretative issue under the National Agreement or some supplement thereto which may be of general application, that party's representative shall request input from their appropriate National Representative at the Headquarters level. If either party's representative at the Headquarters level determines the case is interpretive, a notice will be sent to the other party. The case will be held pending the outcome of the

National interpretive dispute. If both parties' representatives determine the case does not involve an interpretive issue, the case if already scheduled for arbitration will be heard before the same arbitrator who was originally scheduled to hear the case. Further, if the hearing had convened, the case will continue at the same stage of arbitration.

6. The arbitrators on each Regular District Panel shall be scheduled to hear cases on a rotating system basis, unless otherwise agreed by the parties. The hearing time available for arbitration will be distributed among offices and crafts.
7. Normally, there will be no transcripts of arbitration hearings or filing of post-hearing briefs in cases heard in Regular District level arbitration, except either party at the National level may request a transcript. Either party at the hearing may request to file a post-hearing brief in contract arbitrations. In Regular District level discipline/discharge arbitrations, post-hearing briefs will be permitted only by mutual agreement of the parties or by direction of the arbitrator. However, each party may file a written statement setting forth its understanding of the facts and issues and its argument at the beginning of the hearing and also shall be given an adequate opportunity to present argument at the conclusion of the hearing.
8. The arbitrator in any given case should render an award therein within thirty (30) days of the close of the record in the case.

C. District Level Arbitration - Expedited

1. The parties agree to continue the utilization of an expedited arbitration system for disciplinary cases of 14 days suspension or less which do not involve interpretation of the Agreement and for such other cases as the parties may mutually determine.
2. If either party concludes that the issues involved are of such complexity or significance as to warrant reference to the Regular District Arbitration Panel, that party shall notify the other party of such reference at least twenty-four (24) hours prior to the scheduled time for the expedited arbitration.
3. The hearing shall be conducted in accordance with the following:
 - a. the hearing shall be informal;
 - b. no briefs shall be filed or transcripts made;
 - c. there shall be no formal rules of evidence;
 - d. the hearing shall normally be completed within one day;
 - e. if the arbitrator or the parties mutually conclude at the hearing that the issues involved are of such complexity or significance as to warrant reference to the Regular District

Arbitration Panel, the case shall be referred to that panel; and

- f. the arbitrator may issue a bench decision at the hearing but in any event shall render a decision within forty-eight (48) hours after conclusion of the hearing. Such decision shall be based on the record before the arbitrator and may include a brief written explanation of the basis for such conclusion. These decisions will not be cited as a precedent. The arbitrator's decision shall be final and binding. An arbitrator who issues a bench decision shall furnish a written copy of the award to the parties within forty-eight (48) hours of the close of the hearing.
4. No decision by a member of the Expedited Panel in such a case shall be regarded as a precedent or be cited in any future proceeding, but otherwise will be a final and binding decision.
5. The Expedited Arbitration Panel shall be developed by the National parties, on a District level.

D. National Level Arbitration

1. Only cases involving interpretive issues under this Agreement or supplements thereto of general application will be arbitrated at the National level.
2. A docket of cases appealed to arbitration at the National level shall be maintained for the Union. The arbitrators on the National Panel shall be scheduled to hear cases on a rotating system basis, unless otherwise agreed by the parties. Cases on the docket will be scheduled for arbitration in the order in which appealed, unless the Union and Employer otherwise agree.

Section 6. Administration

The parties recognize their continuing joint responsibility for efficient functioning of the grievance procedure and effective use of arbitration. Commencing April 1, 1979, and quarterly thereafter, the Employer will furnish to the President of the Union a copy of a quarterly report containing the following information covering operation of the arbitration procedure at the National level, and for each Grievance/Arbitration Processing Center separately:

- (a) number of cases appealed to arbitration;
- (b) number of cases scheduled for hearing;
- (c) number of cases heard;
- (d) number of scheduled hearing dates, if any, which were not used;
- (e) the total number of cases pending but not scheduled at the end of the quarter.

(The preceding Article, Article 15, shall apply to Transitional Employees)

ARTICLE 16 DISCIPLINE PROCEDURE

Section 1. Principles

In the administration of this Article, a basic principle shall be that discipline should be corrective in nature, rather than punitive. No employee may be disciplined or discharged except for just cause such as, but not limited to, insubordination, pilferage, intoxication (drugs or alcohol), incompetence, failure to perform work as requested, violation of the terms of this Agreement, or failure to observe safety rules and regulations. Any such discipline or discharge shall be subject to the grievance-arbitration procedure provided for in this Agreement, which could result in reinstatement and restitution, including back pay.

Section 2. Discussion

For minor offenses by an employee, management has a responsibility to discuss such matters with the employee. Discussions of this type shall be held in private between the employee and the supervisor. Such discussions are not considered discipline and are not grievable. Following such discussions, there is no prohibition against the supervisor and/or the employee making a personal notation of the date and subject matter for their own personal record(s). However, no notation or other information pertaining to such discussion shall be included in the employee's personnel folder. While such discussions may not be cited as an element of prior adverse record in any subsequent disciplinary action against an employee, they may be, where relevant and timely, relied upon to establish that employees have been made aware of their obligations and responsibilities.

Section 3. Letter of Warning

A letter of warning is a disciplinary notice in writing, identified as an official disciplinary letter of warning, which shall include an explanation of a deficiency or misconduct to be corrected.

Section 4. Suspensions of 14 Days or Less

In the case of discipline involving suspensions of fourteen (14) days or less, the employee against whom disciplinary action is sought to be initiated shall be served with a written notice of the charges against the employee and shall be further informed that he/she will be suspended after ten (10) calendar days during which ten-day period the employee shall remain on the job or on the clock (in pay status) at the option of the Employer. However, if a timely grievance is initiated, the effective date of the suspension will be delayed until disposition of the grievance, either by settlement or an arbitrator's final and binding decision. The employee shall remain on the job or on the clock (in pay status) at the option of the Employer.

Section 5. Suspensions of More Than 14 Days or Discharge

In the case of suspensions of more than fourteen (14) days, or of discharge, any employee shall, unless otherwise provided herein, be entitled to an advance written notice of the charges against him/her and shall remain either on the job or on the clock at the option of the Employer for a period of thirty (30) days. Thereafter, the employee shall remain on the rolls (non-pay

status) until disposition of the case has been had either by settlement with the Union or through exhaustion of the grievance-arbitration procedure. A preference eligible who chooses to appeal a suspension of more than fourteen (14) days or his/her discharge to the Merit Systems Protection Board (MSPB) rather than through the grievance-arbitration procedure shall remain on the rolls (non-pay status) until disposition of the case has been had either by settlement or through exhaustion of his/her MSPB appeal. When there is reasonable cause to believe an employee is guilty of a crime for which a sentence of imprisonment can be imposed, the Employer is not required to give the employee the full thirty (30) days advance written notice in a discharge action, but shall give such lesser number of days advance written notice as under the circumstances is reasonable and can be justified. The employee is immediately removed from a pay status at the end of the notice period.

Section 6. Indefinite Suspension Crime Situation

A. The Employer may indefinitely suspend an employee in those cases where the Employer has reasonable cause to believe an employee is guilty of a crime for which a sentence of imprisonment can be imposed. In such cases, the Employer is not required to give the employee the full thirty (30) days advance notice of indefinite suspension, but shall give such lesser number of days of advance written notice as under the circumstances is reasonable and can be justified. The employee is immediately removed from a pay status at the end of the notice period.

B. The just cause of an indefinite suspension is grievable. The arbitrator shall have the authority to reinstate and make the employee whole for the entire period of the indefinite suspension.

C. If after further investigation or after resolution of the criminal charges against the employee, the Employer determines to return the employee to a pay status, the employee shall be entitled to back pay for the period that the indefinite suspension exceeded seventy (70) days, if the employee was otherwise available for duty, and without prejudice to any grievance filed under B. above.

D. The Employer may take action to discharge an employee during the period of an indefinite suspension whether or not the criminal charges have been resolved, and whether or not such charges have been resolved in favor of the employee. Such action must be for just cause, and is subject to the requirements of Section 5 of this Article.

Section 7. Emergency Procedure

An employee may be immediately placed on an off-duty status (without pay) by the Employer, but remain on the rolls where the allegation involves intoxication (use of drugs or alcohol), pilferage, or failure to observe safety rules and regulations, or in cases where retaining the employee on duty may result in damage to U.S. Postal Service property, loss of mail or funds, or where the employee may be injurious to self or others. The employee shall remain on the rolls (non-pay status) until disposition of the case has been had. If it is proposed to suspend such an employee for more than thirty (30) days or discharge the employee, the emergency action taken under this Section may be made the subject of a separate grievance.

Section 8. Review of Discipline

In no case may a supervisor impose suspension or discharge upon an employee unless the proposed disciplinary action by the supervisor has first been reviewed and concurred in by the installation head or designee.

In associate post offices of twenty (20) or less employees, or where there is no higher level supervisor than the supervisor who proposes to initiate suspension or discharge, the proposed disciplinary action shall first be reviewed and concurred in by a higher authority outside such installation or post office before any proposed disciplinary action is taken.

Section 9. Veterans' Preference

A. A preference eligible is not hereunder deprived of whatever rights of appeal such employee may have under the Veterans' Preference Act; however, if the employee appeals under the Veterans' Preference Act, the employee will be deemed to have waived further access to the grievance-arbitration procedure beyond step 3 under any of the following circumstances:

1. If an MSPB settlement agreement is reached.
2. If the MSPB has not yet issued a decision on the merits, but a hearing on the merits before the MSPB has begun.
3. If the MSPB issues a decision on the merits of the appeal.

B. In the event the grievance of a preference eligible is due to be scheduled in accordance with Article 15, section 5, and the preference eligible has a live MSPB appeal on the same action, the parties will not schedule the grievance for arbitration until a final determination is reached in the MSPB procedure. If the grievance is not waived under Section 9.A 1, 2 or 3 above, the case will be scheduled promptly for arbitration. Should the grievance ultimately be sustained or modified in arbitration, the preference eligible employee will have no entitlement to back pay under the National Agreement for the period from the date the case would have been scheduled for arbitration and the date it is actually scheduled for arbitration.

Section 10. Employee Discipline Records

The records of a disciplinary action against an employee shall not be considered in any subsequent disciplinary action if there has been no disciplinary action initiated against the employee for a period of two years.

Upon the employee's written request, any disciplinary notice or decision letter will be removed from the employee's official personnel folder after two years if there has been no disciplinary action initiated against the employee in that two-year period.

(Additional provisions regarding the discipline or removal of Transitional Employees can be found in Appendix A)

**ARTICLE 17
REPRESENTATION**

Section 1. Stewards

Stewards may be designated for the purpose of investigating, presenting and adjusting grievances.

Section 2. Appointment of Stewards

A. The Union will certify to the Employer in writing a steward or stewards and alternates in accordance with the following general guidelines. Where more than one steward is appointed, one shall be designated chief steward. The selection and appointment of stewards or chief stewards is the sole and exclusive function of the Union. Stewards will be certified to represent employees in specific work location(s) on their tour; provided no more than one steward may be certified to represent employees in a particular work location(s). The number of stewards certified shall not exceed, but may be less than, the number provided by the formula hereinafter set forth.

Employees in the same craft per tour or station

Up to 49	1 steward
50 to 99	2 stewards
100 to 199	3 stewards
200 to 499	5 stewards
500 or more	5 stewards plus additional steward for each 100 employees

B. At an installation, the Union may designate in writing to the Employer one Union officer actively employed at that installation to act as a steward to investigate, present and adjust a specific grievance or to investigate a specific problem to determine whether to file a grievance. The activities of such Union officer shall be in lieu of a steward designated under the formula in Section 2.A and shall be in accordance with Section 3. Payment, when applicable, shall be in accordance with Section 4.

C. To provide steward service to installations with twenty or less craft employees where the Union has not certified a steward, a Union representative certified to the Employer in writing and compensated by the Union may perform the duties of a steward.

D. At the option of the Union, representatives not on the Employer's payroll shall be entitled to perform the functions of a steward or chief steward, provided such representatives are certified in writing to the Employer at the Area level and providing such representatives act in lieu of stewards designated under the provisions of 2.A or 2.B above.

E. A steward may be designated to represent more than one craft, or to act as a steward in a craft other than his/her own, whenever the Union so agrees, and notifies the Employer in writing. Any steward designations across craft lines must be in accordance with the formula set forth in Section 2.A above.

(The preceding Section, Article 17.2, shall apply to Transitional Employees.)

Section 3. Rights of Stewards

When it is necessary for a steward to leave his/her work area to investigate and adjust grievances or to investigate a specific problem to determine whether to file a grievance, the steward shall request permission from the immediate supervisor and such request shall not be unreasonably denied.

In the event the duties require the steward leave the work area and enter another area within the installation or post office, the steward must also receive permission from the supervisor from the other area he/she wishes to enter and such request shall not be unreasonably denied.

The steward, chief steward or other Union representative properly certified in accordance with Section 2 above may request and shall obtain access through the appropriate supervisor to review the documents, files and other records necessary for processing a grievance or determining if a grievance exists and shall have the right to interview the aggrieved employee(s), supervisors and witnesses during working hours. Such requests shall not be unreasonably denied.

While serving as a steward or chief steward, an employee may not be involuntarily transferred to another tour, to another station or branch of the particular post office or to another independent post office or installation unless there is no job for which the employee is qualified on such tour, or in such station or branch, or post office.

If an employee requests a steward or Union representative to be present during the course of an interrogation by the Inspection Service, such request will be granted. All polygraph tests will continue to be on a voluntary basis.

(The preceding Section, Article 17.3, shall apply to Transitional Employees)

Section 4. Payment of Stewards

The Employer will authorize payment only under the following conditions:

Grievances:

- Steps 1 and 2 — The aggrieved and one Union steward -- (only as permitted under the formula in Section 2.A) for time actually spent in grievance handling, including investigation and meetings with the Employer. The Employer will also compensate a steward for the time reasonably necessary to write a grievance. In addition, the Employer will compensate any witnesses for the time required to attend a Step 2 meeting.

Meetings called by the Employer for information exchange and other conditions designated by the Employer concerning contract application.

Employer authorized payment as outlined above will be granted at the applicable straight time rate, providing the time spent is a part of the employee's or steward's (only as provided for under the formula in Section 2.A) regular work day.

(The preceding Section, Article 17.4 shall apply to Transitional Employees.)

Section 5. Joint Labor-Management Committee Meetings

A. The APWU through its designated agents shall be entitled at the national, APWU regional/USPS Area, and local levels, and at such other intermediate levels as may be appropriate, to participate in regularly scheduled Joint Labor Management Committee meetings for the purpose of discussing, exploring, and considering with management matters of mutual concern; provided neither party shall attempt to change, add to or vary the terms of this Collective Bargaining Agreement. The local Joint Labor-Management Committee will meet as needed, but not less than once every quarter unless otherwise provided in the parties' local memorandum of understanding.

B. The national level Joint Labor-Management Committee will be co-chaired by the President of the APWU and the Postal Service Vice-President of Labor Relations and be comprised of an equal number of representatives for each party as agreed by the parties. This Committee will meet as needed, but no less than once every two months to fulfill the purposes and goals described below.

The purposes and goals of the national level Joint Labor-Management Committee will be to:

1. Promote more effective, open and continuous involvement between the parties to further enhance a positive working relationship and advance labor-management cooperation between the parties;
2. Jointly pursue strategies which emphasize improving employee working conditions and satisfying the customer in terms of service and costs;
3. Work together to seek ways of improving customer service, increasing revenue, and reducing postal costs; and,
4. Provide an opportunity to jointly discuss new Postal Service initiatives during their development, inasmuch as those initiatives might impact on employees or as they might relate to employee working conditions. These discussions may include, but are not limited to, the creation of new position descriptions; modifications to facilities; technological and mechanization changes; automation implementation; and the development of new facilities and designs.

C. As needed, the national level Joint Labor-Management Committee, through mutual agreement, will create subcommittees to deal with specific issues. All other national level committees established pursuant to the terms of this Agreement, including Safety & Health, Ergonomics and Training, shall function as subcommittees of the national level Joint Labor-Management Committee. All subcommittees

already established or created by the national level Joint Labor-Management Committee will report to such Committee, as necessary, on their specific issues of concern and provide updated information.

D. In order to further recognize and effect Union/Management cooperation, there will be four national level craft subcommittees created, one for each APWU craft, for the purpose of jointly addressing specific issues of contract administration for each such craft. These subcommittees will be co-chaired by the APWU Craft Directors of each craft and the Postal Service Manager of Contract Administration or his/her designee. At the Union's request, the appropriate operational manager will attend meetings to address the Union's concerns or respond to questions on specific operational issues. Neither party shall attempt to change, add or vary the terms of this collective bargaining agreement through these subcommittees.

E. Meetings at the national and APWU/regional USPS Area (except as to the Christmas operation) levels will not be compensated by the Employer. The Employer will compensate one designated representative from the Union concerned with the subject matter of the meeting for actual time spent in the meeting at the applicable straight time rate, providing the time spent in such meetings is a part of the employee's regular scheduled work day.

Section 6. Union Participation in New Employee Orientation

During the course of any employment orientation program for new employees, a representative of the Union representing the craft or occupational group to which the new employees are assigned shall be provided ample opportunity to address such new employees, provided that this provision does not preclude the Employer from addressing employees concerning the same subject.

Health benefit enrollment information and forms will not be provided during orientation until such time as a representative of the Union has had an opportunity to address such new employees.

(The preceding Section, Article 17.6, shall apply to Transitional Employees.)

Section 7. Dues Checkoff

A. In conformity with Section 2 of the Act, 39 U.S.C. 1205, without cost to the Union, the Employer shall deduct and remit to the Union the regular and periodic Union dues from the pay of employees as instructed in writing by the Union and the employee, which written assignment by the employee shall be irrevocable for a period of not more than one (1) year. The parties agree that the Union will have sole responsibility for and control over dues withholding and revocation. The Union must provide the Postal Service with withholding and revocation information in a format and within time periods acceptable to the Postal Service. The Employer agrees to remit to the Union all deductions to which it is entitled fourteen (14) days after the end of the pay period for which such deductions are made. Deductions shall be in such amounts as are designated to the Employer in writing by the Union.

B. The authorization of such deductions shall be made in accordance with the terms of Standard Form 1187. Revocation of authorization shall be made in accordance with the terms of Standard Form 1186.

C. Notwithstanding the foregoing, employees' dues deduction authorizations (Standard Form 1187) which are presently on file with the Employer on behalf of the Union party to this Agreement, shall continue to be honored and given full force and effect by the Employer unless and until revoked in accordance with their terms.

D. The Union shall defend, indemnify, save and hold the Postal Service harmless from any and all claims, responsibility, damage, suit, demand, grievance or other liability (including attorney's fees incurred by the Postal Service), which may arise out of any actions taken by the Postal Service required by the terms of this Article or in reliance upon instructions provided by the Union in connection with the Union's operation and control over said dues withholding and revocation.

E. The Employer agrees that it will continue in effect, but without cost to employees, its existing program of payroll deductions at the request and on behalf of employees for remittance to financial institutions including credit unions. In addition the Employer agrees without cost to the employee to make payroll deductions on behalf of such organization as the Union shall designate to receive funds to provide group automobile insurance for employees and/or homeowners/tenant liability insurance for employees, provided only one insurance carrier is selected to provide such coverage.

(The preceding Section, Article 17.7, shall apply to Transitional Employees.)

Section 8. Policy on Telephones

The parties recognize that telephones are for official USPS business. However, the Employer at the local level shall establish a policy for the use of telephones by designated Union representatives for legitimate business related to the administration of the National Agreement, subject to sound business judgment and practices.

Section 9. Inspection of Lockers

Except as provided in Article 39.3.C, the Employer agrees that, a steward or the employee shall be given the opportunity to be present at any inspection of employees' lockers, except in matters where there is reasonable cause to suspect criminal activity. For a general inspection where employees have had prior notification of at least a week, the above is not applicable.

ARTICLE 18 NO STRIKE

Section 1. Statement of Principle

The Union in behalf of its members agree that it will not call or sanction a strike or slowdown.

Section 2. Union Actions

The Union or its local Unions (whether called locals or by other names) will take reasonable action to avoid such activity and where such activity occurs, immediately inform striking employees they are in violation of this Agreement and order said employees back to work.

Section 3. Union Liability

It is agreed that the Union or its local Unions (whether called locals or by other names) which comply with the requirements of this Article shall not be liable for the unauthorized action of their members or other postal employees.

Section 4. Legal Impact

The parties agree that the provisions of this Article shall not be used in any way to defeat any current or future legal action involving the constitutionality of existing or future legislation prohibiting Federal employees from engaging in strike actions. The parties further agree that the obligations undertaken in this Article are in no way contingent upon the final determination of such constitutional issues.

(The preceding Article, Article 18, shall apply to Transitional Employees.)

ARTICLE 19 HANDBOOKS AND MANUALS

Those parts of all handbooks, manuals and published regulations of the Postal Service, that directly relate to wages, hours or working conditions, as they apply to employees covered by this Agreement, shall contain nothing that conflicts with this Agreement, and shall be continued in effect except that the Employer shall have the right to make changes that are not inconsistent with this Agreement and that are fair, reasonable, and equitable. This includes, but is not limited to, the Postal Service Manual and the F-21, Timekeeper's Instructions.

Notice of such proposed changes that directly relate to wages, hours, or working conditions will be furnished to the Union at the national level at least sixty (60) days prior to issuance. **The Employer shall furnish the Union with the following information about each proposed change: a narrative explanation of the purpose and impact on employees and any documentation concerning the proposed change from the manager(s) who requested the change addressing its purpose and effect.** Proposed changes will be furnished to the Union by hard copy or, if available, by electronic file. At the request of the Union, the parties shall meet concerning such changes. **If the Union requests a meeting concerning proposed changes, the meeting will be attended by manager(s) who are knowledgeable about the purpose of the proposed change and its impact on employees.** If the Union, after the meeting, believes the proposed changes violate the National Agreement (including this Article), it may then submit the issue to arbitration in accordance with the arbitration procedure within **ninety (90)** days after receipt of the notice of proposed change. Within fifteen (15) days after the issue has been submitted to arbitration, each party shall provide the other with a statement in writing of its understanding of the precise issues involved, and the facts giving rise to such issues. Copies

of those parts of all new handbooks, manuals and regulations that directly relate to wages, hours or working conditions, as they apply to employees covered by this Agreement, shall be furnished to the Union upon issuance.

Article 19 shall apply in that those parts of all handbooks, manuals and published regulations of the Postal Service, which directly relate to wages, hours or working conditions shall apply to transitional employees only to the extent consistent with other rights and characteristics of transitional employees negotiated in this Agreement and otherwise as they apply to the supplemental work force. The Employer shall have the right to make changes to handbooks, manuals and published regulations as they relate to transitional employees pursuant to the same standards and procedures found in Article 19 of this Agreement.

ARTICLE 20 PARKING

Section 1. National Study Committee

The existing parking program will remain in effect. There shall be established at the national level, as a subcommittee of the national Joint Labor-Management Committee, a National Study Committee on Parking in order to improve the parking program at existing facilities and to recommend such programs for new facilities.

Section 2. Security

Recognizing the need for adequate security for employees in parking areas, and while en route to and from parking areas, the Employer will take reasonable steps, based on the specific needs of the individual location, to safeguard employee security, including, but not limited to, establishing liaison with local police authorities, requesting the assignment of additional uniformed police in the area, improving lighting and fencing, and, where available, utilizing mobile security force patrols.

Section 3. Labor-Management Committee

Parking is a proper subject for discussion at local Labor-Management Committee meetings. The location of new, additional, or improved parking facilities; the number of parking spaces; security and lighting in the parking areas as well as similar subjects are proper agenda items for such meetings. The local Labor-Management Committee may make recommendations to the installation head concerning such subjects.

(The preceding Article, Article 20, shall apply to Transitional Employees)

ARTICLE 21 BENEFIT PLANS

Section 1. Health Benefits

The method for determining the Employer bi-weekly contributions to the cost of employee health insurance programs under the Federal Employees Health Benefits Program (FEHBP) will be as follows:

A. The Office of Personnel Management shall calculate the subscription charges under the FEHBP that will be in effect the following January with respect to self only enrollments and self and family enrollments.

B. The bi-weekly Employer contribution for self only and self and family plans is adjusted to an amount equal to 85% of the weighted average bi-weekly premiums under the FEHBP as determined by the Office of Personnel Management. The adjustment begins on the effective date determined by the Office of Personnel Management in **January 2002, January 2003 and January 2004.**

C. The weight to be given to a particular subscription charge for each FEHB plan and option will be based on the number of enrollees in each such plan and option for whom contributions have been received from employers covered by the FEHBP as determined by the Office of Personnel Management.

D. The amount necessary to pay the total charge for enrollment after the Employer's contribution is deducted shall be withheld from the pay of each enrolled employee. To the extent permitted by law, the Employer shall permit employees covered by this Agreement to make their premium contributions to the cost of each plan on a pre-tax basis, and shall extend eligibility to such employees for the U.S. Postal Service's flexible spending account plans for unreimbursed health care expenses and work-related dependent child care and elder care expenses as authorized under Section 125 of the Internal Revenue Code.

E. The limitation upon the Employer's contribution towards any individual employee shall be 88.75% of the subscription charge under the FEHBP in **2002, 2003 and 2004.**

(Additional provisions regarding TE participation in Federal Employee Health Benefits program can be found in Appendix A).

Section 2. Life Insurance

The Employer shall maintain the current life insurance program in effect during the term of this Agreement.

Section 3. Retirement

The provisions of Chapters 83 and 84 of Title 5 U.S. Code, and any amendments thereto, shall continue to apply to employees covered by this Agreement.

Section 4. Injury Compensation

Employees covered by this Agreement shall be covered by subchapter I of Chapter 81 of Title 5, and any amendments thereto, relating to compensation for work injuries. The Employer will promulgate appropriate regulations which comply with applicable regulations of the Office of Workers' Compensation Programs and any amendments thereto.

Section 5. Health Benefit Brochures

When a new employee who is eligible for enrollment in the Federal Employee's Health Benefit Program enters the Postal Service, the employee shall be furnished a copy of the Health

Benefit Plan brochure of the Union signatory to this Agreement which represents the craft in which the employee is to be employed.

ARTICLE 22 BULLETINBOARDS

The Employer shall furnish separate bulletin boards for the exclusive use of the Union party to this Agreement, subject to the conditions stated herein, if space is available. If sufficient space is not available, at least one will be provided for the Union signatory to this Agreement. The Union may place their literature racks in swing rooms, if space is available. Only suitable notices and literature may be posted or placed in literature racks. There shall be no posting or placement of literature in literature racks except upon the authority of officially designated representatives of the Union.

(The preceding Article, Article 22, shall apply to Transitional Employees)

ARTICLE 23 RIGHTS OF UNION OFFICIALS TO ENTER POSTAL INSTALLATIONS

Upon reasonable notice to the Employer, duly authorized representatives of the Union shall be permitted to enter postal installations for the purpose of performing and engaging in official union duties and business related to the Collective Bargaining Agreement. There shall be no interruption of the work of employees due to such visits and representatives shall adhere to the established security regulations.

(The preceding Article, Article 23, shall apply to Transitional Employees)

ARTICLE 24 EMPLOYEES ON LEAVE WITH REGARD TO UNION BUSINESS

Section 1. Continuation of Benefits

Any employee on leave without pay to devote full or part-time service to the Union signatory to this Agreement shall be credited with step increases as if in a pay status. Retirement benefits will accrue on the basis of the employee's step so attained, provided the employee makes contributions to the retirement fund in accordance with current procedure. Annual and sick leave will be earned in accordance with existing procedures based on hours worked.

Section 2. Leave for Union Conventions

A. Full or part-time employees will be granted annual leave or leave without pay at the election of the employee to attend National, State and Regional Union Conventions (Assemblies) provided that a request for leave has been submitted by the employee to the installation head as soon as practicable and provided that approval of such leave does not seriously adversely affect the service needs of the installation.

B. If the requested leave falls within the choice vacation period and if the request is submitted prior to the determination of the choice vacation period schedule, it will be granted prior to making commitments for vacations during the choice period,

and will be considered part of the total choice vacation plan for the installation, unless agreed to the contrary at the local level. Where the specific delegates to the Convention (Assembly) have not yet been determined, upon the request of the Union, the Employer will make provision for leave for these delegates prior to making commitments for vacations.

C. If the requested leave falls within the choice vacation period and the request is submitted after the determination of the choice vacation period schedule, the Employer will make every reasonable effort to grant such request, consistent with service needs.

(The preceding Article, Article 24, shall apply to Transitional Employees)

ARTICLE 25 HIGHER LEVEL ASSIGNMENTS

Section 1. Definitions

Higher level work is defined as an assignment to a ranked higher level position, whether or not such position has been authorized at the installation.

Section 2. Higher Level Pay

An employee who is detailed to higher level work shall be paid at the higher level for time actually spent on such job. An employee's higher level rate shall be determined as if promoted to the position. An employee temporarily assigned or detailed to a lower level position shall be paid at the employee's own rate.

(Additional provisions regarding Higher Level Pay for Transitional Employees can be found in Appendix A).

Section 3. Written Orders

Any employee detailed to higher level work shall be given a written management order, stating beginning and approximate termination, and directing the employee to perform the duties of the higher level position. Such written order shall be accepted as authorization for the higher level pay. The failure of management to give a written order is not grounds for denial of higher level pay if the employee was otherwise directed to perform the duties.

Section 4. Higher Level Details

Detailing of employees to higher level bargaining unit work in each craft shall be from those eligible, qualified and available employees in each craft in the immediate work area in which the temporarily vacant higher level position exists. However, for details of an anticipated duration of one week (five working days within seven calendar days) or longer to those higher level craft positions enumerated in the craft Articles of this Agreement as being permanently filled on the basis of promotion of the senior qualified employee, the senior, qualified, eligible, available employee in the immediate work area in which the temporarily vacant higher level position exists shall be selected.

Section 5. Leave Pay

Leave pay for employees detailed to a higher level position will be administered in accordance with the following:

Employees working short term on a higher level assignment or detail will be entitled to approved sick and annual paid leave at the higher level rate for a period not to exceed three days.

Short term shall mean an employee has been on an assignment or detail to a higher level for a period of 29 consecutive work days or less at the time leave is taken and such assignment or detail to the higher level position is resumed upon return to work. All short term assignments or details will be automatically canceled if replacements are required for absent detailed employees.

Long term shall mean an employee has been on an assignment or detail to the higher level position for a period of 30 consecutive workdays or longer at the time leave is taken and such assignment or detail to the higher level position is resumed upon return to work.

Terminal leave payments resulting from death will be paid at the higher level for all employees who are assigned or detailed to higher level assignments on their last workday.

ARTICLE 26 UNIFORMS AND WORK CLOTHES

Section 1. Uniform Control Committee

The parties agree that a USPS/APWU National Labor-Management Uniform Control Committee shall be established.

The Committee shall be composed of one spokesperson for the Union, and may include each craft represented by the APWU entitled to uniforms or work clothing; one spokesperson for the Employer and an equal number of representatives of the Employer. The Chairmanship of the Committee shall alternate each meeting between the Union spokesperson and the Postal Service spokesperson.

The Committee shall meet at least once each three months and at such other times as may be necessary or as requested by either of the parties.

The Committee shall have jurisdiction to consider the matters set out below and all non-cost matters pertaining to the Uniform Allowance Program, including but not limited to, the uniform items or work clothes items for which allowances are applicable; the design, color, quality and fabrics of authorized items.

The current administration of the Uniform and Work Clothes Program shall be continued unless otherwise changed by this Agreement or by the Employer based on recommendations of the Committee.

“Wear-out” periods for uniform items being changed or replaced shall be determined by the Committee and appropriate recommendations made after giving full consideration to the type of changes being made, the economic effect upon the

employees involved for replacement, and the overall appearance of the uniform.

The Committee shall establish its own rules of procedure. Recommendations of the Committee shall be addressed to the Postmaster General or his designee.

Section 2. Annual Allowance - Regular Uniform Program

The annual allowance for eligible employees in the regular uniform program shall be as follows:

A. **Effective November 21, 2001** the annual allowance for all eligible employees shall be increased from present **\$291.00** per annum to **\$304.00** per annum; and from present **\$125.00** per annum to **\$131.00** per annum.

Effective November 21, 2002 the annual allowance for all eligible employees shall be increased from **\$304.00** per annum to **\$312.00** per annum; and from **\$131.00** per annum to **\$134.00** per annum.

B. A newly eligible employee entering the regular uniform program will receive an additional credit to the employee's allowance, as follows:

Effective November 21, 2001

- **\$70.00** if entitled to **\$304.00** per annum;
- **\$16.00** if entitled to **\$131.00** per annum

Effective November 21, 2002

- **\$72.00** if entitled to **\$312.00** per annum;
- **\$16.00** if entitled to **\$134.00** per annum

An eligible employee cannot receive this additional credit more than once; however, the current procedures regarding employees transferring from one allowance category to another shall be continued.

Section 3. Annual Allowance - Work Clothing Program

The annual allowance for eligible employees in the Work Clothes Program and Contract Uniform Program shall be as follows:

Clerical, Motor Vehicle Maintenance (eligible) - work clothes

- **\$60.00** effective **November 21, 2001**
- **\$62.00** effective **November 21, 2002**

Custodial Maintenance (eligible) - contract uniform

- **\$118.00** effective **November 21, 2001**
- **\$121.00** effective **November 21, 2002**

Vehicle Maintenance (eligible) - contract uniform

- **\$148.00** effective **November 21, 2001**
- **\$152.00** effective **November 21, 2002**

ARTICLE 27 EMPLOYEE CLAIMS

Subject to a \$10 minimum, an employee may file a claim within fourteen (14) days of the date of loss or damage and be reimbursed for loss or damage to his/her personal property except for motor vehicles and the contents thereof taking into consideration depreciation where the loss or damage was suffered in connection with or incident to the employee's employment while on duty or while on postal premises. The possession of the property must have been reasonable, or proper under the circumstances and the damage or loss must not have been caused in whole or in part by the negligent or wrongful act of the employee. Loss or damage will not be compensated when it resulted from normal wear and tear associated with day-to-day living and working conditions.

Claims should be documented, if possible, and submitted with recommendations by the Union steward to the Employer at the local level. The Employer will submit the claim, with the Employer's and the steward's recommendation, within 15 days, to the Area office for determination. The claim will be adjudicated within thirty (30) days after receipt at the Area office. An adverse determination on the claim may be appealed pursuant to the procedures for appealing an adverse decision in Step 3 of the grievance-arbitration procedure.

A decision letter denying a claim in whole or in part will include notification of the Union's right to appeal the decision to arbitration under Article 15.

The Area office will provide to the Union's Regional Representative a copy of the denial letter referenced above, the claim form, and all documentation submitted in connection with the claim.

The installation head or designee will provide a copy of the denial letter to the steward whose recommendation is part of the claim form.

The above procedure does not apply to privately owned motor vehicles and the contents thereof. For such claims, employees may utilize the procedures of the Federal Tort Claims Act in accordance with Part 250 of the Administrative Support Manual.

The procedure specified therein shall be the exclusive procedure for such claims, which shall not be subject to the grievance-arbitration procedure.

A tort claim may be filed on SF 95 which will be made available by the installation head, or designee.

(The preceding Article, Article 27, shall apply to Transitional Employees)

ARTICLE 28 EMPLOYER CLAIMS

The parties agree that continued public confidence in the Postal Service requires the proper care and handling of the USPS property, postal funds and the mails. In advance of any money demand upon an employee for any reason, the employee must be informed in writing and the demand must include the reasons therefor.

Section 1. Shortages in Fixed Credits

Employees who are assigned fixed credits or vending credits shall be strictly accountable for the amount of the credit. If any shortage occurs, the employee shall be financially liable unless the employee exercises reasonable care in the performance of his duties. In this regard, the Employer agrees to:

A. Continue to provide adequate security for all employees responsible for postal funds;

B. Prohibit an employee from using the fixed credit or other financial accountability of any other employee without permission;

C. Grant the opportunity to an employee to be present whenever that employee's fixed credit is being audited and if the employee is not available to have a witness of the employee's choice present;

D. Absolve an employee of any liability for loss from cashing checks if the employee follows established procedures; and

E. Audit each employee's fixed credit no less frequently than once every four months.

Section 2. Loss or Damage of the Mails

An employee is responsible for the protection of the mails entrusted to the employee. Such employee shall not be financially liable for any loss, rifling, damage, wrong delivery of, or depredation on, the mails or failure to collect or remit C.O.D. funds unless the employee failed to exercise reasonable care.

Section 3. Damage to USPS Property and Vehicles

An employee shall be financially liable for any loss or damage to property of the Employer including leased property and vehicles only when the loss or damage was the result of the willful or deliberate misconduct of such employee.

Section 4. Collection Procedure

A. If a grievance is initiated and advanced through the grievance-arbitration procedure or a petition has been filed pursuant to the Debt Collection Act, regardless of the amount and type of debt, collection of the debt will be delayed until disposition of the grievance and/or petition has (have) been had, either through settlement or exhaustion of contractual and/or administrative remedies.

B. No more than 15 percent of an employee's disposable pay or 20 percent of the employee's biweekly gross pay whichever is lower, may be deducted each pay period to satisfy a postal debt, unless the parties agree, in writing, to a different amount.

(The preceding Article, Article 28, shall apply to Transitional Employees)

ARTICLE 29 LIMITATION ON REVOCATION OF DRIVING PRIVILEGES

An employee's driving privileges, may be revoked or suspended when the on-duty record shows that the employee is an unsafe driver.

Elements of an employee's on-duty record which may be used to determine whether the employee is an unsafe driver include but are not limited to, traffic law violations, accidents or failure to meet required physical or operation standards.

The report of the Safe Driver Award Committee cannot be used as a basis for revoking or suspending an employee's driving privileges. When a revocation, suspension, or reissuance of an employee's driving privileges is under consideration, only the on-duty record will be considered in making a final determination. An employee's driving privileges will be automatically revoked or suspended concurrently with any revocation or suspension of State driver's license and restored upon reinstatement. Every reasonable effort will be made to reassign such employee to non-driving duties in the employee's craft or in other crafts. In the event such revocation or suspension of the State driver's license is with the condition that the employee may operate a vehicle for employment purposes, the employee's driving privileges will not be automatically revoked. When revocation, suspension, or reissuance of an employee's driving privileges is under consideration based on the on-duty record, such conditional revocation or suspension of the State driver's license may be considered in making a final determination.

Initial issuance—an employee shall be issued a Certificate of Vehicle Familiarization and Safe Operation when such employee has a valid State driver's license, passes the driving test of the U.S. Postal Service, and has a satisfactory driving history.

An employee must inform the supervisor immediately of the revocation or suspension of such employee's State driver's license.

ARTICLE 30 LOCAL IMPLEMENTATION

A. Presently effective local memoranda of understanding not inconsistent or in conflict with the **2000** National Agreement shall remain in effect during the term of this Agreement unless changed by mutual agreement pursuant to the local implementation procedure set forth below or, as a result of an arbitration award or settlement arising from either party's impasse of an item from the presently effective local memorandum of understanding.

B. There shall be a 30 consecutive day period of local implementation which shall occur within a period of 60 days commencing **April 1, 2002** on the 22 specific items enumerated below, provided that no local memorandum of understanding may be inconsistent with or vary the terms of the **2000** National Agreement:

1. Additional or longer wash-up periods.

2. The establishment of a regular work week of five days with either fixed or rotating days off.
3. Guidelines for the curtailment or termination of postal operations to conform to orders of local authorities or as local conditions warrant because of emergency conditions.
4. Formulation of local leave program.
5. The duration of the choice vacation period(s).
6. The determination of the beginning day of an employee's vacation period.
7. Whether employees at their option may request two selections during the choice vacation period, in units of either 5 or 10 days.
8. Whether jury duty and attendance at National or State Conventions shall be charged to the choice vacation period.
9. Determination of the maximum number of employees who shall receive leave each week during the choice vacation period.
10. The issuance of official notices to each employee of the vacation schedule approved for such employee.
11. Determination of the date and means of notifying employees of the beginning of the new leave year.
12. The procedures for submission of applications for annual leave during other than the choice vacation period.
13. The method of selecting employees to work on a holiday.
14. Whether "Overtime Desired" lists in Article 8 shall be by section and/or tour.
15. The number of light duty assignments within each craft or occupational group to be reserved for temporary or permanent light duty assignment.
16. The method to be used in reserving light duty assignments so that no regularly assigned member of the regular work force will be adversely affected.
17. The identification of assignments that are to be considered light duty within each craft represented in the office.
18. The identification of assignments comprising a section, when it is proposed to reassign within an installation employees excess to the needs of a section.
19. The assignment of employee parking spaces.
20. The determination as to whether annual leave to attend Union activities requested prior to determination of the choice vacation schedule is to be part of the total choice vacation plan.

21. Those other items which are subject to local negotiations as provided in the craft provisions of this Agreement.
22. Local implementation of this Agreement relating to seniority, reassignments and posting.

C. All proposals remaining in dispute may be submitted to final and binding arbitration, with the written authorization of the national Union President or the Vice-President, Labor Relations. The request for arbitration must be submitted in accordance with the Memorandum of Understanding regarding Local Implementation. However, where there is no agreement and the matter is not referred to arbitration, the provisions of the ~~former local memorandum of understandings shall apply.~~ **The Employer may challenge a provision(s) of a local memorandum of understanding on “inconsistent or in conflict” grounds only by making a reasonable claim during the local implementation process that a provision(s) of a local memorandum of understanding is inconsistent or in conflict with new or amended provisions of the current National Agreement that did not exist in the previous National Agreement, or with provisions that have been amended subsequent to the effective date of the previous National Agreement. If local management refuses to abide by a local memorandum of understanding on “inconsistent or in conflict” grounds and an arbitrator subsequently finds that local management had no reasonable basis for its claim, the arbitrator is empowered to issue an appropriate remedy.**

D. **In the event of a mid-term change or addition in the National Agreement, local management may challenge a provision(s) of a local memorandum of understanding subsequent to the local implementation period, but only by making a reasonable claim that a provision(s) of a local memorandum of understanding is inconsistent or in conflict with the changed provision(s) of the National Agreement. The challenged provision(s) declared to be inconsistent or in conflict with the National Agreement shall remain in effect for 120 days from the date on which the Union is notified in writing of management’s challenge or the date of an arbitrator’s award dealing with management’s challenge, whichever is sooner.**

E. An alleged violation of the terms of a memorandum of understanding shall be subject to the grievance-arbitration procedure.

F. When installations are consolidated or when a new installation is established, the parties shall conduct a thirty (30) day period of local implementation, pursuant to Section B. All proposals remaining in dispute may be submitted to final and binding arbitration, with the written authorization of the national Union President or the Vice-President, Labor Relations. The request for arbitration must be submitted within 10 days of the end of the local implementation period.

G. Where the Postal Service, pursuant to Section C, submits a proposal remaining in dispute to arbitration, which proposal seeks to change a presently-effective Local Memorandum of Understanding, the Postal Service shall have the burden of establishing that continuation of the existing provision would represent an unreasonable burden to the USPS.

ARTICLE 31 UNION-MANAGEMENT COOPERATION

Section 1. Membership Solicitation

The Union may, through employees employed by the Employer, solicit employees for membership in the Union and receive Union dues from employees in non-work areas of the Employer's premises, provided such activity is carried out in a manner which does not interfere with the orderly conduct of the Employer's operation.

Section 2. Computer Tapes

The Employer shall, on an accounting period basis, provide the Union at its national headquarters with a computer tape containing information as set forth in the Memorandum of Understanding regarding Article 31.

Section 3. Information

The Employer will make available for inspection by the Union all relevant information necessary for collective bargaining or the enforcement, administration or interpretation of this Agreement, including information necessary to determine whether to file or to continue the processing of a grievance under this Agreement. Upon the request of the Union, the Employer will furnish such information, provided, however, that the Employer may require the Union to reimburse the USPS for any costs reasonably incurred in obtaining the information.

Requests for information relating to purely local matters should be submitted by the local Union representative to the installation head or his designee. All other requests for information shall be directed by the National President of the Union to the Vice-President, Labor Relations.

Nothing herein shall waive any rights the Union may have to obtain information under the National Labor Relations Act, as amended.

(The preceding Article, Article 31, shall apply to Transitional Employees)

ARTICLE 32 SUBCONTRACTING

Section 1. General Principles

A. The Employer will give due consideration to public interest, cost, efficiency, availability of equipment, and qualification of employees when evaluating the need to subcontract.

B. The Employer will give advance notification to the Union at the national level when subcontracting which will have a significant impact on bargaining unit work is being considered and will **meet with the Union while developing the initial Comparative Analysis report. The Employer will consider the Union's views on costs and other factors, together with proposals to avoid subcontracting and proposals to minimize the impact of any subcontracting. A statement of the Union's views and proposals will be included in the initial Comparative Analysis and in any Decision Analysis Report relating to the subcontracting under consideration.**

No final decision on whether or not such work will be contracted out will be made until the matter is discussed with the Union.

Section 2. Motor Vehicle Craft-Highway Movement of Mail

A. The American Postal Workers Union, AFL-CIO, and the United States Postal Service recognize the importance of service to the public and cost to the Postal Service in selecting the proper mode for the highway movement of mail. In selecting the means to provide such transportation the Postal Service will give due consideration to public interest, cost, efficiency, availability of equipment, and qualification of employees.

B. For highway contracts covered by Article 32, Section 2, the Union will be furnished the information enumerated in Paragraph C below. This information will be furnished at least sixty (60) days prior to the scheduled installation of the service. Within forty (40) days of being furnished such information, the Union may request a meeting to discuss a specific contract(s). Within forty-five (45) days of being furnished such information, the parties will exchange the basic cost analyses in order to facilitate discussions. The parties will meet on or before the sixtieth (60th) day. At no time will the subject highway contract(s) for which a meeting has been requested be awarded prior to the actual meeting.

C. The information will include the following in a concise summary form:

1. A statement of service including frequency, time of departure and arrival, annual mileage, and proposed effective date of contract.
2. Equipment requirements. If not comparable to standard USPS equipment available at that facility, the reasons therefore along with the cubic foot justification are to be provided.
3. A statement as to whether the proposed contract is a renewal of an existing contract and/or a partial or completely new contract solicitation.
4. For contract renewals, the current contractual cost is to be provided along with any specifics, if the terms of the renewal are modified to whatever degree.
5. If the new contract solicitation replaces in part or in whole existing Postal Vehicle Service (PVS) service, specifics as to the existing PVS service are to be provided as to the span of operating time, equipment utilized, annual cost, how the PVS employees impacted will otherwise be utilized and the projected United States Postal Service cost for subcontracting the work in question.

D. Should there subsequently be substantive modifications in the information provided the Union in C above, the Union will be notified as soon as such decision is made.

E. The parties agree that the following factors will be used in any cost comparisons of the type of transportation mode to be selected:

1. The Motor Vehicle employee costs for Motor Vehicle Operators will be the average cost of Level 5 Motor Vehicle Operators and the Motor Vehicle employee costs for Tractor-Trailer Operators will be the average cost of Level 6 for Tractor-Trailer Operators, as per these employees' straight time wages inclusive of fringe benefits. The average of each level will be a weighted average based on the number of employees in each step of the respective levels and their respective wages. The Motor Vehicle employee costs will be updated within 30 days following each salary adjustment for the Motor Vehicle Craft.
2. The vehicle costs will be computed from the last four quarters of the Vehicle Make/Model Cost Reports. These costs will be computed separately for each Area. The parties will consider an adjustment for exceptional cost variances.
3. The Postal Vehicle Service will be charged 10 minutes at the start and 10 minutes at the end of each route, regardless of the vehicle used.

F. For all routes for which the Union submitted a cost comparison, if a contract is awarded, the Union will be furnished the cost of such contract.

G. These provisions shall be applicable when evaluating the type of service to be provided for routes that are:

1. A fixed annual rate contract over \$100,000 per annum, but not more than 350 miles in round-trip length, and
2. An annual rate or non-annual rate contract such as local drayage, spotting or shuttle service where the estimated annual compensation will exceed \$45,000, and
3. Not more than 8 hours in operating time from terminus to terminus.
4. Being then operated by bargaining unit employee(s) of the Motor Vehicle Craft, regardless of annual cost, round-trip length or operating time.

H. The information will be furnished for all routes covered by this Section and subject to renewal, extension, conversion of existing postal vehicle service to highway contract service or new highway contract service subject to the limitations stated herein. The following contracts are not encompassed by this Section: services involving collection and box delivery; small contract operations in areas where no Postal Vehicle Service operation is currently operating and where Postal Vehicle Service operation is economically unfeasible; or any star route contracts let on a temporary or emergency basis.

I. The parties recognize that specific conditions may justify and require alteration of the time requirements specified herein.

Section 3. Joint Committee

There shall be established at the national level, as a subcommittee of the national level Joint Labor-Management Committee, a joint committee to study the problems in this area leading towards a meaningful evolutionary approach to the issue of subcontracting.

(The preceding Article, Article 32, shall apply to Transitional Employees)

ARTICLE 33 PROMOTIONS

Section 1. General Principles

The Employer agrees to place particular emphasis upon career advancement opportunities. First opportunity for promotions will be given to qualified career employees. The Employer will assist employees to improve their own skills through training and self-help programs, and will continue to expand the Postal Employee Development Center concept.

Section 2. Craft Promotions

When an opportunity for promotion to a craft position exists in an installation, an announcement shall be posted on official bulletin boards soliciting applications from employees of the appropriate craft. Craft employees meeting the qualifications for the position shall be given first consideration. Qualifications shall include, but not be limited to, ability to perform the job, merit, experience, knowledge, and physical ability. Where there are qualified applicants, the best qualified applicant shall be selected; however, if there is no appreciable difference in the qualifications of the best of the qualified applicants and the Employer selects from among such applicants, seniority shall be the determining factor. Written examinations shall not be controlling in determining qualifications. If no craft employee is selected for the promotion, the Employer will solicit applications from all other qualified employees within the installation.

Promotions to positions enumerated in the craft Articles of this Agreement shall be made in accordance with such Articles by selection of the senior qualified employee bidding for the position.

Section 3. Examinations

When an examination is given, there shall be no unreasonable limitation on the number of examinations that may be taken by an applicant.

ARTICLE 34 WORK AND/OR TIME STANDARDS

A. The principle of a fair day's work for a fair day's pay is recognized by all parties to this Agreement.

B. The Employer agrees that any work measurement systems or time or work standards shall be fair, reasonable and equitable. The Employer agrees that the Union concerned through qualified representatives will be kept informed during the making of time or work studies which are to be used as a basis for changing current or instituting new work measurement

systems or work or time standards. The Employer agrees that the National President of the Union may designate a qualified representative who may enter postal installations for purposes of observing the making of time or work studies which are to be used as the basis for changing current or instituting new work measurement systems or work or time standards.

C. The Employer agrees that before changing any current or instituting any new work measurement systems or work or time standards, it will notify the Union concerned as far in advance as practicable. When the Employer determines the need to implement any new nationally developed and nationally applicable work or time standards, it will first conduct a test or tests of the standards in one or more installations. The Employer will notify the Union at least 15 days in advance of any such test.

D. If such test is deemed by the Employer to be satisfactory and it subsequently intends to convert the test to live implementation in the test cities, it will notify the Union at least 30 days in advance of such intended implementation. Within a reasonable time not to exceed 10 days after the receipt of such notice, representatives of the Union and the Employer shall meet for the purpose of resolving any differences that may arise concerning such proposed work measurement systems or work or time standards.

E. If no agreement is reached within five days after the meetings begin, the Union may initiate a grievance at the national level. If no grievance is initiated, the Employer will implement the new work or time standards at its discretion.

If a grievance is filed and is unresolved within 10 days, and the Union decides to arbitrate, the matter must be submitted to priority arbitration by the Union within five days. The conversion from a test basis to live implementation may proceed in the test cities, except as provided in Paragraph I.

F. The arbitrator's award will be issued no later than 60 days after the commencement of the arbitration hearing. During the period prior to the issuance of the arbitrator's award, the new work or time standards will not be implemented beyond the test cities, and no new tests of the new standards will be initiated. Data gathering efforts or work or time studies, however, may be conducted during this period in any installation.

G. The issue before the arbitrator will be whether the national concepts involved in the new work or time standards are fair, reasonable and equitable.

H. In the event the arbitrator rules that the national concepts involved in the new work or time standards are not fair, reasonable and equitable, such standards may not be implemented by the Employer until they are modified to comply with the arbitrator's award. In the event the arbitrator rules that the national concepts involved in the new work or time standards are fair, reasonable and equitable, the Employer may implement such standards in any installation. No further grievances concerning the national concepts involved may be initiated.

I. After receipt of notification provided for in Paragraph D of this Article, the Union shall be permitted through qualified representatives to make time or work studies in the test cities. The Union shall notify the Employer within ten (10) days of their intent to conduct such studies. The Union studies shall not

exceed one-hundred fifty (150) days, from the date of such notice, during which time the Employer agrees to postpone implementation in the test cities for the first ninety (90) days. There shall be no disruption of operations or of the work of employees due to the making of such studies. Upon request, the Employer will provide reasonable assistance in making the study, provided, however, that the Employer may require the Union to reimburse the USPS for any costs reasonably incurred in providing such assistance. Upon request, the Union representative shall be permitted to examine relevant available technical information, including final data worksheets, that were used by the Employer in the establishment of the new or changed work or time standards. The Employer is to be kept informed during the making of such Union studies and, upon the Employer's request the Employer shall be permitted to examine relevant available technical information, including final data worksheets, relied upon by the Union.

(The preceding Article, Article 34, shall apply to Transitional Employees)

ARTICLE 35 EMPLOYEE ASSISTANCE PROGRAM

Section 1. Programs

The Employer and the Union express strong support for programs of self-help. The Employer shall provide and maintain a program which shall encompass the education, identification, referral, guidance and follow-up of those employees afflicted by the disease of alcoholism and/or drug abuse. When an employee is referred to the EAP by the Employer, the EAP staff will have a reasonable period of time to evaluate the employee's progress in the program.

This program of labor-management cooperation shall support the continuation of the EAP for alcohol and/or drug abuse at the current level. In addition to the current EAP, the EAP will be expanded, as provided in Section 2 hereof, to encompass the education, identification, referral and guidance of:

1. employees' family members afflicted with alcoholism and/or drug abuse which could or does have a negative impact on the employee's work performance, and
2. those employees and their families experiencing other family and/or personal problems which could or do have a negative impact on the employee's work performance.

An employee's voluntary participation in the EAP for assistance with alcohol and/or drug abuse will be considered favorably in disciplinary action proceedings.

Section 2. Joint Committee

For the term of the **2000** National Agreement, the Employer and the Union agree to work jointly in the development of the expanded EAP and in improvements in the existing EAP. The parties agree to establish at the national level a National EAP Committee. The Committee will have responsibility for jointly:

1. assessing the effectiveness of EAPs operating inside and outside the USPS, and

2. developing on an ongoing basis the general guidelines with respect to the level of services and the mechanisms by which the services will be provided.

The Committee is not responsible for day-to-day administration of the program.

The Committee shall convene at such times and places as it deems appropriate during the term of the **2000** National Agreement. No action or recommendations may be taken by the Committee except by consensus of its members. In the event that the members of the Committee are unable to agree within a reasonable time on an appropriate course of action with respect to any aspect of its responsibility, the Vice-President, Labor Relations, and the National Union President shall meet to resolve such issues.

The Committee will submit to the Vice-President, Labor Relations, and the President of the Union, a comprehensive report on the general guidelines for changes, if any, in the level of EAP services and the mechanism by which the services will be provided.

The Committee is authorized to obtain expert advice and assistance to aid its pursuit of its objectives. The apportionment of any fees and expenses for any such experts shall be by consensus of the Committee.

The Employer and the Union agree that they will cooperate fully at all levels towards achieving the objectives of the EAP.

This joint effort will continue for the term of the **2000** National Agreement.

ARTICLE 36 CREDIT UNIONS AND TRAVEL

Section 1. Credit Unions

In the event that the Union signatory to this Agreement or its local Unions (whether called locals or by other names) presently operate or shall hereafter establish and charter credit unions, the Employer shall, without charge, authorize and provide space, if available, for the operation of such credit unions in Federal buildings, in other than workroom space.

Any postal employee who is an employee of any such credit union or an officer, official, or Board member of any such credit union, shall, if such employee can be spared, be granted annual leave or leave without pay, at the option of the employee, for up to eight (8) hours daily, to perform credit union duties

Section 2. Travel, Subsistence and Transportation

A The Employer shall continue the current travel, subsistence and transportation program.

B. Employees will be paid a mileage allowance for the use of privately owned automobiles for travel on official business when authorized by the Employer equal to the standard mileage rate for use of a privately owned automobile as authorized by the General Services Administration (GSA). Any change in the GSA standard mileage rate for use of a privately owned automobile will be put into effect by the Employer within sixty (60) days of the effective date of the GSA change.

C. All travel for job-related training will be considered compensable work hours.

(The preceding Article, Article 36, shall apply to Transitional Employees)

**ARTICLE 37
CLERK CRAFT**

Section 1.	Definitions
Section 2.	Seniority
Section 3.	Posting, Bidding, and Application
Section 4.	Unencumbered Employees
Section 5.	Conversion/Part-Time Flexible Preference
Section 6.	Mail Sorting Machines
Section 7.	Anti-Fatigue Measures
Section 8.	Scheme Committee
Section 9.	Computerized Forwarding System
Section 10.	Listing of Key and Standard Positions

Section 1. Definitions

A. Craft Group. Those positions for which the Union has secured exclusive recognition at the national level.

B. Duty Assignment. A set of duties and responsibilities within recognized positions regularly scheduled during specific hours of duty.

C. Preferred Duty Assignment. Any duty assignment considered preferred by a full-time employee or a part-time regular employee.

D. Bid. A written request submitted on a PS Form 1717, or PS Form 1717A, or locally designed multi-bid form, which requires only the basic information on PS Form 1717, to the installation head to be assigned to a duty assignment by a full-time employee eligible to bid or a part-time regular employee eligible to bid. In the absence of a standard bid form, a bid submitted in writing will be accepted. When computerized bidding is available to all employees in a facility, telephone and computerized bidding is mandatory. Where telephone bidding is the only alternative form of bidding, bids may be submitted by telephone.

E. Application. A written request by a Clerk Craft employee for consideration for a duty assignment for which the employee is not entitled to submit a bid or express a preference under Article 37, Section 5.

F. Abolishment. A management decision to reduce the number of occupied duty assignment(s) in an established section and/or installation.

G. Reversion. A management decision to reduce the number of duty assignments in an installation when such duty assignment(s) is/are vacant.

H. Reposting. The posting of a duty assignment as required by Article 37, Section 3.A.4.a, b, or c.

I. Residual Vacancy. A duty assignment that remains vacant after the completion of the voluntary bidding process.

J. Conversion. The act of changing the status of a part-time flexible employee to full-time or part-time regular by appropriate personnel action (Form 50).

K. Currently Qualified. Possessing a live record on all of the qualifications for a posted duty assignment, including scheme and/or the ability to key at the appropriate speed and accuracy on the appropriate keyboard, such that the employee can assume the posted duties of the duty assignment without the need for a deferment period.

L. Live Record. A record of qualification which makes an employee qualified, for bidding purposes, on a particular scheme, skill, or other qualification requirement. A live record begins when an employee qualifies on the requirement. Its duration is as follows:

1. Except for positions listed in Section 3.F.7, a live record lasts for two years after the employee ceases to perform the duties which require the skill.
2. For positions listed in Section 3.F.7, a live record lasts for five years after the employee ceases to perform the duties which require the skill.
3. A full-time regular or part-time regular employee is considered to cease performing the duties which require a skill when the employee no longer holds a bid requiring the skill.

M. Brush-up Training. Training provided to an employee who is a successful bidder or is assigned to a duty assignment for which the employee is deemed to be currently qualified.

Section 2. Seniority

A. Introduction

1. The U.S. Postal Service and the APWU, Clerk Craft Division, AFL-CIO, agree to the following seniority principles which replace all former rules, instructions and practices.
2. This Article will continue relative seniority standings properly established under past instructions, rules, and practices and the Article shall be so applied. If an employee requests a correction of seniority standing, it is the responsibility of the requesting employee to identify and restate the specific instructions, rule or practice in support of the request.

B. Coverage

These rules apply to all employees in the regular work force when a guide is necessary for filling vacant assignments and for other purposes. No employee, solely by reason of this Article, shall be displaced from an assignment the employee gained in accord with former rules.

C. Responsibility

The Employer is responsible for day-to-day application of the seniority provisions of this Article. The installation head shall post and furnish a copy of an updated seniority list to the local union on a semi-annual basis, unless otherwise negotiated locally. The application of this Article shall be open to negotiation at the installation level with the designated official of the Union.

D. Application of Seniority

1. Seniority for full-time employees and part-time regular employees for preferred duty assignments and other purposes shall be applied in accordance with the National Agreement. This seniority determines the relative standing among full-time employees and part-time regular employees. It begins on the date of entry into the Clerk Craft in an installation and continues to accrue as long as service is uninterrupted in the Clerk Craft and in the same installation, except as otherwise specifically provided for.

2. **Reassignment of Part-Time Flexible Employees to the Clerk Craft**

When a part-time flexible employee is voluntarily or involuntarily reassigned to the Clerk Craft from another craft, the employee shall be assigned to the bottom of the part-time flexible roll and begin a new period of seniority effective the date of reassignment.

3. **Relative Standing on the Part-Time Flexible Roll**

- a. Part-time flexible employees are placed on the part-time flexible roll in the order of the date of career appointment as a part-time flexible from a competitive Postal Service eligible register or other means. In cases of appointment of more than one employee to the part-time flexible roll on the same day from the same competitive register, their positions on the part-time flexible roll will be in accord with their standing on the Postal Service eligible register.

In cases of appointment of more than one employee to the part-time flexible roll on the same day from different registers, their positions on the part-time flexible roll will be determined in accordance with their scores on the entrance examination elements applicable to the position for which hired.

If a tie still exists, standing on the part-time flexible roll will be determined by the application of Section 2.D.4 below.

- b. A reinstated, reassigned, or transferred employee shall be placed on the part-time flexible roll ahead of one appointed from the register on the same day.

- c. A part-time regular Clerk Craft employee who applies for and is changed to part-time flexible shall be placed at the bottom of the part-time flexible roll. Upon conversion to full-time, the employee's seniority for preferred assignments shall include all continuous Clerk Craft service in the installation.
- d. Continuous time in the Clerk Craft in the same installation shall be used for vacation scheduling.

4. **Seniority Tie Breaker**

Except as otherwise specifically provided for in this Agreement, when it is necessary to resolve a tie in seniority between two or more Clerk Craft employees, the following criteria shall apply in the order set forth below:

- a. Total continuous postal career service in the Clerk Craft within the installation.
- b. Total postal career service in the Clerk Craft within the installation.
- c. Total postal career service in the Clerk Craft.
- d. Total postal career service within the installation.
- e. Total postal career service.
- f. Total postal service.
- g. Total Federal service as shown in the service computation date.
- h. Numerical by the last three or more numbers (using enough numbers to break the tie, but not fewer than three numbers) of the employee's social security number, from the lowest to highest.

5. **Changes in Which Seniority is Regained, Restored or Retained**

- a. **Reemployment After Disability Separation.** On reinstatement or reemployment after separation caused by disability, disability retirement, retirement or resignation because of personal illness and the employee so stated in the resignation and furnished satisfactory evidence for inclusion in the employee's personnel folder, the employee's seniority shall be the same as if employment had not been interrupted if reinstated or reemployed in the same postal installation and craft from which originally separated; provided application for reinstatement or reemployment is made within six months from the date of recovery. The date of recovery in the case of disability retirement must be supported by notice of recovery from The Compensation Group, Office of Personnel Management, and

in the case of resignation due to illness, by a statement from the applicant's attending physician or practitioner. When reinstatement is to the part-time flexible roll, standing on the roll shall be the same as if employment had not been interrupted by the separation.

- b. **Restoration.** On restoration in the same craft in the same installation after return from military service, the employee's seniority shall be the same as if employment had not been interrupted by the separation.
- c. **Employees Electing Reassignment.** Any senior Clerk Craft employee in the same level, status, and installation may elect to be reassigned to the gaining installation in lieu of an involuntary reassignment of a junior employee.
 - (1) Senior full-time or part-time regular clerks who elect to be reassigned to the gaining installation will take their seniority with them. Reassignment of those full-time or part-time regular clerks shall be treated as details for the first 180 days to avoid inequities in the selecting of preferred duty assignments by full-time or part-time regular clerks in the gaining installation. Such senior employees who accept reassignment to the gaining installation do not have retreat rights.
 - (2) Senior part-time flexible employees who elect to be reassigned to the gaining installation will be placed at the bottom of the part-time flexible roll. Upon conversion to full-time, an employee's seniority for preferred duty assignments shall include part-time flexible service in both the losing and gaining installations.

6. **Changes in Which Seniority is Lost**

Except as specifically provided elsewhere in this Agreement, a full-time employee or a part-time regular employee begins a new period of seniority:

- a. When the change is:
 - (1) from one postal installation to another at the employee's request.
 - (2) from another craft to the Clerk Craft (voluntarily or involuntarily).
 - b. Upon reinstatement or reemployment.
 - c. Upon transfer into the Postal Service.
7. **Change in Which Seniority is Modified.** When mutual exchanges are made between full-time Clerk Craft employees in different installations, both of the exchanging employees shall take the seniority date of

the junior employee involved and shall be reassigned as unassigned full-time employees.

Section 3. Posting, Bidding, and Application

A. Newly established and vacant Clerk Craft duty assignments shall be posted as follows:

1. All newly established Clerk Craft duty assignments shall be posted to craft employees eligible to bid within 28 days. All vacant duty assignments, except those positions excluded by the provisions of Article 1, Section 2, shall be posted within 28 days unless such vacant duty assignments are reverted.

a. **Full-time duty assignments.**

- (1) Newly established full-time duty assignments are posted to full-time employees eligible to bid and to currently qualified part-time regular employees eligible to bid who were previously full-time employees in the Clerk Craft in the same installation.
- (2) Vacant full-time duty assignments are posted to full-time employees eligible to bid.
- (3) Residual full-time vacancies are posted for bid to part-time regular employees eligible to bid, after the application of Section 4.C, Assignment of Unencumbered Employees, unless such vacancies are being withheld pursuant to Article 12.
 - (a) To be eligible to bid on a residual full-time vacancy, a part-time regular employee must be senior to the senior part-time flexible on the roll who states a preference on the duty assignment.
 - (b) Posting of residual full-time duty assignments to part-time regular employees will be concurrent with part-time flexible preferencing under Section 5. A part-time regular employee eligible to bid on a duty assignment will be placed in the duty assignment ahead of a part-time flexible employee expressing a preference for the duty assignment.

b. **Part-time regular duty assignments.**

- (1) Newly established and vacant part-time regular duty assignments are posted to full-time and part-time regular employees who are eligible to bid.
- (2) Residual part-time regular vacancies are filled in accordance with Sections 4 and 5 of this Article.

2. **Reversion.** When a vacant duty assignment is under consideration for reversion, the local Union President will be given an opportunity for input prior to a decision. The decision to revert or not to revert the duty assignment shall be made not later than 28 days after it becomes vacant and if the vacant assignment is reverted, a notice shall be posted advising of the action taken and the reasons therefor.
3. **Withholding.** When vacancies are withheld under the provisions of Article 12, the local Union President will be notified in writing.
4. **Reposting.**
 - a. When it is necessary that fixed schedule day(s) of work in the basic work week for a duty assignment be permanently changed, the affected assignment(s) shall be reposted.
 - b. The determination of what constitutes a sufficient change of duties, principal assignment area or scheme knowledge requirements to cause the duty assignment to be reposted shall be a subject of negotiation at the local level.
 - c. The determination of what constitutes a sufficient change in starting time of a duty assignment to cause the duty assignment to be reposted is negotiable at the local level, provided:
 - (1) No duty assignment will be reposted when the change in starting time is one hour or less.
 - (2) The above criteria will also apply to cumulative changes in starting time within the life of this Agreement. Cumulative changes are changes that move the starting time outside a circle which has the starting time as its center and the agreed upon time as its radius.
 - (3) The incumbent shall have the option of accepting the new reporting time, if negotiated at the local level. If the incumbent accepts the new reporting time, the assignment will not be reposted.
 - (4) If the incumbent does not accept the new reporting time, the assignment will be reposted.
 - d. When duty assignments are reposted in accordance with a., b., or c. above, such repostings of level 5, 6, and 7 duty assignments will be limited to employees within the same and higher salary levels and status; and repostings of level 4 duty assignments will be limited to those employees in that salary level and status.

Subsequent postings which result from a reposted duty assignment will be limited to employees within the above salary levels until a residual vacancy is identified. Residual vacancies which result from repostings will be filled in the following order:

- (1) Assign any unencumbered employees in the same salary level who are available for assignment, in accordance with Section 4.C.1.
 - (2) Post to full-time employees in all levels who are eligible to bid and part-time regular employees in all levels who are eligible to bid.
 - (3) If no bidders, assign unencumbered lower level employees in accordance with Section 4.C.1.
- e. Duty assignments within multicraft positions shall not be reposted due to changes in hours, off days, or duties. A multicraft position is a position from which a duty assignment is posted for bid to employees from more than one craft and is awarded based on seniority.
 - f. If the decision is to repost an occupied duty assignment and there are two or more identical (hours, off days and duties) assignments within the section, the duty assignment of the junior incumbent of such assignment will be reposted.
5. In instances where more than one duty assignment is posted, clerks may indicate preferences on the bid form or in the telephone or computerized bidding process.
 6. An employee who has submitted a bid shall have the right to cancel the bid, in writing or in the telephone or computerized bidding process, at any time before the closing time (hour and date) of the posting. Such cancellation, to be official, shall be date stamped or processed by telephone or computer (with confirmation). An employee may not cancel a bid after the closing time of the posting.
 7. **Best Qualified Positions**
 - a. All newly established and vacant duty assignments in a best qualified position shall be posted for bid to full-time employees encumbered in duty assignments in the same salary level and same best qualified position, except when a vacant assignment(s) is being considered for reversion. The successful bidder must be placed in the duty assignment within 28 days after the successful bidder notice is posted, except in the month of December.

- b. The residual vacancy, as defined in Section 1 of this Article, will be posted for application unless the vacancy is being withheld pursuant to Article 12. The successful applicant must be placed in the duty assignment within 28 days after the successful applicant notice is posted, except in the month of December.
 - c. Part-time regular employees may apply for best qualified duty assignments. Applications from part-time regular employees will not be considered if sufficient (equal or greater in number than available duty assignments) full-time and part-time flexible employees meeting the minimum qualifications apply.
 - d. Incumbents in each best qualified position and salary level will be in a separate category for Article 12 excessing purposes. These categories will be separate from senior qualified positions.
8. Clerks temporarily detailed to a nonbargaining-unit position (204b) may not bid or apply for vacant Clerk Craft duty assignments while so detailed. However, nothing contained herein shall be construed to preclude such temporarily detailed employees from voluntarily terminating a 204b detail and returning to their craft position. Upon return to the craft position, such employees may exercise their right to bid or apply for vacant Clerk Craft duty assignments.

The duty assignment of a clerk detailed to a nonbargaining-unit position, including a nonbargaining-unit training program, in excess of 4 months shall be declared vacant and shall be posted for bid in accordance with this Article. Upon return to the craft the employee will become an unassigned clerk with a fixed schedule. A clerk temporarily detailed to a nonbargaining-unit position will not be returned to the craft solely to circumvent the provisions of Section 3.A.8. Form 1723, Notice of Assignment, shall be used in detailing clerks to temporary nonbargaining-unit positions (204b). The Employer will provide the Union at the local level with a copy of Form(s) 1723 showing the beginning and ending of all such details.

Employees detailed to nonbargaining-unit positions are not entitled to out-of-schedule premium.

9. Filling Upgraded Positions

- a. When an occupied Clerk Craft position is upgraded on the basis of the present duties:
 - (1) The incumbent will remain in the upgraded job provided the employee has been in that job for more than one year.
 - (2) The job will be posted for bid or application in accordance with the Agreement if the incumbent has not been in the job for more than one year.

- b. When an occupied Clerk Craft position is upgraded on the basis of duties which are added to the position:
 - (1) The incumbent will remain in the upgraded job provided the employee has been in that job for more than one year. The year of required incumbency in the job begins when the duty or duties were added which permitted the job to be reranked.
 - (2) The job will be posted for bid or application in accordance with the Agreement if the incumbent has not been in the job more than one year since the date when the duty or duties were added which later permitted the job to be reranked.
10. Full-time Clerk Craft employees may use their seniority to bid on any senior qualified assignment involving a change in level provided the bidder meets the qualifications established for the position and the requirements in subsection a. and b. below, when applicable. Part-time regular employees may use their seniority to bid on full-time duty assignments in other levels for which they are eligible to bid under the provisions of Section 3.A.1 of this Article.
- a. Full-time Clerk Craft employees in levels PS-5, PS-6, and PS-7 may bid and compete for vacant and newly established full-time duty assignments ranked below PS-5.
 - b. Full-time Clerk Craft employees in levels below PS-5 may bid and compete for vacant and newly established full-time duty assignments ranked at PS-5, PS-6, and PS-7.
 - c. Employees in levels below PS-5 who are promoted as a result of this section and are subsequently impacted due to technological and mechanization changes shall not be entitled to saved grade for a period of two years beginning with the effective date of promotion. This two-year restriction does not apply to employees who previously occupied the higher level.
 - d. Before excessing pursuant to provisions of Article 12, employees serving their initial assignment per part a. or b. above may be excessed to their former wage level by inverse seniority provided the employee has not completed three years in the new level.
 - e. Employees in levels below PS-5 who are promoted as a result of this section will be restricted from bidding to duty assignments in PS-5, PS-6, and PS-7 positions other than the position description initially bid for one year from the effective date of promotion. Employees serving this bid restriction may bid

on any duty assignment below PS-5 during this one-year period. This restriction does not apply to employees who previously occupied the higher level.

11. The following PS-6 and PS-7 positions are filled on the basis of senior qualified:

Position Number	Title
KP 17	Claims Clerk Paying Office
SP 1-54	Highway Transportation Clerk
SP 2-3	Information Clerk
SP 2-4	Scheme Examiner
SP 2-12	Postage-Due Technician
SP 2-20	Clerk-Finance Station
SP 2-25	General Expediter
SP 2-26	Review Clerk
SP 2-28	Flat Sorting Machine Operator
SP 2-156	Stamp Supply Clerk
SP 2-157	Special Postal Clerk
SP 2-158	Schedule Clerk-Foreign Mail
SP 2-181	General Office Clerk-Foreign Mail
SP 2-188	Examination Specialist
SP 2-195	Vehicle Operations-Maintenance Assistant
SP 2-217	Transfer Clerk, AMF
SP 2-218	Receiving Clerk-Foreign Air Mail
SP 2-346	Procurement and Materiel Management Assistant
SP 2-362	Parcel Post Distributor-(Machine)
SP 2-385	Ramp Clerk, AMF
SP 2-387	Bulk Mail Technician
SP 2-388	Window Services Technician
SP 2-433	Self-Service Postal Center Technician
SP 2-464	Mail Classification Clerk
SP 2-465	Mail Classification Clerk
SP 2-468	Mailing Requirements Clerk
SP 2-495	Records Clerk, International Air Mail
SP 2-502	Sack Sorting Machine Operator
SP 2-633	Distribution Clerk, Machine, MPLSM
SP 2-634	Distribution Clerk, Machine, SPLSM

B. Bidding Provisions -- Letter Sorting Machines

(See Memo, 1998 Agreement, Page 356)

C. Place of Posting

1. The notice inviting bids for a duty assignment shall be posted on all official bulletin boards and available within the computerized bidding process at the installation where the vacancy exists, including stations and branches, to assure that it comes to the attention of all employees eligible to submit bids. Copies of the notice shall be given to the local Union. When absent employees have so requested in writing, stating their mailing addresses, a copy of any notice inviting bids from the Clerk Craft shall be mailed to them by the installation head.

2. Posting and bidding for preferred duty assignments shall be installation-wide, except as otherwise provided for in this Agreement.

D. Length of Posting

The notices shall remain posted for 10 days, unless a different length for the posting period is established by local negotiations.

E. Information on Notices

Information shall be as shown below and shall be specifically stated:

1. The duty assignment by position, title and number (e.g., key or standard position).
2. PS salary level.
3. Scheme knowledge (essential and non-essential) and special requirements involving training, where applicable. When the assignment requires scheme distribution, one or more scheme(s) will be listed as essential.
4. Hours of duty (beginning and ending), and tour.
5. The principal assignment area (e.g., parcel post, incoming or outgoing in the main office, or specified station, branch, or other location(s) where the greater portion of the assignment will be performed).
6. Qualification Standards.
7. Physical requirements unusual to the specific assignment.
8. Invitation to employees to submit bids.
9. The fixed or rotating schedule or days of work, as appropriate.

F. Results of Posting

1. a. Within 10 days after the closing date for the posting (excluding December), the installation head shall post a notice listing the senior or successful bidder(s) and their seniority date(s). The senior qualified bidder meeting the qualification standards for the position shall be designated the "successful bidder." If a deferment period is required, the employee will be designated the "senior bidder."
- b. An employee will be limited to five senior unsuccessful bids during the duration of this Agreement.
- c. A senior unsuccessful bid is one on which the employee is designated the senior bidder and, due to withdrawal, failure to qualify, or other voluntary relinquishment of the employee's rights to the duty assignment, does not become the

successful bidder. If an employee exercises an option to withdraw in order to accept a duty assignment on which the employee remains a live bidder, such withdrawal does not constitute a senior unsuccessful bid.

- d. An employee who has used five senior unsuccessful bids for any reason during the duration of this agreement will not be permitted further bids unless such bid:
 - (1) is to a duty assignment for which the employee is currently qualified;
 - (2) is due to elimination or reposting of the employee's duty assignment; or
 - (3) is required in order to retain saved grade.
2. The successful bidder must be placed in the new assignment within 28 days except in the month of December. The local agreement may set a shorter period.
3. a. When the duty assignment requires scheme knowledge, if the senior bidder is qualified on the essential scheme requirements of the position, assign the employee in compliance with 2 above. If the senior bidder is not qualified on the essential scheme requirements when the posting period is closed, permanent filling of the preferred assignment shall be deferred until such employee is qualified on the essential scheme requirements. The deferment period shall begin the date the senior bidder is scheduled to report for training and shall be computed based on the following:

Total Number of Scheme Items	Deferment period (calendar days)
100-200	14
201-300	22
301-400	30
401-500	38
501-600	46
601-700	54
701-800	62
801-900	66
901-1000	70
1001-1100	74
1101-1200	78
1201-1300	82
1301-1400	86
1401-1500	90
1501-1600	95
1601-1700	100
1701-1800	105
1801-1900	110
1901-2000	115

Normally, the employee will begin the required training within 10 days after the posting of the senior bidder, excluding December. An employee who has scheduled leave of a week or longer (four (4) days

during a holiday week) within the first twenty eight (28) days, may at his/her option, begin training upon return from the scheduled leave.

- b. An employee designated the senior bidder may withdraw at any time prior to completing training and being designated the successful bidder. An employee who begins training and subsequently withdraws, fails to qualify, or otherwise relinquishes rights to the duty assignment will be restricted from any further bidding for a period of 90 days from the date of withdrawal or failure to qualify.
 - (1) If the senior bidder withdraws prior to beginning training or fails to complete four hours of training within five work days of the date the senior bidder is scheduled to report for training, the duty assignment will be forfeited to the second senior bidder. The second senior bidder, if not qualified on the essential scheme requirements, will enter a deferment period as described above.
 - (2) If the senior bidder completes four or more hours of training within five work days of the date the senior bidder is scheduled to report for training and subsequently withdraws, fails to qualify, or otherwise relinquishes rights to the assignment, the senior currently qualified bidder shall be permanently assigned as indicated in c. below.
 - (3) If a duty assignment is forfeited to the second senior bidder and the second senior bidder withdraws, fails to qualify, or otherwise relinquishes rights to the duty assignment, the senior currently qualified bidder shall be permanently assigned as indicated in c. below. In such case, the bid will be considered a senior unsuccessful bid. If the second senior bidder began training, he/she will be restricted from any further bidding for a period of 90 days from the date of withdrawal or failure to qualify.
 - c. Within 21 days after the end of the deferment period, the senior currently qualified bidder shall be permanently assigned except as indicated below. A notice shall be posted stating the successful bidder. During the deferment period, the assignment normally should be filled by the detail of a qualified employee.
4. a. When the duty assignment requires machine qualifications, if the senior bidder is qualified on machine qualifications, which means the ability to key at the appropriate speed and accuracy on the appropriate keyboard, assign the employee in accordance with 2 above. If the senior bidder is not qualified when the posting period is closed, permanent filling of the preferred assignment shall be deferred until the senior bidder is qualified on the machine qualifications. The

hours of training established for machine qualifications shall constitute the deferment period, which shall begin on the first day the training is scheduled. Normally, the employee will begin the required training within 10 days after the posting of the senior bidder, excluding December. An employee who has scheduled leave of a week or longer (four (4) days during a holiday week) within the first twenty-eight (28) days, may at his/her option, begin training upon return from the scheduled leave.

- b. An employee designated the senior bidder may withdraw at any time prior to completing training and being designated the successful bidder. An employee who begins training and subsequently withdraws, fails to qualify, or otherwise relinquishes rights to the duty assignment will be restricted from any further bidding for a period of 90 days from the date of withdrawal or failure to qualify.
 - (1) If the senior bidder withdraws prior to beginning training or fails to complete four hours of training within five work days of beginning training, the duty assignment will be forfeited to the second senior bidder. The second senior bidder, if not qualified on the machine qualifications, will enter a deferment period as described above.
 - (2) If the senior bidder completes four or more hours of training within five work days of beginning training and subsequently withdraws, fails to qualify, or otherwise relinquishes rights to the duty assignment, the senior currently qualified bidder shall be permanently assigned as indicated in c. below.
 - (3) If a duty assignment is forfeited to the second senior bidder and the second senior bidder withdraws, fails to qualify, or otherwise relinquishes rights to the duty assignment, the senior currently qualified bidder shall be permanently assigned as indicated in c. below. In such case, the bid will be considered a senior unsuccessful bid. If the second senior bidder began training, he/she will be restricted from any further bidding for a period of 90 days from the date of withdrawal or failure to qualify.
- c. Normally, the employee will begin the required training within 10 days after the posting of the senior bidder, excluding December. Within 21 days after the end of the deferment period, the senior currently qualified bidder shall be permanently assigned. A notice shall be posted stating the successful bidder. The deferment period for machine qualifications training, the essential scheme requirements, and scheme distribution keyboard training will not be concurrent. During the deferment period, the

assignment normally should be filled by the detail of a qualified employee. Where scheme knowledge is required, the provisions of Section 3.F.3 above are applicable.

- d. Employees who have undergone training for letter sorting machines and who subsequently bid back into a letter sorting machine duty assignment will be given applicable brush-up training to allow them to meet the appropriate speed and accuracy requirements.
 - e. Except as specifically provided elsewhere in this Article, no employee shall be denied the opportunity to bid or qualify on any mail sorting machine duty assignment solely because of a previous unsuccessful attempt to qualify for a mail sorting machine duty assignment.
5. When the posted duty assignment requires a specific skill(s) where the employees must be immediately qualified, senior bidders will be given an opportunity to demonstrate the skill(s). A minimum of five senior bidders will be tested, unless one or more of the five are currently qualified. In that case, all bidders senior to the senior currently qualified employee will be tested. This demonstration occurs prior to an employee being designated as the senior bidder or the senior qualified bidder.
- a. This provision applies to the following positions/duty assignments:

Air Records Processor, PS-5;

Clerk Stenographer, PS-5;

Self-Service Postal Center Technician, PS-6;
All senior qualified duty assignments requiring typing skills.
 - b. An employee who, as the result of a bid, attempts to demonstrate the skill(s) for one of the above positions/duty assignments and fails will be restricted from bidding on positions/duty assignments which require the same skill(s) for a period of 120 days from the date the employee attempts to demonstrate the skill.
6. Where incidental typing is required as a part of a duty assignment, such requirement must be reasonably related to the efficient performance of the responsibilities of the duty assignment.
7. The senior bidder for any of the following positions will enter a deferment period and be provided appropriate combinations of training, testing and practical demonstration of ability to perform in the actual position. Permanent assignment to the position will be deferred until successful completion of the training. If the employee does not satisfactorily complete the training or withdraws, the employee will be returned to his/her former duty assignment and the next senior bidder will be placed into training. An employee bidding from one of the positions on the list

to another requiring similar essential duties will not be required to take the training.

Window Clerk (KP 13)
Distribution and Window Clerk (SP 2-1)
Distribution, Window and Markup Clerk
(SP 2-629)
Window Services Technician (SP 2-388)
Clerk -- Finance Station (SP 2-20)
Bulk Mail Clerk (SP 2-44)
Bulk Mail Technician (SP 2-387)
Mail Classification Clerk (MSC) (SP 2-464)
Mail Classification Clerk (MSC) (SP 2-465)
Mailing Requirements Clerk (SP 2-468)
Mailing Requirements Clerk (SP 2-469)
Postage-Due Clerk (SP 2-11)
Postage-Due Technician (SP 2-12)
Self-Service Postal Center Technician (SP
2-433)

- a. In installations where 105 or more hours of training are required for position qualification and a full-time duty assignment in any of the above position designations requires scheme qualification, the deferment period for scheme(s) and position qualification will not be concurrent.
- b. An employee who is designated the senior bidder for any of the positions listed in F. 7. above and who subsequently fails to satisfactorily complete the training or withdraws from the bid will be restricted from bidding on posted duty assignments in that position designation for a period of 180 days, except as provided for in (1) and (2) below. The 180 day restriction begins on the effective date of the withdrawal, or, if an examination is required, on the date the employee took the examination.

This bidding restriction does not apply if:

- (1) The employee's bid duty assignment is abolished or reposted during the 180-day bidding restriction.
 - (2) The employee withdraws prior to completion of 25% of the position qualification training hours.
8. a. When an employee is designated as successful bidder and remains a live bidder on other bids, the employee shall notify management in writing within ten days of his/her election to remain a bidder on one or more of those assignments. The notice shall identify the assignment(s) by job and posting number. Failure to notify within ten days will cancel such other bids.
 - b. When an employee is in a deferment period and would be designated a senior or successful bidder on a previous bid, the employee will be given a choice to remain in training or become the senior or successful bidder on the previous bid.

- c. Except as otherwise specifically provided in 3.F.3, 3.F.4, and 3.F.7, any of the following shall end the deferment period, and the duty assignment shall be filled in accordance with the provisions of this Article:
 - (1) The senior bidder withdraws prior to the end of the deferment period;
 - (2) The senior bidder is designated the senior or successful bidder on a subsequent posting during the deferment period. Eligibility to demonstrate a skill per 3.F.5 does not end a deferment period.
 - (3) The senior bidder otherwise relinquishes the employee's rights (voluntarily or involuntarily) to the assignment.
 - d. Any withdrawal, to be official, shall be date stamped or if done by telephone or computer, must have confirmation.
9. Pursuant to the Memorandum of Understanding, dated March 3, 1975, concerning use of full-time employees on Relief and Pool duty assignments, such assignments in the Clerk Craft shall normally be used to cover:
- a. Absences of employees holding full-time bid assignments in:
 - (1) Stations or Branches;
 - (2) Window Service;
 - (3) Customer Service, Finance or E&LR.
 - b. Functions which predictably occur at the end of the accounting period (Timekeeper, Examination Specialist, etc.)
10. Normally, the successful bidder shall work the duty assignment as posted and shall not be displaced by a junior employee. This does not prohibit the Employer from assigning other employees to work the assignment for training purposes.

Section 4. Unencumbered Employees

A. **Coverage.** Full-time flexible employees and unassigned regular employees are considered unencumbered employees.

B. An employee who becomes an unassigned regular will continue to work the same hours and scheduled days the employee worked immediately prior to becoming unassigned unless notified of a change in work schedule before expiration of the first 28 days after the date on which the employee became unassigned. Additional work schedule changes may be made, provided that such change cannot be made effective until 180 days after the effective date of any previous change.

C. **Assignment of Unencumbered Employees**

1. **To the Same or Higher Level.**

- a. Employees not encumbered in bid duty assignments should bid on duty assignments posted for bid. These employees shall be assigned to residual full-time duty assignments in the same or higher salary level for which the employees meet the minimum qualifications. The assignments will be made in the following order:

- (1) **Currently Qualified Employees.**

Offer residual assignments by seniority to employees who are currently qualified on all of the requirements of a residual assignment. If an employee is qualified on two or more residual duty assignments, the employee will be given an option and be awarded their choice based on seniority. If assignments remain unfilled for which there are currently qualified unencumbered employees, involuntarily assign these employees by inverse seniority.

- (2) **Partially Qualified Employees.**

Offer residual assignments by seniority to employees who are qualified on at least one, but not all, of the requirements of a residual assignment and have not occupied a bid assignment during the last 90 days. If an employee is partially qualified on two or more residual duty assignments, the employee will be given an option and be awarded their choice based on seniority. If assignments remain unfilled for which there are partially qualified unencumbered employees, involuntarily assign these employees by inverse seniority.

- (3) **Employees Not Currently or Partially Qualified.**

Involuntarily assign employees, starting with the senior employee, who have not occupied a bid duty assignment during the last 90 days. When there is more than one residual vacancy, the employees will be given an option and be awarded their choice based on seniority.

- b. Unencumbered clerks who are detailed to nonbargaining positions are considered to be unavailable for assignment in accordance with a. above.

2. **To a Lower Level.**

Lower-level residual vacancies that still exist after application of C.1 above may be offered to

unencumbered employees and their preference shall be honored by seniority. Then assign unencumbered employees by inverse seniority to lower-level residual full-time duty assignments. An employee assigned to a duty assignment in a lower grade will receive saved grade until such time as that employee fails to bid or apply for any posted full-time duty assignment in his/her former wage level.

- 3.a. An employee who was not hired from a machine register and who has not subsequently passed machine training may not be involuntarily assigned to a machine duty assignment regardless of salary level. This provision does not prohibit the Employer from making a job offer to an unencumbered employee in the same level.
- b. An employee hired from a machine register who has not qualified on a particular machine skill (e.g., letter sorting machine, flat sorting machine) may not be involuntarily assigned to a duty assignment requiring that machine skill until all unencumbered employees who have qualified on that machine skill have been assigned.
4. Full-time employees are assigned only to full-time residual vacancies. Part-time regular employees are assigned first to part-time regular residual vacancies, then if necessary, they may be assigned to remaining full-time regular residual vacancies if senior to the senior part-time flexible employee.

Section 5. Conversion/Part-Time Flexible Preference

A. General Principles

1. The Employer will maintain a single merged part-time flexible roll.
2. Part-time flexible employees shall be converted to full-time in the manner set forth in this section.
3. When an opportunity exists for conversion to a vacant full-time Clerk Craft duty assignment, employees shall, in accordance with this section, exercise a preference(s) as to the duty assignment(s) they desire to be converted into based on their standing on the part-time flexible roll.
4. Part-time flexible employees who have exercised a preference and fail to qualify shall not be discharged or disciplined as a result of such failure.
5. Normally, the senior part-time flexible stating a preference will be placed into training within 10 calendar days.
6. When a part-time flexible employee is identified as currently qualified or successfully completes the training for a stated preference, the employee should be converted to full-time and placed in the duty assignment within 28 days except in the month of

December. Management should release a part-time flexible Mark-up Clerk, Automated as soon as possible, but for replacement training purposes may delay the employee's release to that duty assignment for up to 180 days after being identified as senior for conversion or training. This delay in placement does not alter the employee's normal conversion at the appropriate time.

7. Full-time flexible assignments created as a result of the Maximization Memorandum of Understanding shall be filled in accordance with these procedures.
8. If an opportunity for conversion is to a best qualified full-time Clerk Craft duty assignment, the successful applicant shall be converted. Applications from part-time flexible employees shall not be considered if sufficient (equal or greater in number than available duty assignments) full-time employees meeting the minimum qualifications apply.
9. Part-time flexible employees who express a preference may not withdraw from the assignment or from training except as specifically provided for in 10. below.
10. A part-time flexible employee in training for a stated preference who is converted to full-time, either pursuant to Article 7, Section 3.A or due to being currently qualified on another assignment, shall have the option of either remaining in training for the stated preference or withdrawing from training.

B. Preference Requirements/Eligibilities

1. Employees are required to state a preference for duty assignments for which they are currently qualified at the same or higher level, even if they are in training for another stated preference. A Mark-up Clerk, Automated is not required to state a preference for non-Markup Clerk, Automated duty assignments.
2. Employees are not required to state a preference for duty assignments for which they are not currently qualified or are at a lower level.
3. When stating preferences, employees must list all duty assignments for which they received training and are currently qualified ahead of any duty assignment for which there is no qualifying training.
4. While in training for a stated preference, employees may not state a preference for any other duty assignment for which they are not currently qualified.
5. Part-time flexibles who were appointed from a machine register may express a preference for a manual duty assignment only if it will not deprive a currently qualified part-time flexible manual distribution clerk of the opportunity for conversion.

C. Procedures. When there are one or more full-time duty assignment(s) to be filled by conversion, the conversions shall be made by the following procedures, in the following order:

1. Match the number of duty assignments to be filled with the identical number of senior part-time flexibles on the roll who are eligible to state a preference on the duty assignment(s).
2. Convert and place any currently qualified part-time flexibles on the above list. Any part-time flexibles who are currently qualified on two or more of the available duty assignments shall be given a choice, in order of their standing on the part-time flexible roll, provided their choice would not reduce the number of currently qualified employees who could be matched and converted to full time.
3. If any duty assignments remain unfilled, take preferences from all part-time flexibles who passed the required entrance examination elements, in order of their standing on the part-time flexible roll.
4. For each duty assignment, place the senior part-time flexible who stated a preference for that assignment into the assignment if currently qualified. If not currently qualified, place that employee into training for that assignment. Upon successful completion of the training, convert and place the employee into the assignment.
5. If the senior part-time flexible fails to qualify or withdraws pursuant to A.10. above, convert and place the next currently qualified part-time flexible.
6. If there are no remaining currently qualified part-time flexibles for a duty assignment, the senior part-time flexible hired from the appropriate register and who is not in training for another opportunity will be assigned and placed into training.
7. If there are no remaining part-time flexibles hired from the appropriate register, the senior part-time flexible on the roll who is not in training for another opportunity will be assigned and placed into training, except that PTFs hired as manual clerks who have not subsequently passed machine training may not be involuntarily assigned to full-time machine duty assignments. PTF's may not be involuntarily assigned to a lower level or to a duty assignment requiring a skill (such as typing, shorthand, etc.) for which they are not currently qualified.
8. Part-time regular residual vacancies are offered to part-time flexible employees for preferencing, first by same level then by seniority in accordance with the above rules, prior to filling the duty assignments with non-clerk craft individuals.

Section 6. Mail Sorting Machines

A. Letter Sorting Machines

1. Designation

In offices (present or future) with letter sorting machines, the Employer will designate on the part-time flexible roll those employees who meet the machine qualification requirements (which means the

ability to key at the appropriate speed and accuracy) for letter sorting machine positions.

2. **Rotation**

- a. The application of the rotation system for letter sorting machine operators as outlined in Handbook PO-405 is a proper subject for the Labor-Management Committee Meetings. Discussion with local Union officials shall take place with opportunity for input prior to changes in the rotation system.
- b. The feasibility of a study for the purpose of better understanding the environmental effects of alternate rotation systems is a proper subject for discussion by the National Labor-Management Committee.

3. **EDIT**

- a. An EDIT operator test will not be entered into the Individual Performance Record and become an official record unless the following conditions are met:
 - (1) The operator was checked by the operations table of random numbers, and the supervisor is able to reconstruct the random selection of the operator from the random number table.
 - (2) The supervisor is able to relate the machine printed record to the operator and identify, where possible, the error causes.
 - (3) The operator is allowed to inspect the record including the sampled letters as soon as possible after completion of the individual's keying cycle.
 - (4) The sample letters were representative of the general mail mix and not solely nixie mail, mark-up mail, or 400 bin mail.
- b. Special EDIT runs of an individual operator may be made; however, they will be used only for analysis of that operator's keying problems so that corrective training can be effectively undertaken. Results of special EDIT runs should be handled in accordance with a.(2), (3) and (4) above.

B. Parcel Post Sorting Machines

1. **Rotation**

The application of the rotation system for PPSM operators is a proper subject for discussion at the Labor-Management Committee meetings. Discussion with local Union officials shall take place with opportunity for input prior to changes in the rotation system.

2. SIAT

A SIAT operator test will not be entered into the Individual Performance Record and become an official record unless the following conditions are met:

- a. The supervisor positions himself so that he will be able to observe the operator being tested. He will verify for the record that the operator being tested was in fact keying during the entire test.
- b. The operator was scheduled by the operations table of random numbers and the supervisor is able to reconstruct the random selection of the operator from the random number table.
- c. The supervisor is able to relate the machine printed record to the operator and identify, where possible, the error causes.
- d. The operator is allowed to inspect the record, including a record of the addresses of pieces keyed in error as soon as practicable.

C. New Mail Sorting Machines

The implementation of new mail sorting machine programs involving Flat Sorting Machines, Letter Sorting Machines, Bar Code Readers, Batch Mail Processors, Optical Character Readers, and the XTRACT System will be consistent with the contractual requirements falling within the area of Technological and Mechanization Changes.

Section 7. Anti-Fatigue Measures

A. The subject of fatigue as it relates to the safety and health of an employee is a proper subject for the consideration of the Joint Labor-Management Safety Committee as provided in Article 14 of the National Agreement. The Employer will continue to furnish adjustable platform stools for periods of sustained distribution as heretofore.

B. The feasibility of a study of seating devices, including seats with back supports, for the purpose of improving upon and eventually replacing the equipment termed "adjustable platform stools" heretofore supplied, as "sit-stand" devices is a proper subject for determination by the National Labor-Management Committee.

Section 8. Scheme Committee

A. The Employer agrees to having as part of the National Labor-Management Committee, a labor-management subcommittee on schemes for the consideration of appropriate matters relating to schemes.

B. Subject to any criteria established in the future by the National Labor-Management Committee, local level scheme committees will continue operation as presently constituted.

C. There shall be no annual or periodic scheme examinations.

Section 9. Computerized Forwarding System

The application of a rotation system for the Computerized Forwarding System and the subject of fatigue as it pertains to the Computerized Forwarding System will be consistent with the requirements of the applicable provisions of this Agreement.

[see Memo, page 173]

Section 10. Listing of Key and Standard Positions

The Employer will continue to furnish to the Union at the national level copies of key and standard positions including qualification standards in the Clerk Craft.

ARTICLE 38 MAINTENANCE CRAFT

Section 1. Introduction

Section 2. Definitions

Section 3. Seniority

Section 4. Posting

Section 5. Selection Methods

Section 6. Training

Section 7. Special Provisions

Section 1. Introduction

All craft positions listed in the EL-201 Handbook assigned to the Maintenance Craft shall be under the jurisdiction of the Maintenance Craft Division of the American Postal Workers Union, AFL-CIO.

Section 2. Definitions

A. Maintenance Craft. All employees in maintenance craft positions for which the Union has secured recognition at the national level.

B. Installations. A main post office, airport mail center or facility, terminal, bulk mail center, processing and distribution center or facility, Maintenance Support and Repair Facility or any similar organizational unit under the direction of one postal official, together with all stations, branches and other subordinate units.

C. Duty Assignment. A set of duties and responsibilities within a recognized occupational group and level regularly scheduled during specific hours of duty.

D. Preferred Duty Assignment. A duty assignment preferred over the present duty assignment by an employee eligible to bid for such duty assignment when it is posted for bid. This bidding is done among qualified employees in the same level and occupational group as the vacant duty assignment.

E. Service Seniority. Service Seniority is based on total part-time or full-time service in the Maintenance Craft, regardless of occupational group and level. It begins with an appointment to the regular part-time or full-time work force in the Maintenance Craft. An exception is a part-time regular employee who is converted to a full-time regular position begins a new period of service seniority. Employees who were on the rolls before May 1, 1958, who had temporary or indefinite appointments, which continued to career appointments, retain seniority credit for combined temporary, indefinite and career employment which was continuous in the same position designation and installation.

F. Installation Seniority. This seniority is computed from entry into the maintenance craft in the installation. It continues to accrue so long as service in the maintenance craft and installation is uninterrupted.

G. Seniority for Preferred Assignments. This seniority determines relative standing among regular work force employees eligible to bid for preferred assignments.

1. Employees who enter into a regular work force position in a particular occupational group and level prior to June 25, 1992, shall have seniority for preferred assignments computed from entry into regular work force position in a particular occupational group and level. It continues to accrue so long as service in the same occupational group and level, and installation is uninterrupted. See section 5.A.3. of this Article for order of placement on preferred assignment registers.
2. Employees who enter into a regular work force position in a particular occupational group and level on or after June 25, 1992, shall use installation seniority for preferred assignments. See section 5.A.3. of this Article for order of placement on preferred assignments registers.

H. Occupational Group. In the Maintenance Craft, occupational group shall be determined by position designation and level.

I. Arbitrary. The word arbitrary, when used in Article 38, shall mean a management initiated, non-disciplinary reassignment of an employee.

Section 3. Seniority

A. Introduction

The U.S. Postal Service and the Maintenance Craft Division, APWU, AFL-CIO, agree to the following seniority principles which replace all former rules, instructions and practices. This Section of this Article will continue relative seniority standings properly established under past instructions, rules, and regulations. Provisions of this Section of this Article shall be so applied in determining those relative seniority standings.

B. Coverage

This Seniority Section applies to all regular work force Maintenance Craft employees when it is necessary for filling

vacant assignments and for other purposes. No employee solely by reason of this Article shall be displaced from an assignment he/she gained in accordance with former rules.

C. Responsibility

The installation head is responsible for day-to-day administration of seniority. The application of this Article shall be open to negotiations at the installation level with the designated agent of the Union.

D. Seniority Lists

A current seniority list shall be posted in each installation. A copy of an updated seniority list shall be furnished quarterly to the local Union. For each employee, it shall show:

1. Service seniority.
2. Seniority for preferred assignments.

E. Loss of Seniority

1. Employees who change from one craft to another shall begin a new period of seniority for preferred assignment.
2. Change from one postal installation to another; except as specified under F and I below, will require the start of a new period of seniority for preferred assignment.

F. Restoration of Service Seniority and Seniority for Preferred Assignments

Except as provided in Article 12, Section 2.B, seniority is restored as if service had been continuous upon:

1. Reemployment after Disability Separation. On reinstatement or reemployment after separation caused by disability, retirement, or resignation because of personal illness and the employee so stated this reason in the resignation and furnished satisfactory evidence for inclusion in the employee's personnel folder, the employee receives seniority credit for past service for time on the disability retirement or for illness if reinstated or reemployed in the same installation and in the same salary level from which separated; provided application for reinstatement or reemployment is made within six months from the date of recovery. The date of recovery in the case of disability retirement must be supported by notice of recovery from the Compensation Group, Office of Personnel Management, and in the case of resignation due to illness by statement from the applicant's attending physician or practitioner.
2. Restoration in the same installation after military duty.
3. Restoration to the employee's former position in the same installation after unwarranted or unjustified separation.

4. Involuntary reassignment to another installation.
5. Arbitrary change in the same installation to a lower PS level to the position designation and level from which promoted.

G. Reduction of Seniority for Preferred Assignments

1. If, prior to June 25, 1992, an employee was voluntarily or for disciplinary reasons changed to a lower salary level in the same installation and the salary level was in the same occupational group and level from which promoted, seniority is established as the employee's former period of seniority without credit for employment in any other higher level or levels.
2. If the change was to a lower salary level in the same installation and the level was other than the occupational group from which promoted, whether the change was for voluntary, arbitrary or disciplinary reasons, seniority is established as one day less than the junior regular work force employee in that level and occupational group or the employee's own seniority, whichever is lesser, if the employee was changed to a lower salary level prior to June 25, 1992.
3. If the change to a lower salary level occurs on or after June 25, 1992, seniority for preferred assignments shall be determined in accordance with section 2. G.2 of this Article. See section 5.A.3 of this Article for order of placement on preferred assignment registers.

H. Seniority Granted by Law

Employees who are restored to postal duty in compliance with law or regulation after military training or extended military duty lose no seniority.

I. Change in Which Seniority is Modified

The seniority for Maintenance Craft employees who are reassigned between installations as the result of a mutual exchange in accordance with applicable provisions of the Employee and Labor Relations Manual will be established for both employees as that of the junior employee involved.

J. Seniority for Breaking Ties

When it is necessary to determine the seniority ranking for two or more employees who are reassigned or promoted to vacancies in the same occupational group and level in the Maintenance Craft on the same day, the following shall be used to break any tie that might exist:

1. Maintenance Craft Installation Seniority
2. Maintenance Craft Service Seniority
3. Total Maintenance Craft Service
4. Total Postal Career Service
5. Total Postal Service

6. Total Federal Career Civilian Service
7. Numerical by the last 3 or more numbers (using enough numbers to break the tie, but not fewer than 3 numbers) of the employee's social security number, from the lowest to highest.

K. Excess Employees

Installation Seniority governs in identifying excess employees within an occupational group and level.

Section 4. Posting

A. In the Maintenance Craft all vacant duty assignments shall be filled as follows:

1. When a vacant or newly established duty assignment is to be filled, the Employer shall post for a period of seven calendar days, a notice of intent that the duty assignment will be filled using the appropriate preferred assignment selection register and/or promotion eligibility register, except for newly established positions as defined in Article 1, Section 5. Such positions shall be posted as they are created and assigned to the craft unit. A copy of the notice of intent shall be furnished to the local Union.

In addition, any employee on sick leave or off-site training on the day of posting shall be furnished a copy of any applicable notice of intent. Employees absent for annual leave who have requested in writing, stating their mailing address, shall have a copy of any applicable notice of intent mailed to them.

When newly established positions as defined in Article 1, Section 5, are created in an installation or when an established position, for which no promotion eligibility register has been created, is added in an installation, the Employer shall post a notice on all official bulletin boards soliciting applicants for inclusion on the promotion eligibility register.

The notice shall be posted for thirty (30) calendar days. The employees who apply will receive the results of their application(s) no later than one hundred fifty (150) days from the closing date of the application period, provided the applications have been properly completed by the applicants. Within fourteen (14) days of the date of the receipt of the promotion eligibility register results, a notice of intent to fill the position shall be posted and the position filled in accordance with the provisions of Article 38.

2. All vacant duty assignments shall be posted by notice of intent within 30 days from when vacancy occurs. If a duty assignment has not been posted within 30 days, the installation head or designee shall advise the Union in writing as to the reasons the duty assignment is being withheld.
3. If the vacant assignment is reverted, a notice shall be posted within 10 days advising of the action taken and the reasons therefor.

4. When it is necessary that fixed scheduled day(s) of work in the basic work week for a craft assignment be permanently changed, or that the starting time for such an assignment be changed by 2 or more hours, the affected assignment(s) shall be reposted, by notice of intent. An exception to the requirement to repost an assignment where the change in starting time is 2 or more hours may be negotiated locally. If the incumbent in the assignment has more seniority for the preferred assignment than the senior employee on the preferred assignment eligibility register for those off days or hours, the employee may remain in the duty assignment, if the employee so desires.
5. The determination of what constitutes a sufficient change of duties or principal assignment areas, to cause the duty assignment to be reposted shall be a subject of negotiations at the local level.

B. Place of Posting

The Employer agrees to post on an appropriate bulletin board the registers of eligible employees when such registers are established.

C. Information on Notice of Intent

1. The duty assignment by position title and number (e.g., key, standard, or individual position).
2. PS salary level.
3. Hours of duty (beginning and ending).
4. The principal assignment area (e.g., section and/or location of activity).
5. Qualification standards, including occupational code numbers when such standards and numbers are available.
6. The fixed or rotating schedule of days of work.
7. Physical or other special requirements unusual to the specific assignments.

Section 5. Selection Methods

A. Preferred Assignment

1. The Employer will maintain and/or establish preferred assignment selection registers. During the first fourteen days in January of each year a notice advising the employees of the opportunity to submit changes in preferred assignment selections shall be posted on all official bulletin boards at the installation, including stations and branches, to assure that it comes to the attention of all employees eligible to submit forms.
2. The employee shall indicate preference(s) for any vacancy that may occur during that year, including tours and days off. Change in preferred assignment selections shall be submitted on or before January 31. If requested, an employee will be allowed to review

the preferred assignment registers and the employee's own preferred assignment selection form(s). If the employee does not submit a change in preferred assignment selections during this period, existing preferred assignment selections shall continue.

3. Newly established or vacant duty assignments shall be filled by senior employees on the appropriate preferred assignment registers. The relative standing for employees on the appropriate preferred assignment register shall be:
 - a. employees by preferred assignment seniority who entered a particular occupational group and level in an installation prior to June 25, 1992, followed by
 - b. employees by preferred assignment seniority who entered a particular occupational group and level in an installation on or after June 25, 1992.
4. All vacant or newly established craft duty assignments shall be filled from a preferred assignment register established on the basis of assignment selection forms submitted by Maintenance Craft employees.
5. Where a vacant or newly established duty assignment cannot be filled from an established preferred assignment register, and the assignment is to be filled by means of a promotion, selection shall be made from the appropriate promotion eligibility register.
6. An employee may submit a new or amended preferred assignment selection form in the following situations:
 - a. the employee is promoted;
 - b. the employee's duty assignment is eliminated;
 - c. the duty assignment would result in the employee being assigned closer to the employee's place of residence;
 - d. because of substantiated medical or health reasons whereby continuation in the employee's present assignment would be harmful;
 - e. three times during each calendar year, an employee may submit additional preferred assignment selection forms. The times selected for submitting the additional preferred assignment selection forms shall be at the option of the employee.
7. When a part-time regular employee submits a preferred assignment form for a full-time regular position within the employee's salary level and occupational group, the employee will be awarded the vacant duty assignment before promoting a full-time employee from a lower salary level and occupational group, or before any lateral transfer,

providing that the part-time regular is senior to the full-time employee in the lower level.

8. Any unassigned employee who fails to submit a preferred assignment selection form, or who fails to be awarded a duty assignment of his choosing may be assigned to any vacant duty assignment.
9. Employees shall be notified in writing, within 15 calendar days of entering the Maintenance Craft in an installation, that they have 30 days in which to apply for and be placed on the appropriate preferred assignment register.
10. After all employees within an occupational group and level have been assigned pursuant to a notice of intent, consideration for filling the residual vacancy will be given to a higher level qualified employee who has previously submitted a written request for assignment to a lower level.
11. An employee who is listed on the appropriate register for a vacant assignment shall have the right to withdraw a preferred assignment or promotion selection, in writing, at any time, but not later than the closing time (hour and date) for the posting of the notice of intent. Such withdrawal, to be effective, should be back-stamped.

B. Promotions

1. The Employer shall continue to maintain all existing promotion eligibility registers established under the new maintenance selection system to be used for the purpose of filling vacancies in particular occupational groups and levels. A promotion eligibility register shall be established for each occupational group and level for which there is a position existing or newly authorized in an installation. Registers established under the new maintenance selection system remain in effect throughout the life of this Agreement. Promotion eligibility registers developed by other than the new maintenance selection system shall remain in effect until such time as new registers are established by the new maintenance selection system.
2. The following positions in the Maintenance Craft shall be filled on the basis of seniority (senior qualified within occupational group and level) in accordance with the procedures established in Section 5, Article 38.
 - a. Custodian PS-2 (KP-1)-from any lower level
 - b. Custodial Laborer PS-3 (SP 6-13)-from any lower level
 - c. Laborer Materials Handling PS-3 (SP 1-11)-from any lower level
 - d. Elevator Operator PS-3 (KP-2)-from any equivalent or lower level
 - e. Elevator Starter PS-4 (SP 6-3)-from Elevator Operator PS-3 (KP-2)

- f. Maintenance Mechanic PS-5 (SP 6087)-from Maintenance Mechanic PS-4 (SP 6086)
 - g. Area Maintenance Technician PS-8 (SP 6-77) from Area Maintenance Specialist PS-7 (SP 6-78)
 - h. Materials Handling Equipment Operator PS-4 (SP 1-9)-from Laborer Materials Handling PS-3 (SP 1-11)
 - i. Cleaner-in-Charge PS-4 (SP 6-51) \from Custodial Laborer PS-3 (SP 6-13)
 - j. Group Leader, Custodial PS-4 (SP 6-58)-from Custodial Laborer PS-3 (SP 6-13)
 - k. Maintenance Support Clerk PS-6 (SP-6090) - from Maintenance Support Clerk PS-5 (SP-6089)
 - l. Maintenance Mechanic, MPE PS- **8** (SP-6064)-from Maintenance Mechanic PS-5 (SP-6087)
 - m. Electronic Technician PS- **10** (SP-6080)-from Maintenance Mechanic MPE PS-7 (SP-6064)
3. Lateral transfers, that is, transfers in the same level, but to a different occupational group shall be determined in the same manner as promotions.
 4. When an occupied position is upgraded on the basis of duties which are added to the position:
 - a. The incumbent will remain in the upgraded job provided the incumbent has been in that job for more than one year. The year of required incumbency in the job begins when the duty or duties were added which permitted the job to be reranked.
 - b. The job will be awarded in accordance with the Agreement if the incumbent has not been in the job more than one year since the date when the duty or duties were added which later permitted the job to be reranked.
 5. To fill a vacant duty assignment at levels PS-6 and above, a notice of intent will be posted to fill the vacancy and all residual vacancies using the preferred assignment eligibility registers and/or promotion eligibility registers, as necessary, until a level PS-5 Maintenance Craft vacancy occurs. To fill a vacant duty assignment at levels PS-4 and PS-5 a notice of intent will be posted to fill the vacancy and all residual vacancies using the preferred assignment eligibility registers and/or promotion eligibility registers, as necessary, until a level PS-3 vacancy occurs. To fill a vacant duty assignment at levels PS-3 and below, a notice of intent will be posted to fill the vacancy and all residual vacancies using the preferred assignment registers and/or promotion eligibility registers.
 6. Employees shall be notified in writing within 15 calendar days of entering the Maintenance Craft in an

installation, that they have 30 days in which they may request to be placed on the appropriate promotion eligibility registers. The employees who apply will receive the results of their application(s) no later than one hundred fifty (150) days from the submission date of the application, provided the applications have been properly completed by the applicants.

7. Every three years, during the month of March, beginning with March 1, 1997, maintenance craft employees who are not on a promotional eligibility register(s), may apply for inclusion on the appropriate promotional eligibility register(s). Notification will be posted on the bulletin board on or before March 1st of the open season year. The employees who apply will receive the results of their application(s) no later than one hundred fifty (150) days from March 31, provided the applications have been properly completed by the applicants.
8. a. The Employer will convert to banded scores all achieved scores for maintenance craft positions and will list all successful applicants for such positions on promotional eligibility registers in order of their banded scores. To determine the successful applicants' banded scores, the Employer will apply fixed 5-point bands to successful applicants' achieved scores of 70.1 and above and fixed 2-point bands to candidates' achieved scores below 70.1. For scores of 70.1 and above, the fixed 5-point bands will be:

95.1-100
90.1- 95
85.1- 90
80.1- 85
75.1- 80
70.1- 75

For scores below 70.1, the fixed 2-point bands will be 68.1-70, 66.1-68, 64.1-66, 62.1-64, etc. The Employer will convert all achieved scores within each band to the highest score within that band. For example, all achieved scores between and including 70.1 and 75 will become banded scores of 75.

- b. Where the achieved score is calculated with respect to a 200-point range, the score shall be divided by two before applying the banding principles in section 5.B.8.a. of this Article. Where the achieved score is calculated with respect to any other range that is not a 100-point range, the score shall be converted in a similar fashion.
- c. Where the application of the foregoing banding rules creates ties among successful applicants, the Employer will rank tied successful applicants in the seniority order specified in Article 38.3.J. of the National Agreement.
- d. Section 5.B.8. of this Article does not apply to maintenance craft positions governed by section 5.B.2. of this Article when those positions are

filled on the basis of seniority (senior qualified within occupational group and level).

C. Successful Applicant(s)

1. Within 8 days after the closing of the original notice of intent to fill a vacancy, the installation head shall post a notice stating the successful applicant and the applicant's seniority date.
2. The successful applicant shall be placed in the new assignment within 14 days after the announcement of the successful applicant. Normally, the successful applicant shall work the duty assignment as posted.
3. An exception to 1 and 2 above shall be when the notice of intent has stated that promotion is contingent upon satisfactory completion of training. In these cases, within 14 days the applicant shall be reassigned as an unassigned regular in his/her current occupational group and level. The employee shall be placed in a detail assignment on the tour and non-scheduled days in the occupational group and level of the duty assignment for which the training is intended. For the duration of the detail assignment, the employee will be treated as if promoted to that position. Upon satisfactory completion of the required training or one (1) year from the date detailed, whichever occurs first, the employee shall be declared the successful applicant and promoted with a preferred assignment seniority date determined according to Section 2.G.2. of this Article.
4. In the event the employee fails to complete satisfactorily the required training discussed in paragraph 3, the employee shall remain as an unassigned regular in his/her current occupational group and level.

D. Promotion Eligibility Update

Upon notification from an employee of the acquisition of new or additional training, education, or experience pertinent to the qualifications for the position, the Employer will request from NTAC the necessary testing material within 7 calendar days of receipt of such notification. The employer shall have an additional 30 days to complete the update process. Such employee notification must be furnished within thirty (30) days of the acquisition of such additional training, education, or experience. The promotion eligibility register shall not be updated during the period of time a vacant position is in the process of being filled. Employees shall be listed on this register in order of qualifications, and all positions for promotion shall be awarded to the best qualified applicants, except those positions set forth in Section 5.B.2 of this Article.

Section 6. Training

A. Maintenance Training

1. All Maintenance Craft job training opportunities in levels 1 through 7, will be offered first to the senior qualified volunteer within the occupational group, level and tour where the need for the skills exists. For Maintenance Craft job training in levels 8, 9, and

10 the employee selected will be chosen from among volunteers within the occupational group, level and tour where the need for the skills exist. The Employer may choose not to select a volunteer who has attended training for 6 or more weeks during the previous 12 months.

2. As soon as approved training allocations are received at the installation, advance written notices will be published soliciting volunteers. A list of those volunteers shall be posted and a copy furnished to the local Union.
3. Only when there are no qualified volunteers as provided for in 1 above, will involuntary selections be made for training.
4. Employees selected for off-site training will be given as much advance notice as is reasonably possible.
5. Upon completion of a training course of two (2) or more weeks duration, which includes mail processing equipment maintenance as part of its curriculum, an employee may be placed in a duty assignment for which the training was intended. The employee may be required to remain in such an assignment for a period of three (3) months. For a training course of three (3) or more weeks duration, the employee may be required to remain in such an assignment for a period of six (6) months. For a training course of six (6) or more weeks duration, the employee may be required to remain in such an assignment for a period of nine (9) months. The above applies unless:
 - a. the employee advances to an assignment in higher level;
 - b. the duty assignment is eliminated;
 - c. because of substantiated medical or health reasons whereby continuation in the assignment would be harmful to the employee; or
 - d. the employee has been required to remain in such an assignment(s) for twelve (12) cumulative months during the life of this Agreement.
6. The Union, at the national level, will be furnished annually a copy of the yearly allocation of training billets.

Section 7. Special Provisions

A. Tools

The Employer will provide adequate tools, tool kits, and equipment on a charge-out basis to those employees who require such items for the performance of their assigned function. Where the Employer determines the tools are obsolete, such tools will be recalled and removed from the employee's accountability. Under no circumstances will the employee be required to use personal tools and equipment. Where necessary, the Employer will provide training on the use of required tools and equipment.

B. Overtime

An overtime desired list in the Maintenance Craft shall be established for each occupational group and level showing special qualifications where necessary.

C. Relief Assignments

1. When management determines that work coverage is necessary, relief assignments in the Maintenance Craft may be established only to provide coverage for absences of five working days or more for scheduled annual leave, sick leave, military leave, courtleave, employee requested leave without pay, and national off-site and on-site, or contractor supplied training programs.
2. Relief assignments, which shall be kept to a minimum, will be posted by a notice of intent which, in addition to the information required in Section 4.C (Information on Notice of Intent), will also show the days and hours of the specific duty assignment(s) being relieved.

D. Full-time regular Maintenance Craft employees are entitled to bid on the positions of Examination Specialist SP 2-188 and Vehicle Operations-Maintenance Assistant SP 2-195.

E. Non-Bargaining Position Detail

Maintenance employees temporarily detailed to a non-bargaining unit position are ineligible to accept any preferred duty assignment(s) while so detailed. However, nothing contained herein shall be construed to preclude such temporarily detailed employees from voluntarily terminating a non-bargaining unit detail and returning to their craft position. Upon return to the craft position, such employees are eligible to accept any preferred duty assignment(s) for which they have properly bid.

The duty assignment of a full-time maintenance employee detailed to a non-bargaining unit position, including a non-bargaining unit training program, in excess of four (4) months shall be declared vacant and shall be posted and filled in accordance with the provisions of this Article. Upon return to the Maintenance Craft, the employee will become an unassigned regular. An employee detailed to a non-bargaining unit position will not be returned to the craft solely to circumvent the intent of this provision.

Form 1723, Notice of Assignment, shall be used in detailing employees to temporary non-bargaining unit positions. The employer will provide the Union at the local level a copy of Form(s) 1723 showing the beginning and ending time and date of all such details.

Employees detailed to non-bargaining unit positions are not entitled to outside of schedule overtime (premium).

ARTICLE 39
MOTOR VEHICLE CRAFT

Section 1.	Seniority
Section 2.	Posting
Section 3.	Special Provisions

Section 1. Seniority

A. Introduction

1. The U.S. Postal Service and the Motor Vehicle Craft Division, APWU, AFL-CIO, agree to the following seniority principles which replace all former rules, instructions and practices.
2. This Article continues relative seniority standings properly established under past instructions, rules, practices and agreements and this Article shall be so applied. Seniority standings so established shall not be changed except to correct an error. If an employee requests a correction of seniority standing, it is the responsibility of the requesting employee to identify and restate the specific instructions, rule or practice in support of the request.
3. Service seniority is based on total part-time or full-time service in the Motor Vehicle Craft regardless of occupational codes and levels. It begins with an appointment to the regular work force in the Motor Vehicle Craft.

B. Seniority for Preferred Assignments

1. This seniority determines relative standing among full-time regular and full-time flexible employees eligible to bid for preferred assignments. It is computed from entry into a regular work force position in a particular occupational group and level. It continues to accrue as long as service in the same occupational group, level, and installation continues. See B5 and B6 below.
2. Employees who change, or have changed, from one designation to another and who during continuous employment in the Motor Vehicle Service and in the same installation return to the former position designation and salary level regain the seniority they had in that position, without seniority credit for intervening employment in other position designations, except as provided for in paragraphs 4, 5 & 6 below.
3. Except as specifically provided for elsewhere in this Agreement, full-time regulars, upon entering the Motor Vehicle Craft from another craft or installation, begin a new period of seniority.

4. When two or more employees in the same installation, salary level, and position designation have seniority for preferred assignments from the same date, the tie will be broken as follows:
 - a. By standing on the part-time flexible roll when both were appointed as a part-time flexible in the same installation, position designation, and salary level.
 - b. By total length of full-time regular or part-time flexible Motor Vehicle Service in the installation if the tie is not broken by the preceding rule.
 - c. By total career Motor Vehicle Service time in the USPS if the tie is not broken by the preceding rule.
 - d. When a Motor Vehicle Service employee's casual appointment is converted to a career appointment the same day there is a new career appointment, reinstatement, reassignment, transfer or promotion to the same salary level and position designation, the converted employee is senior and precedes the other on the part-time flexible roll.
 - e. When two or more employees from other crafts enter the Motor Vehicle Craft on the same date, their seniority will be determined by their total continuous postal service.
 - f. If the provisions of a. through d. above do not break the tie, then the tie will be broken by using the last three or more numbers (using only enough numbers to break the tie, but not fewer than three numbers) of the employees' social security numbers, from lowest to highest.
5. **Seniority is restored under the following conditions:**
 - a. **Reemployment After Disability Separation.** On reinstatement or reemployment after separation caused by disability, retirement or resignation because of personal illness and the employee so stated in his resignation and furnished satisfactory evidence for inclusion in his personnel folder, the employee receives seniority credit for past service for the time on the disability retirement or for illness if reinstated or reemployed in the same postal installation and craft and in the same or lower PS salary level from which originally separated; provided application for reinstatement or reemployment is made within six months from the date of recovery. The date of recovery in the case of disability retirement must be supported by notice of recovery from the Bureau of Retirement Insurance and Occupational Health, Office of Personnel Management, and in the case of resignation due to illness, by a statement from the applicant's attending physician or practitioner. When reinstatement is to the part-time flexible roll, standing on the roll shall be the

same as if employment had not been interrupted by the separation.

- b. **Restoration.** On restoration in the same craft in the same installation after return from military service, transfer under letter of authority or unjust removal, an employee shall regain the same seniority rights such employee would have if not separated.
 - c. **Reassignment and Return in 90 Days.** A full-time regular or part-time flexible employee, voluntarily reassigned from one craft to another or from one occupational code to another within the motor vehicle craft at the same installation with or without change in PS salary level, who is voluntarily reassigned within 90 days back to the former craft, position designation, and salary level, or occupational code within the motor vehicle craft retains seniority previously acquired in the craft augmented by the intervening employment.
6. **Automotive Mechanics, Automotive Technicians And Lead Automotive Mechanics (Level 8 & 9)**
- a. **The seniority of the Level 6 Automotive Mechanics and Level 7 Automotive Technicians in the installation will be merged into one seniority list for preferred assignments.**
 - b. **Vacant Level 7 Automotive Technician duty assignments will be filled on the basis of senior qualified among the Level 6 Automotive Mechanics, who are qualified as PS-7 Automotive Technicians and Level 7 Automotive Technician in the installation. The filling of vacant PS-6 Automotive Mechanic duty assignments will be on a senior qualified basis from the PS-6 Automotive Mechanics and PS-7 Automotive Technicians in the installation. For PS-6 and 7 residual vacancies, the selection method will be best qualified from any other position.**
 - c. **The seniority of the Level 8 Lead Automotive Technician and Level 9 Lead Automotive Technician (AG) in the installation will be merged into one seniority list for preferred assignments.**
 - d. **Filling Level 8 Lead Automotive Technician and Level 9 Lead Automotive Technician (AG) positions will be senior qualified from Level 8s and 9s. For PS-8 and 9 residual vacancies, the selection method will be best qualified from any other position.**
 - e. **Employees bidding pursuant to Article 39.2.A.7, may bid only those duty assignments that have the same position designation.**

7. **Motor Vehicle Operators and Tractor-Trailer Operators:**
 - a. Full-time regular tractor-trailer operators bidding for PS-6 tractor-trailer assignments shall be assigned before posting any vacant level 6 assignment for bids by full-time regular level 5 operators.
 - b. Remaining PS-6 tractor-trailer assignments shall be filled by promoting the senior qualified PS-5 motor vehicle operator who bids.
 - c. A PS-6 tractor-trailer operator may bid in competition with a PS-5 motor vehicle operator for a PS-5 motor vehicle operator assignment.
 - d. Seniority for preferred assignments is retained upon change from a motor vehicle operator to a tractor-trailer operator, or the reverse.
 - e. For purposes of conversion to full-time, part-time flexible Motor Vehicle Operators will be placed together with part-time flexible Tractor-Trailer Operators (TTO) on the same Roll. When the opportunity for conversion to a vacant TTO position exists, the senior TTO qualified part-time flexible, regardless of level, will be converted and placed into the vacant full-time position. When the opportunity for conversion to a vacant Motor Vehicle Operator position exists, and the senior part-time flexible is a Motor Vehicle Operator, he/she will be converted and placed into the position. If the senior part-time flexible is a Tractor-Trailer Operator, he/she will be given the option of accepting the conversion. If the conversion is declined, the next senior part-time flexible will be converted (if the employee is a Motor Vehicle Operator) or will be given the option (if the employee is a Tractor-Trailer Operator). This procedure will continue until the position is filled or until all part-time flexibles on the list have been considered.
8. **Motor Vehicle Operations New in Installation**In an installation which has had no motor vehicle operations assignment, any such newly established motor vehicle operator or tractor-trailer operator assignments shall be awarded to qualified vehicle maintenance service applicants who are employed in the same installation. The provisions of Article 12, Section 5.C.7, shall be complied with before application of this paragraph.
9. When tractor-trailer assignments are established, motor vehicle operators who are not qualified to drive tractor-trailers, will be given on-the-clock training, starting with the senior motor vehicle operator.
10. When filling Motor Vehicle Craft assignments other than those identified in 2.A.11 below, the service seniority of Motor Vehicle Craft employees who submit an application and meet the qualification

standards established for that position will be considered in keeping with the provisions of Article 33.

11. Auxiliary garages beyond the normal commuting area of the home Vehicle Maintenance Facility shall be treated as independent facilities for the purposes of administering this Agreement, except for the application of the provisions of Article I, Section 6; Article 7, Section 3; and Article 8, Section 8.
12. **Changes in Which Seniority is Modified** Mutual exchanges may be made only between full-time Motor Vehicle Service employees who are the same level and have the same occupational code. The seniority for Motor Vehicle Craft employees, who are reassigned between installations as a result of a mutual exchange in accordance with applicable provisions of the Employee and Labor Relations Manual (ELM), will be established for both employees as that of the junior employee involved.

C. Definitions

1. **Position Designation.** In the Motor Vehicle Craft, position designation shall be determined by occupation code and level.
2. **Craft Group.** The craft group is composed of those positions for which the Union has secured recognition at the national level.
3. **Application.** A written request by a full-time Motor Vehicle Craft employee for consideration for an assignment for which such employee is not entitled to submit a bid.
4. **Bid.** A written request submitted to the installation head to be assigned to a duty assignment by a full-time Motor Vehicle Craft employee eligible to bid on a vacancy or newly established duty assignment. In offices where alternative bidding procedures have been established, bids, except those in 39.2.A.6 & 7, may be submitted, at the employee's option, by telephone or electronically.
5. **Duty Assignment.** A duty assignment is a set of duties and responsibilities within recognized positions regularly scheduled during specific hours of duty.
6. **Preferred Duty Assignment.** Any assignment preferred by a full-time regular.
7. **Eligible Bidder.** Full-time Motor Vehicle Craft employees are eligible to bid only within the Motor Vehicle Craft in the same installation, salary level, and position designation (except as specifically provided for in Section 2.A.11). When there are no successful bidders from the position designation of the vacant assignment, the assignment shall be filled in accordance with Section 2.A.11.
8. **Abolishment.** A management decision to reduce the number of occupied duty assignments in an established section and/or installation.

9. **Residual Vacancy.** A duty assignment that remains vacant after the completion of the voluntary bidding process.

D. Excess Employees

Length of full-time regular or part-time flexible service (service seniority) in the Motor Vehicle Craft in the same installation governs in identifying excess employees within a position designation.

E. Responsibility

The installation head is responsible for day-to-day administration of seniority. The application of this Article shall be open to negotiation at the installation level with the Union.

F. Seniority List

A current seniority list shall be posted in each installation. A copy of the updated seniority list shall be made available to the local Union. For each employee, it shall show:

1. Service Seniority
2. Seniority for preferred assignments

G. Transfer From Other Installation

1. When it is proposed to open a new facility, prior to Management hiring new employees in the Motor Vehicle Craft, all requests for transfer of Motor Vehicle Craft employees from other installations shall be given first consideration.
2. Consideration will be given for transfers to fill Motor Vehicle Craft vacancies at established installations to those qualified employees requesting transfers, where it has been determined, that no employees qualified to bid, or desiring the position are available at the completion of the posting period.

H. Multi-Craft Positions

All level 5 and 6 full-time regular Motor Vehicle Craft employees are eligible to bid for the positions of Examination Specialist (SP 2-188) and Vehicle Operations—Maintenance Assistant (SP 2-195).

I. Vacation Scheduling

Part-time flexible motor vehicle operators (PS-5 and PS-6) may exercise their preference by use of their seniority for vacation scheduling.

J. Temporary Holddowns

Consistent with the following provisions, unassigned full-time regular, full-time flexible and part-time flexible Tractor-Trailer Operators (SP 5-22; PS-6) and Motor Vehicle Operators (SP-10; PS-5) may, in seniority order, exercise a preference for an assignment temporarily vacant for an anticipated duration of ten (10) days or more.

1. The employees utilizing their seniority to select a temporary holddown assignment as above, shall work that assignment for its duration unless: they are otherwise assigned to a permanent duty assignment; it is clearly demonstrated that the employee cannot perform the assignment; the assigned work being performed by a part-time flexible in accordance with the above is needed to provide a full-time employee work to satisfy the 8-hour work guarantee; or unless that individual is otherwise needed to fill a vacant assignment for which there are no qualified employees.
2. The assignment for which employees exercise a preference must be (a) one for which they are qualified, (b) at the unit to which the employee is assigned, and (c) for full-time employees, on the same tour to which they are assigned. Employees on detail, holddown, absent and/or on any type of leave at the time of the temporary holddown bidding will be considered as being unavailable.
3. The posting and awarding of temporary holddown bids shall not exceed 72 hours.
4. Selection of a part-time flexible for a holddown assignment in no way modifies the part-time flexible's employment status as to benefits and rights under the National Agreement not otherwise modified as above.
5. All present and existing procedures for filling temporarily vacant motor vehicle assignments at the local level are automatically negated in favor of the foregoing holddown procedure.

Section 2. Posting

A. Vacant Motor Vehicle Craft duty assignments shall be posted as follows:

1. All vacant or newly established craft duty assignments shall be posted or reverted within 28 days. When an assignment is reverted, a notice shall be posted immediately, indicating the action taken and the reason therefor. The local Union shall be given a copy of the notice.
2. When it is necessary that fixed scheduled day(s) of work in the basic work week for a craft assignment be permanently changed, the affected assignment(s) shall be reposted.
3. The determination of what constitutes a sufficient change of duties, or principal assignment area, to cause the duty assignment to be reposted shall be a subject of negotiation at the local level.
4. No assignment will be posted because of change in starting time unless the change exceeds **two** hours. Whether to post or not is negotiable at the local level, if it exceeds **two** hours.
5. An unassigned full-time employee may bid on duty assignments posted for bid by employees in the craft.

If the employee does not bid or is the unsuccessful bidder, such employee shall be assigned in any residual **duty** assignment within the same position designation. When there is more than one residual vacancy, the vacancies shall be offered to the unassigned full-time employees beginning with the senior employee and their preference shall be honored. If additional vacancies still exist after all available full-time regulars have been assigned to residual vacancies, full-time flexible employees will be assigned to such vacancies in the same manner as provided above. If there are more unassigned full-time employees and/or full-time flexible regular employees than vacancies, seniority will be honored for preferences and involuntary assignments will be made by juniority, if necessary.

6. When requested by the Union, all full-time regular Motor Vehicle Operator, Tractor-Trailer Operator and Vehicle Operator Assistant-Bulk Mail craft assignments shall be posted for bid once each calendar year.
7. All full-time regular Motor Vehicle Maintenance Craft duty assignments may be posted for bid once each calendar year upon mutual agreement between the parties at the local level. Absent such local agreement, Motor Vehicle Maintenance Craft duty assignments shall be posted for bid every second calendar year, when requested by the Union.
8. Employees bidding pursuant to 6 or 7 above, may bid only those duty assignments that have the same position designation.
9. Currently qualified part-time regular employees are eligible to be considered for reassignment to residual vacancies as a result of the application of 6, 7 and 8 above. To be eligible for consideration, the part-time regular employee must be senior to the senior part-time flexible employee.
10. Motor Vehicle Craft employees temporarily detailed to a nonbargaining-unit position may not bid on vacant motor vehicle craft duty assignments while so detailed. However, nothing contained herein shall be construed to preclude such temporarily detailed employees from voluntarily terminating a nonbargaining-unit detail and returning to their craft position. Upon return to the craft position, such employees may exercise their right to bid on vacant motor vehicle craft duty assignments. The duty assignment of a full-time motor vehicle craft employee detailed to a nonbargaining-unit position, including a nonbargaining-unit training program in excess of four months shall be declared vacant and shall be posted for bid in accordance with this Article. Upon return to the craft, the employee will become an unassigned regular. A motor vehicle craft employee temporarily detailed to a nonbargaining-unit position will not be returned to the craft solely to circumvent the provisions of Section 2.A.10 Form 1723, Notice of Assignment, shall be used in detailing motor vehicle craft employees to temporary nonbargaining-unit positions. The Employer will provide the Union

at the local level with a copy of Form(s) 1723 showing the beginning and ending of all such details. Employees detailed to nonbargaining-unit positions are not entitled to out-of-schedule premium.

11. Residual vacancies for the following positions are to be filled by the senior qualified bidder, from the appropriate position(s) as herein indicated. Except for Motor Vehicle Operator and Tractor-Trailer Operator assignments, total service seniority in the Motor Vehicle craft will be used by employees when bidding to assignments in a different position designation.

a. Position	To be filled by Senior Qualified
Junior Automotive, SP 5-52, PS-5	Garageman, KP9 , PS-4
Tire Repairman 5-53, PS-6	Garageman, KP9, PS-4 Junior Mechanic, Automotive, SP 5-52, PS-5
Tractor-Trailer Operator SP 5-22, PS-6	Motor Vehicle Operator, KP 10, PS-5
Tools and Parts Clerk, SP 1-31, PS-5	All Motor Vehicle Craft Employees
Clerk, Vehicle Dispatcher, SP 5-10, PS-5	Motor Vehicle Operator, KP 10, PS-5, Tractor-Trailer Operator, SP 5-22, PS-6
Time & Attendance Clerk SP-129, PS-5	All Motor Vehicle Craft Employees
Storekeeper Automotive Parts SP 5-46, PS-6	All Motor Vehicle Craft Employees
Storekeeper Automotive Parts SP 5-47, PS-7	All Motor Vehicle Craft Employees
Vehicle Operator Assistant-Bulk Mails SP 5-66, PS-6	Tractor-Trailer SP 5-22, PS-6

12. When the opportunity for conversion to a residual full-time vacancy, other than a Motor Vehicle Operator (MVO) or Tractor Trailer Operator (TTO) position exists, the part-time flexible within the same occupational group and grade as the vacancy, will be given the opportunity to accept or decline conversion into the assignment. Declinations must be in writing.

If no part-time flexible employee accepts, management may convert the senior part-time flexible employee, from the same occupational group and grade, and place him/her into the residual vacancy, or fill the residual vacancy by other means.

B. Place of Posting

1. The notice inviting bids for a craft assignment shall be posted on all official bulletin boards at the installation where the vacancy exists, where vehicle operations and/or maintenance employees work so as to assure that it comes to the attention of all employees eligible to submit bids. Copies of the notice shall be given to the Union. When an absent employee has so requested in writing, and provided a personal mailing address, a copy of any notice inviting bids from the craft of the employee shall be mailed to the employee by the installation head.
2. Posting and bidding for preferred duty assignments shall be installation-wide without exception.

C. Length of Posting

The notice shall remain posted for 10 calendar days, unless a different length for the posting period is established by local negotiation.

D. Information on Notices

Information shall be as shown below and shall be specifically stated:

1. The duty assignment by position title and number (e.g., key, standard, or individual position).
2. PS salary level.
3. Hours of duty (beginning and ending).
4. The principal assignment area (e.g., section and/or location of activity).
5. Qualification standards, including ability to drive certain types of vehicles such as tractor-trailer and occupational code number when such standards and numbers are available.
6. Physical requirement unusual to the specific assignment.
7. Invitation to employees to submit bids.
8. The fixed or rotating schedule of days of work, as appropriate.
9. Motor vehicle and tractor-trailer route numbers (a copy of the schedule should be made available to interested employees).
10. All bids in the Motor Vehicle Craft are to be submitted first by Motor Vehicle Craft employees on a standard bid form. If such bid form is not available, a bid submitted in writing is acceptable. In those

offices where alternative bid procedures have been established, bids (except in 39.2.A.6 & 7), may be submitted at the employee's option by telephone or electronically. An employee who has submitted a standard bid form or written bid may withdraw the bid at any time before the closing date and/or time of posting, provided the withdrawal is submitted in writing and is back-stamped. Bids submitted through alternative bidding procedures may be withdrawn before the closing date utilizing the automated procedures.

E. Successful Bidder

1. Within 10 days after the closing date for the posting (including December), the installation head shall post a notice stating the successful bidder and his seniority date. The senior qualified bidder meeting the qualification standards established for that position shall be designated the "successful bidder."
2. The successful bidder must be placed in the new assignment within 21 days except in the month of December. The local agreement may set a shorter period.
3. Normally, the successful bidder shall work the duty assignment as posted.

Section 3. Special Provisions

A. The Employer will provide adequate tools, tool kits, and equipment on a charge-out basis to those employees who require such items for the performance of their assigned functions. The Employer will seek the advice of the Union at the national level in determining adequacy and/or obsolescence of the tools to be provided. Where tools are determined to be obsolete they will be recalled and removed from the employee's accountability. Replacement tools may be purchased locally by the Fleet Manager, who will seek the advice of the local Union in determining the adequacy of the tools to be furnished.

B. In the interest of safety and health and other appropriate considerations, properly certified national representatives of the Union will be given an opportunity to examine and comment on new type vehicles during the developmental stage.

C. Any time that tool kits or lockers of employees are to be inspected, the Employer agrees that, except in matters where there is reasonable cause to suspect criminal activity, a steward or the employee shall be given the opportunity to be present at any inspection of employees' lockers. For a general inspection where employees have had prior notification of at least a week, the above is not applicable.

D. All motor vehicle craft positions listed in the P-1 Handbook, designated to the motor vehicle craft, shall be under the jurisdiction of the Motor Vehicle Division of the American Postal Workers Union, AFL-CIO.

E. When filling details to bargaining unit work in the Motor Vehicle Craft the Employer shall give first consideration to the assignment of available and qualified motor vehicle craft

employees from the immediate work area in which the detail exists.

F. Employees eligible for night differential who participate in on-the-clock training will be paid the applicable differential they would have earned for service normally scheduled between 6 p.m. and 6 a.m. had they not been temporarily rescheduled by management to attend such training.

G. To improve the comfort level in existing U.S. Postal Service bulk mail hauling and service vehicles, directional fans will be installed in the driver compartment during the life of the collective-bargaining agreement.

H. Training for motor vehicle maintenance employees will be provided on a fair and equitable basis in accordance with service needs. First consideration will be given to those employees who volunteer for such training.

I. All hiring announcements for TTO positions will be posted on the official bulletin board at the installation where the vacancy exists, where vehicle operations and/or maintenance employees work. Such announcements will be posted until the closing date specified in the announcement for submitting applications.

J. The union, at the national level, will be allowed “read only” access to the automated enrollment system for the vehicle maintenance training billets.

**ARTICLE 40
RESERVED**

ARTICLE 41
MATERIAL SUPPORT CRAFT

Section 1.	Definition
Section 2.	Seniority
Section 3.	Posting
Section 4	General Provisions

Section 1. Definitions

A. **Duty Assignment.** A duty assignment is a set of duties and responsibilities within a recognized position regularly scheduled during specific hours of duty.

B. **Preferred Duty Assignment.** A preferred duty assignment is an assignment preferred by a full-time employee.

C. **Bid.** A written request submitted to the installation head to be assigned to a duty assignment by a full-time employee eligible to bid.

D. **Application.** A written request by an employee for consideration for an assignment for which the employee is not entitled to submit a bid.

E. **Abolishment.** A management decision to reduce the number of occupied duty assignment(s) in an established section or installation.

F. **Reversion.** A management decision to reduce the number of positions in an installation when such position(s) is/are vacant.

G. **Residual Vacancy.** The position that remains vacant after the completion of the voluntary bidding process.

H. **Conversion.** The act of changing the status of a part-time flexible employee to full-time by appropriate personnel action (Form 50).

Section 2. Principles of Seniority

A. Introduction

1. The Employer and the Union agree to the following seniority principles which replace all former rules, instructions, and practices.
2. This Article will continue relative seniority standings properly established under past principles, rules, and instructions and the Agreement shall be so applied. If an employee requests a correction of seniority standing, it is the responsibility of the requesting employee to identify and restate the specific instructions, rule, or practice in support of the request.

B. Coverage

No employee, solely by reason of this Article shall be displaced from an assignment gained in accordance with former rules.

C. Responsibility

The installation head shall be responsible for the administration of seniority. A current seniority list shall be posted on official bulletin boards following the effective date of this Agreement and a copy of the seniority list shall be furnished to the Union. Thereafter, changes to the seniority list shall be made only when they occur and a copy of such changes will be provided to the Union.

D. Application of Seniority

All bargaining unit employees in an installation shall constitute, for seniority purposes, a single unit.

1. Seniority for Employees

This seniority determines the relative standing among full-time employees. Seniority for bargaining unit employees is computed from date of transfer to, or appointment in the installation and continues to accrue so long as service in the installation is uninterrupted, except as otherwise provided herein.

2. Seniority Tie Breaker

Except as otherwise provided for in this Article, when it is necessary to resolve a tie in seniority between two or more Material Support Craft employees, the following criteria shall apply in the order set forth below:

- a) Total continuous postal career service in the Material Support Craft within the installation.
- b) Total postal career service in the Material Support Craft within the installation.
- c) Total postal career service in the Material Support Craft.
- d) Total postal career service within the installation.
- e) Total postal career service.
- f) Total postal service.
- g) Total Federal service as shown in the service computation date.
- h) Numerical by the last 3 or more numbers (using enough numbers to break the tie, but not fewer than 3 numbers) of the employee's social security number, from lowest to highest.

3. Part-time Flexible Employees

- a) Part-time flexible employees are placed on the part-time flexible roll in the same manner as

seniority is determined in Section 2.D.1 & 2 above.

- b) Part-time flexible employees shall be converted to full-time in the manner set forth in this section. When an opportunity for conversion to a Material Support Craft position exists, the vacant assignment shall be posted for application to all part-time flexible employees assigned to the installation. Except for those positions filled on a best qualified basis, the senior applicant who meets the minimum qualifications of the vacant position shall be converted to full-time and placed into the vacant assignment within 28 days of being identified as the senior applicant who meets the minimum qualifications of the vacant position.
- c) If the opportunity for conversion is to a position filled on a best-qualified basis, the applicant who best meets the qualifications of the position shall be converted and placed into the vacant assignment. Applications from part-time flexible employees shall not be considered if sufficient (equal or greater number than available assignments) full-time employees, meeting the minimum qualifications, apply.
- d) The date of career appointment in the installation shall be used for vacation scheduling.

E. Changes in Which Seniority is Lost

Except as specifically provided elsewhere in this Agreement, an employee begins a new period of seniority:

1. When the change is at the employee's own request from one installation to another;
2. Upon reinstatement or reemployment;
3. Upon transfer into the Postal Service from any other Federal agency;
4. Upon a mutual exchange between the employees; or
5. Upon being excessed/surplused from an APWU bargaining unit into the MES or MDC except that the employee will retain his/her status of full-time or part-time.

F. Changes in Which Seniority is Retained, Regained or Restored

1. Reemployment After Disability Separation

On reinstatement or reemployment after separation caused by disability, retirement or resignation because of personal illness and the employee so stated in the resignation and furnished satisfactory evidence for inclusion in the personnel folder, the employee receives seniority credit for past service for time on the disability retirement or for illness if reinstated or reemployed in the same or lower salary level, from

which originally separated; provided application for reinstatement or reemployment is made within six (6) months from the date of recovery. The date of recovery in the case of disability retirement must be supported by notice of recovery from the Compensation Group, Office of Personnel Management and in the case of resignation due to illness, by a statement from the applicant's physician or practitioner.

2. Restoration

On restoration in the same installation after return from military service, transfer under letter of authority, or unjust removal, an employee shall regain the same seniority rights as if not separated.

3. Reassignment and Return in Ninety (90) Days

A career employee, voluntarily reassigned from one installation to another with or without change in salary level and voluntarily reassigned within ninety (90) days to the former installation regains seniority previously acquired in the installation augmented by intervening employment.

G. Bidding

1. All full-time positions, including higher level positions, shall be filled by a full-time employee who is the senior qualified bidder meeting the qualification standards for the position except for the following positions, which shall be filled on a best qualified basis:

a. Mail Equipment Shops

Position Number	Position Title
SP 7-3	Lockmaker (5)
SP7-64	Mail Equipment Shops Technician (9)
SP7-42	Machine Operator (A) (6)
SP7-41	Machine Operator (B) (6)
SP7-40	Pressman (6)

The position of Senior Lockmaker, SP 7-45, (level 6), will be filled on the basis of senior qualified from the position of Lockmaker, SP 7-3, (level 5).

b. Material Distribution Centers

SP7-29	Maintenance Mechanic General (Level 6)
	Customer Service Clerk (Level 6)

When job vacancies occur in Maintenance Mechanic-General, SP 7-29; or Customer Service Clerk, employees occupying the same standard position as the vacant position may bid for the vacancy on the basis of senior qualified, except when the vacant assignment is being considered for reversion or being withheld per Article 12.

The residual vacancy will be posted for application unless the vacancy meets one of the exceptions in the preceding paragraph.

2. The successful bidder selected on the basis of senior qualified, shall be placed in the duty assignment for a period of up to and including thirty (30) calendar days, excluding days of absence on scheduled work days, for the purpose of demonstrating the required competency and ability to perform the work. The Employer may, at any time during the thirty (30) calendar day period, return the selected employee to the former position without prejudice if it is determined the employee does not possess the required competency or ability to perform the work. In the event the selected employee is returned to the former position during the qualifying period, the Employer shall select another candidate for the position from the original bid list, if any, who meets the position qualifications. A determination by the Employer to disqualify a selected employee for incompetency or inability to perform the work shall be subject to the provisions of the grievance-arbitration procedure.
3. Material Support craft employees detailed to a nonbargaining unit position may not bid or apply for vacant Material Support craft assignments while so detailed. However, nothing contained herein shall be construed to preclude such temporarily detailed employees from voluntarily terminating a nonbargaining detail and returning to their craft position. Upon return to the craft position, such employees may exercise their right to bid or apply for vacant craft duty assignments.

The duty assignment of a full-time Material Support craft employee detailed to a nonbargaining-unit position, including a nonbargaining-unit training program, in excess of 4 months shall be declared vacant and shall be posted for bid in accordance with this Article. Upon return to the craft, the employee will become an unassigned regular. An employee temporarily detailed to a nonbargaining-unit position will not return or be returned to the craft solely to prevent the employee's assignment from being posted for bid. Form 1723, Notice of Assignment, shall be used in detailing craft employees to temporary nonbargaining-unit positions. The employer will provide the Union at the local level with a copy of Form(s) 1723 showing the beginning and ending of all such details.

Employees detailed to nonbargaining-unit positions are not entitled to out of schedule premium.

H. Special Benefits to Certain Veteran Employees

Employees whose names are within reach on an eligible register and who lost opportunity for career appointment because of service in the military service after June 30, 1950, who subsequently received career appointment, based on restored eligibility, and were granted the benefits of Public Law 121 are entitled to seniority from the date the lower eligible on the same list of eligibles received a career appointment.

I. Filling Positions Reevaluated

1. When an occupied position is upgraded on the basis of the present duties:
 - a. The incumbent will remain in the upgraded job provided the incumbent has been in that job for more than one (1) year.
 - b. The job will be posted for bid in accordance with this Agreement if the incumbent has not been in the job for more than one (1) year.
2. When an occupied position is upgraded on the basis of duties which are added to the position:
 - a. The incumbent will remain in the upgraded job provided the incumbent has been in that job for more than one (1) year. The year of required incumbency in the job begins when the duty or duties were added which permitted the job to be reranked.
 - b. The job will be posted for bid in accordance with this Article if the incumbent has not been in the job in accordance with 2.a. above.
3. When Management places automatic equipment in an installation and an employee is assigned to operate the equipment, the time the employee spends on this job before it is ranked and established shall be counted as incumbency in the position for the purpose of being upgraded or assigned.

Section 3. Principles of Posting

A. Newly established and vacant duty assignments shall be posted as follows:

1. All newly established duty assignments within the bargaining unit shall be posted for full-time bargaining unit employees eligible to bid within twenty-eight (28) days. All vacant duty assignments shall be posted within twenty-eight (28) days unless such vacant duty assignments are reverted or where such vacant duty assignment is being withheld pursuant to Article 12, Section 5.B.2. The duties of a vacant assignment will not be segmented solely to avoid the posting or reversion of a vacant position.
2. When a vacant position is under consideration for reversion, the local union president will be given an opportunity for input prior to a decision. The decision to revert or not to revert the position shall be made not

later than twenty-eight (28) days after it becomes vacant and if the vacant assignment is reverted, a notice shall be posted advising of the action taken and the reasons therefor.

3. When it is necessary that fixed scheduled day(s) of work in the basic work week for an assignment be permanently changed, the affected assignment(s) shall be reposted.
4. No assignment will be posted because of a change in starting time unless the change exceeds one (1) hour. Whether to post or not is negotiable at the local level if it exceeds one (1) hour.
5. Change in duty assignment as specified below, will require reposting:
 - a. A fifty percent (50%) change in actual duties to be performed.
 - b. A change in principal assignment area which requires reporting to a different physical location, i.e., building, facility, etc., except the incumbent shall have the option to accept the new assignment.
6. The installation head shall establish a method for handling multiple bidding on duty assignments which are simultaneously posted.
7. An employee may withdraw a bid on a posted assignment, if the withdrawal request is received in writing prior to the closing date of the posting.
8. An unassigned employee may bid on duty assignments posted for bid. An unassigned employee may be assigned to any vacant duty assignment; however, if more than one (1) vacant duty assignment is available, the unassigned employee shall be given a choice of assignment based upon the employee's seniority provided, however, the employee is qualified to perform the duties and responsibilities of the assignment selected.
9. All bids are to be submitted on a standard bid form. In the absence of a standard bid form, a bid submitted in writing shall be accepted.

B. Place of Posting

Bids for an assignment shall be posted on all official bulletin boards at the installation where the vacancy exists. Copies of the notice shall be given to the designated Union representative. When an absent employee has so requested in writing, providing a mailing address, a copy of any notice inviting bids shall be mailed to the employee by the installation head. Posting and bidding for preferred duty assignments shall be installation-wide unless otherwise specified.

C. Length of Posting

The notice shall remain posted for ten (10) days.

D. Information on Notices

1. The duty assignment (as defined above in Section 1.A, if applicable) by position title and number, e.g., key, standard or individual position.
2. Salary level.
3. Hours of duty (beginning, ending).
4. The principal assignment area, e.g., section and/or location of activity.
5. Qualification standards and occupational code number.
6. Physical requirement(s) unusual to the specific assignment (heavy lifting, etc.).
7. Invitation to employees to submit bids.
8. The scheduled days of work.
9. Date of posting and time.

E. Successful Bidder.

1. Within ten (10) days after the closing date of the posting, the installation head shall post a notice stating the name and seniority of the successful bidder. The senior qualified bidder meeting the qualification standards established for that position or the best qualified selection, if applicable, shall be designated the "successful" bidder.
2. The successful bidder must be placed in the new assignment no later than twenty-eight (28) days after the date of notification of selection as provided in E.1. above.
3. **Ninety (90) Day Work Requirement**

An employee who is placed in any of the vacant duty assignments other than Customer Service Clerk duty assignments, in accordance with this Section shall be required to work that duty assignment for a period of no less than ninety (90) days, unless exercising a bid:

- a. to a similar assignment with different days or hours of duty;
 - b. to a job in a higher level;
 - c. due to elimination or reposting of the duty assignment; or
 - d. because of substantiated medical or health reasons, whereby continuation would be harmful to the employee.
4. An employee who is placed in any vacant Customer Service Clerk duty assignment shall be

required to work that duty assignment for a period of no less than 365 days, unless exercising a bid:

- a. to a similar assignment with different days or hours of duty;
 - b. to a job in a higher level;
 - c. due to elimination or reposting of the duty assignment; or
 - d. because of substantiated medical or health reasons, whereby continuation would be harmful to the employee.
5. Normally an employee shall work the duty assignment for which the employee has been designated the successful bidder.

F. Definition of a Section

The Employer and the Union shall define sections within the installation. Such definition will be confined to one or more of the following:

1. pay location;
2. by floor;
3. tour;
4. job within an area;
5. type of work;
6. installation;
7. building or
8. shop (MES only).

Section 4. General Provisions

A. Tools

The Employer will provide adequate tools, tool kits and equipment on a charge-out basis to those employees who require such items for the performance of their assigned function. The determination as to what tools, tool kits and equipment are required and the adequacy of such items will be made by the Employer. Where the Employer determines that tools are obsolete, such tools will be recalled and removed from the employees' accountability.

B. Anti-Fatigue Measures

The subject of fatigue as it relates to the safety and health of an employee is a proper subject for the consideration of the Joint Labor-Management Safety Committee as provided in Article 14 of this Agreement. The Employer will continue past practices with regard to anti-fatigue devices.

ARTICLE 42 ENERGY SHORTAGES

In the event of an energy crisis, the Employer shall make every reasonable attempt to secure a high priority from the appropriate Federal agency to obtain the fuel necessary for the satisfactory maintenance of postal operations. In such a case, or in the event of any serious widespread energy shortage, the Employer and the Union shall meet and discuss the problems and proposed

solutions through the Labor Management Committee provided in Article 17.

(The preceding Article, Article 42, shall apply to Transitional Employees)

ARTICLE 43 SEPARABILITY AND DURATION

Section 1. Separability

Should any part of this Agreement or any provision contained herein be rendered or declared invalid by reason of any existing or subsequently enacted legislation or by a court of competent jurisdiction, such invalidation of such part or provision of this Agreement shall not invalidate the remaining portions of this Agreement, and they shall remain in full force and effect.

Section 2. Duration

Unless otherwise provided, this Agreement shall be effective **December 18, 2001**, and shall remain in full force and effect to and including 12 midnight November 20, **2003**, and unless either party desires to terminate or modify it, for successive annual periods. The party demanding such termination or modification must serve written notice of such intent to the other party, not less than 90 or more than 120 days before the expiration date of the Agreement.

(The preceding Article, Article 43, shall apply to Transitional Employees)

APPENDIX A
APWU Transitional Employee
Memoranda

MEMORANDUM OF UNDERSTANDING
 BETWEEN THE
 UNITED STATES POSTAL SERVICE
 AND THE
 AMERICAN POSTAL WORKERS UNION, AFL-CIO

Re: Transitional Employee

1. The parties agree to the following principles:
 - a. The transitional work force will be comprised of noncareer, bargaining unit employees.
 - b. Transitional employees will be hired for a term not to exceed 360 calendar days and will have a break in service of at least 5 days between appointments.
 - c. **Pursuant to the Goldberg Interest Arbitration Award without limitation as to their use or operational justification, the total number of APWU Transitional Employees working in non-REC sites will be in accordance with the schedule below. The Postal Service will phase out all non-REC Transitional Employees by no later than December 31, 2005. REC Transitional Employees, who are governed by a separate Memorandum of Understanding and related agreements, shall continue. This portion of the Award dealing with non-REC Transitional Employees shall not be raised during the 2003 National Negotiations or during any related interest arbitration proceedings.**

<u>Calendar Year</u>	<u>Number</u>
January 1, 2002 through December 31, 2002	4,000
January 1, 2003 through December 31, 2003	4,000
January 1, 2004 through December 31, 2004	4,000
January 1, 2005 through December 31, 2005	4,000

- (1) **The number of TEs will be apportioned to each Area Office by Headquarters and provided to the APWU at the National Level. Each Area Office will allocate a number from their total number of APWU TEs to installations within its area.**
- (2) **The Postal Service may re-evaluate its need for TEs and redistribute them as it deems appropriate. The total number of TEs in the Postal Service will not increase beyond the allocated number for each time frame as described above.**
- (3) **At the National level, on an Accounting Period (AP) basis, the Postal Service will provide a list by craft of on-rolls TEs by finance number. In addition, the local union representative will be provided with all TE hiring activity by craft as it occurs.**

- d. Leave provisions for transitional employees are included in Attachment A.
2. Reassignment of Career Employees Outside of a Section, Craft, or Installation:
- a. Prior to reassigning career employees outside of a section, craft, or installation, management will offer impacted career employees, on a seniority basis, the opportunity to work any existing transitional assignment. Impacted career employees must be currently qualified to backfill these assignments.
 - b. There will be no out-of-schedule pay or training provided to qualify the impacted employees for these temporary assignments.
3. Layoff of Career Employees:
- a. Prior to laying off career employees, management will offer the impacted employees the opportunity to work any existing transitional assignments within the installation.
 - b. There will be no out-of-schedule pay or training provided to qualify the impacted employees for these temporary assignments.

4. Light Duty

Article 13 does not apply to transitional employees. However, Article 13 does not prohibit the assignment of APWU transitional employees to light duty.

5. Article 15:

- a. The parties recognize that transitional employees will have access to the grievance procedure for those provisions which the parties have agreed apply to transitional employees.
- b. Nothing herein will be construed as a waiver of the employer's obligation under the National Labor Relations Act. Transitional employees will not be discharged for exercising their rights under the grievance- arbitration procedure.
- c. The separation of transitional employees upon completion of their 360-day term and the decision to not reappoint transitional employees to a new term are not grievable.

Transitional employees may be separated for lack of work at any time. Such separation is not grievable except where it is alleged that the separation is pretextual.

Transitional employees may be disciplined or removed within the term of their appointment for just cause and any such discipline or removal will be subject to the grievance-arbitration procedure, provided that within the immediately preceding six months, the employee has completed ninety (90) work days, or has been employed for 120 calendar days, whichever comes first.

In the case of removal for cause within the term of an appointment, a transitional employee shall be entitled to advance written notice of the charges against him/her in accordance with the provisions of Article 16 of the National Agreement.

This Section c is effective June 7, 1996.

6. Health Insurance

After an initial appointment for a 360-day term and upon reappointment to another 360-day term, any eligible non-career transitional employee who wants to pay health premiums to participate in the Federal Employees Health Benefits (FEHB) Program on a pre-tax basis will be required to make an election to do so in accordance with procedures to be published as soon as administratively practicable. The total cost of health insurance is the responsibility of the non-career transitional employee.

7. Higher Level Pay

Effective June 8, 1996, in the event a transitional employee (TE) is temporarily assigned to a higher level position, such employee will be paid at the higher level only for the time actually spent on such job. This language should not be construed to encourage the Postal Service to temporarily assign such employees to higher level positions. **When the opportunity exist for higher level assignment, the principle of preference for career employees over transitional employees should be utilized.**

Peter A. Sgro
Manager
Contract Administration
U.S. Postal Service

Greg Bell, Director
Industrial Relations
American Postal Workers
Union, AFL-CIO

Date: December 18, 2001

TRANSITIONAL EMPLOYEE ANNUAL LEAVE PROVISIONS:

I. GENERAL

A. Purpose. Annual leave is provided to transitional employees for rest, recreation, emergency purposes, and illness or injury.

1. Accrual of Annual Leave. Transitional employees earn annual leave based on the number of hours in which they are in a pay status in each pay period.

Rate of Accrual	Hours in Pay Status	Hours of Annual Leave Earned Per Pay Period
1 hour for each unit of 20 hours in pay status in each pay period	20	1
	40	2
	60	3
	80	4 (max.)

2. Biweekly Crediting. Annual leave accrues and is credited in whole hours at the end of each biweekly pay period.

3. Payment For Accumulated Annual Leave. A separating transitional employee may receive a lump-sum payment for accumulated annual leave subject to the following condition:

a. A transitional employee whose separation is effective before the last Friday of a pay period does not receive credit or terminal leave payment for the leave that would have accrued during that pay period.

II. AUTHORIZING ANNUAL LEAVE

A. General. Except for emergencies, annual leave for transitional employees must be requested on Form 3971 and approved in advance by the appropriate supervisor.

B. Emergencies and Illness or Injury. An exception to the advance approval requirement is made for emergencies and illness or injury; however, in these situations, the transitional employee must notify appropriate postal authorities as soon as possible as to the emergency or illness/injury and the expected duration of the absence. As soon as possible after return to duty, transitional employees must submit Form 3971 and explain the reason for the emergency or illness/injury to their supervisor. Supervisors approve or disapprove the leave request. When the request is disapproved, the absence may be recorded as AWOL at the discretion of the supervisor as outlined in Section IV.B below.

III. UNSCHEDULED ABSENCE

- A. Definition. Unscheduled absences are any absences from work that are not requested and approved in advance.
- B. Transitional Employee Responsibilities. Transitional employees are expected to maintain their assigned schedule and must make every effort to avoid unscheduled absences. In addition, transitional employees must provide acceptable evidence for absences when required.

IV. FORM 3971, REQUEST FOR, OR NOTIFICATION OF, ABSENCE

- A. Purpose. Application for annual leave is made in writing, in duplicate, on Form 3971, Request for, or Notification of, Absence.
- B. Approval/Disapproval. The supervisor is responsible for approving or disapproving application for annual leave by signing Form 3971, a copy of which is given to the transitional employee. If a supervisor does not approve an application for leave, the disapproved block on Form 3971 is checked and the reasons given in writing in the space provided. When a request is disapproved, the reasons for disapproval must be noted. AWOL determinations must be similarly noted.

Peter A. Sgro
Manager
Contract Administration
U.S. Postal Service

Greg Bell, Director
Industrial Relations
American Postal Workers
Union, AFL-CIO

Date: December 18, 2001

**MEMORANDUM OF UNDERSTANDING
BETWEEN THE
UNITED STATES POSTAL SERVICE
AND THE
AMERICAN POSTAL WORKERS UNION, AFL-CIO**

Re: Transitional Employees

The parties agree that only the following articles and portions of articles of the National Agreement as they appear in bold face print below apply to transitional employees:

Article 1

Article 2

Article 3

Article 5

Article 7

**ARTICLE 7
EMPLOYEE CLASSIFICATION**

Section 1. Definition and Use

* * * * *

C. Transitional Work Force

1. The transitional work force shall be comprised of noncareer, bargaining unit employees.
2. Over the course of a pay period, the Employer will make a reasonable effort to ensure that qualified and available part-time flexible employees are utilized at the straight-time rate prior to assigning such work to transitional employees working the same work location and on the same tour.
3. Transitional employees shall be hired pursuant to such procedures as the Employer may establish. They will be hired for a time not to exceed 360 calendar days for each appointment. Such employees have no daily or weekly work hour guarantees, except as provided for in Article 8.8.D. Transitional employees will have a break in service of at least 5 days between appointments.
4. **Without limitation as to their use or operation justification, the total number of APWU Transitional Employees working in non-REC sites will be in accordance with the schedule below. The Postal Service will phase out all non-REC Transitional Employees by no later than December 31, 2005.**

<u>Calendar Year</u>	<u>Number</u>
January 1, 2002 through December 31, 2002	4,000
January 1, 2003 through December 31, 2003	4,000
January 1, 2004 through December 31, 2004	4,000
January 1, 2005 through December 31, 2005	4,000

**ARTICLE 8
HOURS OF WORK**

Section 3. Exceptions

The above shall not apply to part-time employees and transitional employees.

Part-time employees will be scheduled in accordance with the above rules, except they may be scheduled for less than eight (8) hours per service day and less than forty (40) hours per normal work week.

Transitional employees will be scheduled in accordance with Section 2, A and B, of this Article.

Section 4. Overtime Work

Transitional employees shall be paid overtime for work performed in excess of forty (40) work hours in any one service week. Overtime pay for transitional employees is to be paid at

the rate of one and one-half (1 1/2) times the basic hourly straight-time rate.

When an opportunity exists for overtime for qualified and available full-time employees, doing similar work in the work location where the employees regularly work, prior to utilizing a transitional employee in excess of eight (8) work hours in a service day, such qualified and available full-time employees on the appropriate Overtime Desired List will be selected to perform such work in order of their seniority on a rotating basis.

Section 7. Night Shift Differential

Effective for the period November 21, 2000, through November 20, 2003 for time worked between the hours of 6:00 p.m. and 6:00 a.m., employees shall be paid additional compensation at the applicable flat dollar amount at each pay grade and step in accordance with the attached table (**Table Three**).

Section 8. Guarantees

D. Effective June 7, 1996, any transitional employee who is scheduled to work and who reports shall be guaranteed two (2) hours of work or pay. Such work or pay shall not be guaranteed if such employees are directed not to report ahead of the time they were scheduled to report to work.

Section 9. Wash-up Time

Installation heads shall grant reasonable wash-up time to those employees who perform dirty work or work with toxic materials. The amount of wash-up time granted each employee shall be subject to the grievance procedure.

(The preceding paragraph shall apply to Transitional Employees).

**ARTICLE 9
SALARIES AND WAGES**

Section 7. Transitional Employee

The hourly rates for transitional employees shall be increased for all grades as follows:

Effective November 18, 2000 - **the hourly rates for all grades shall be increased by 1.2%, based on the salary schedule appended hereto (Table 2).**

Effective November 17, 2001 - **the hourly rates for all grades shall be increased by 1.8%, based on the salary schedule appended hereto (Table 2).**

Effective November 16, 2002- **the hourly rates for all grades shall be increased by 1.4%, based on the salary schedule appended hereto (Table 2).**

**ARTICLE 10
LEAVE**

Section 2. Leave Regulations

- A. The leave regulations in Subchapter 510 of the Employee and Labor Relations Manual, insofar as such regulations establish wages, hours and working conditions of employees covered by this Agreement, other than transitional employees, shall remain in effect for the life of this Agreement.
- B. Career employees will be given preference over noncareer employees when scheduling annual leave. This preference will take into consideration that scheduling is done on a tour-by-tour basis and that employee skills are a determining factor in this decision.

**ARTICLE 11
HOLIDAYS**

Section 6. Holiday Schedule

- D. Transitional employees will be scheduled for work on a holiday or designated holiday after all full-time volunteers are scheduled to work on their holiday or designated holiday. They will be scheduled, to the extent possible, prior to any full-time volunteers or nonvolunteers being scheduled to work a nonscheduled day or any full-time nonvolunteers being required to work their holiday or designated holiday. If the parties have locally negotiated a pecking order that would schedule full-time volunteers on a nonscheduled day, the Local Memorandum of Understanding will apply.

Article 14

Article 15

Article 17 Sections 2, 3, 4, 6, and 7

Article 18

Article 19

**ARTICLE 19
HANDBOOKS AND MANUALS**

New Paragraph 3:

Article 19 shall apply in that those parts of all handbooks, manuals and published regulations of the Postal Service, which directly relate to wages, hours or working conditions shall apply to transitional employees only to the extent consistent with other rights and characteristics of transitional employees negotiated in this Agreement and otherwise as they apply to the supplemental work force. The Employer shall have the right to make changes to handbooks, manuals and published regulations as they relate

to transitional employees pursuant to the same standards and procedures found in Article 19 of this Agreement.

Article 20

Article 22

Article 23

Article 24

Article 27

Article 28

Article 31

Article 32

Article 34

Article 36

Article 42

Article 43

Only the following Memorandums of Understanding from the 1990 National Agreement shall apply to Transitional Employees:

Use of Privately Owned Vehicles
Leave Sharing
Leave Without Pay

Peter A. Sgro
Manager
Contract Administration
U.S. Postal Service

Greg Bell, Director
Industrial Relations
American Postal Workers
Union, AFL-CIO

Date: December 18, 2001

**MEMORANDUM OF UNDERSTANDING
BETWEEN THE
UNITED STATES POSTAL SERVICE
AND THE
AMERICAN POSTAL WORKERS UNION,
AFL-CIO**

In the interest of enhancing career employment opportunities for APWU transitional employees, the Postal Service and the APWU agree as follows:

1. APWU transitional employees (TEs) (as set forth in the TE Agreements of 12/31/91 and 2/2/93), who have completed 180 days of employment as a TE and are still on the TE rolls, may take two such entrance examinations for career position(s) in APWU-represented crafts. Only two such examination opportunities will be provided each eligible TE pursuant to this memorandum, except that eligible TEs will be permitted to retake any exam which is subsequently discontinued and replaced.
2. Eligible TEs who wish to take an entrance examination for career position(s) in APWU-represented crafts must submit their request in writing to the appropriate personnel office. The local union will be provided written notification of TEs who have submitted such requests. The requested examinations will be administered to eligible TEs consistent with normal scheduling of the exams.
3. Each TE's exam results will be scored, including any applicable veterans' preference points and passing scores, will be merged with the existing register for that exam. Eligible TEs who already have a passing test score on the same register will have the option of merging the new test score with the existing register in lieu of their old test score. Thereafter, normal competitive selection procedures will apply in making appointments to career positions.
4. This agreement will be effective from June 7, 1996, through November 20, **2003**. Nothing herein is intended to limit any veterans' preference in hiring as established by law.

Peter A. Sgro
Manager
Contract Administration
U.S. Postal Service

Greg Bell, Director
Industrial Relations
American Postal Workers
Union, AFL-CIO

Date: December 18, 2001

APPENDIX B
Memorandums of Understandings
and
Letters of Intent

NOTE:

Appendix B contains new memoranda and pre-existing memoranda that have been modified.

For the sake of brevity, pre-existing memoranda not modified by the December 18, 2001 interest arbitration award are not reprinted in this version of the National Agreement.

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**MEMORANDUM OF UNDERSTANDING
BETWEEN THE
UNITED STATES POSTAL SERVICE
AND THE
AMERICAN POSTAL WORKERS UNION,
AFL-CIO**

**RE: MEMORANDA OF UNDERSTANDING
AND LETTERS OF INTENT**

The parties agree that except for those National level Memoranda of Understanding and Memoranda of Intent (MOUs) as well as National level Letters of Intent (LOIs) that have a specific expiration date, or are otherwise by their terms limited to actions occurring during a National Agreement, all other National MOUs/LOIs shall continue unless modified or eliminated either by agreement or as a result of interest arbitration. The parties further agree that this understanding includes all National Level MOUs and LOIs set forth in each of the parties' printing of the 1994-1998 National Agreement as well as all other National level MOUs and LOIs.

* * *

**UNITED STATES POSTAL SERVICE
AND THE
AMERICAN POSTAL WORKERS UNION,
AFL-CIO**

Re: Layoff Protection

Each employee who is employed in the regular work force as of November 20, **2000**, and who has not acquired the protection provided under Article 6 shall be protected henceforth against any involuntary layoff or force reduction during the term of this Agreement. It is the intent of this Memorandum of Understanding to provide job security to each such employee during the term of this Agreement; however, in the event Congress repeals or significantly relaxes the Private Express Statutes this Memorandum shall expire upon the enactment of such legislation. In addition, nothing in this Memorandum of Understanding shall diminish the rights of any bargaining-unit employees under Article 6.

Since this Memorandum of Understanding is being entered into on a nonprecedential basis, it shall terminate for all purposes at midnight, November 20, **2003**, and may not be cited or used in any subsequent dispute resolution proceedings.

* * *

**MEMORANDUM OF UNDERSTANDING
BETWEEN THE
UNITED STATES POSTAL SERVICE AND
THE JOINT BARGAINING COMMITTEE
(The American Postal Workers Union, AFL-CIO, and
National Association of Letter Carriers, AFL-CIO)**

**Re: Article 7, 12 and 13 - Cross Craft and Office
Size**

A. It is understood by the parties that in applying the provisions of Articles 7, 12 and 13 of the **2000** National Agreement, cross craft assignments of employees, on both a temporary and permanent basis, shall continue as they were made among the six crafts under the 1978 National Agreement.

B. It is also agreed that where the **2000** Agreement makes reference to offices/facilities/installations with a certain number of employees or man years, that number shall include all categories of bargaining unit employees in the office/facility/installation who were covered by the 1978 National Agreement.

* * *

**MEMORANDUM OF UNDERSTANDING
BETWEEN THE
UNITED STATES POSTAL SERVICE
AND THE
AMERICAN POSTAL WORKERS UNION, AFL-CIO**

Re: Modified Work Week

The parties at the local level may negotiate the establishment and implementation of a modified work week program for APWU bargaining unit employees in one or more Postal Service operations within local installations. The modified work week is defined as four (4) service days, each consisting of ten (10) hours within twelve (12) consecutive hours, except that it shall be ten (10) hours within eleven (11) consecutive hours in all offices with more than 100 full-time employees in the bargaining units. Modified work weeks can be applied only to full-time regular duty assignments.

Any such program establishing and implementing a modified work week is subject to the following conditions:

- 1. Either management or the union at the local level may choose to negotiate or not negotiate a modified work week. A decision by management or the union not to participate in a modified work week program will not be subject to the Article 30 impasse process, the grievance/arbitration procedure, or appealable in any other forum.**
- 2. Cancellation of either local party's involvement in a modified work week program will be automatic upon 30 days written notice. Cancellation by either party will not be subject to the grievance/arbitration procedure or appealable in any other forum.**
- 3. Rules established by the parties at the national level in the "Modified Work Week (10/4) Guidelines" or its**

amendments must be followed.

4. Alleged violations of this memorandum of understanding or any program implemented in accordance with this memorandum are subject to the Article 15 grievance procedure.
5. Except as provided for in this MOU or the Modified Work Week Guidelines, no modified work week program can be inconsistent or in conflict with the National Agreement.

Dated: December 18, 2001

Anthony J. Vegliante
Vice President for Labor
Relations
United States Postal Service

William Burrus
President
American Postal
Workers Union, AFL-CIO

This MOU will be printed in the 2000 National Agreement.

* * *

**MEMORANDUM OF UNDERSTANDING
BETWEEN THE
UNITED STATES POSTAL SERVICE
AND
AMERICAN POSTAL WORKERS, UNION, AFL-CIO**

Re: Modified Work Week (10/4) Guidelines

The following rules apply to full-time employees in the APWU bargaining unit.

I Overtime

Participants will receive postal overtime pay for work performed only after 10 hours in a pay status on a regularly scheduled day, or after 40 hours in a pay status in a service week, and for the first 8 hours in a pay status on the first nonscheduled day worked in a service week. Non-scheduled day guarantees remain at 8 hours.

Excluding December, participants will receive penalty overtime for all hours:

- over 10 hours in a pay status on a regularly scheduled day;
- over 8 hours in a pay status on the first non-scheduled day worked in a service week;
- and/or in a pay status on the second and third non-scheduled day worked in a service week, if in a pay status for any part of each of the other 5 days in the same service week.

The 56 and 60-hour limitations still apply.

2. Sunday premium will be paid for all eligible straight time hours worked (i.e., 10 per workday) but shall be limited to 16 hours per week.

3. Leave will be charged up to 10 hours per day, therefore it will be necessary to use ten hours leave to cover a full day.
4. Court leave will be charged the same (i.e., up to 10 hours per day), however, the local parties have the option to determine if the employee's schedule may be changed back to 8/5 for those weeks during which court service is performed.
5. Military leave will be charged at 10 hours per day but may not exceed 120 hours per year. The local parties have the option to determine if the employee's schedule may be changed back to 8/5 for those weeks in which the employee will be on military leave for five or more days.
6. When appropriate, Administrative leave may be granted up to 10 hours per day.
7. Employees are currently provided 80 hours of holiday leave per year (10 holidays at 8 hours per holiday). To maintain this level of holiday leave while assigned to an alternate work schedule, the local parties must elect one of the following options prior to implementing alternate work schedules.

Participants will receive 80 hours of holiday leave per year regardless of which option is chosen.

Option I

During the weeks in which a holiday or designated holiday falls, the employees revert back to an 8/5 schedule. Holiday leave and holiday worked premium policies remain the same as for the current 8/5 schedule.

Option 2

Washington's Birthday and Columbus Day are considered regular workdays and are not treated as holidays for purposes of scheduling or compensating employees in 10/4. In effect, these two holidays are spread out among the remaining 8 holidays.

Ten hours of holiday leave will be charged and holiday worked premium will be limited to 10 hours on each of the 8 holidays.

If a participant, in this option, enters or leaves the 10/4 work week during the calendar year he/she will use Annual Leave of LWOP, to the extent necessary, on the remaining holidays to ensure that the total holiday leave for the calendar year does not exceed 80 hours.

Payroll and budget systems only recognize holidays within certain weeks within certain pay periods. As such, it is necessary to establish designated holidays somewhat differently from current policy. When a holiday falls on an employee's non-scheduled day, the employee's first scheduled workday preceding the holiday becomes the employee's designated holiday. An 8/5 employee who has Monday as a nonscheduled would have either the preceding Saturday or Sunday as their designated holiday because one of those two days would have to be a regularly scheduled workday. Under 10/

4, an employee may have Saturday, Sunday and Monday as their non-scheduled days, which would mean establishing the previous Friday as their designated holiday. This may fall outside of the week of the pay period in which the holiday has been provided for in the payroll and budget systems.

Accordingly, designated holidays for 10/4 employees with these scheduled days off (SDOs) should be established as follows:

SDOs ACTUAL HOLIDAY DESIGNATED HOLIDAY

1,2,3	Saturday	Friday (prior)
	Sunday	Tuesday
	Monday	Tuesday

The following schedule is to keep the employee's designated holiday as close to the actual holiday as possible:

2,3,4	Sunday	Saturday
	Monday	Saturday
	Tuesday	Wednesday

8. Employees assigned to a 10/4 schedule and who are scheduled for training program of five or more days may be returned to an 8/5 schedule until the training is completed. For training of less than five days, employees will remain on a 10/4 schedule but will complete their 10-hour days as assigned by management. Such assignment should be as close to the employee's regular assignment as practicable.
9. Any and all compensation policies other than those set forth in 1 through 7 above, which are based on 8-hour days and/or 5-day weeks for non-10/4 non-participants, will be based on 10-hour days and/or 4-day weeks for participants.

**MEMORANDUM OF UNDERSTANDING
BETWEEN THE
UNITED STATES POSTAL SERVICE
AND THE
AMERICAN POSTAL WORKERS UNION AFL-CIO**

Re: Annual Leave Exchange Option

The parties agree that APWU career employees will be allowed to sell back a maximum of forty (40) hours of annual leave prior to the beginning of the leave year provided the following two (2) criteria are met:

- 1) The employee must be at the maximum leave carry-over ceiling at the start of the leave year, and
- 2) The employee must have used fewer than 75 sick leave hours in the leave year immediately preceding the year for which the leave is being exchanged.

This Memorandum of Understanding expires with the expiration of the 2000 National Agreement.

**MEMORANDUM OF UNDERSTANDING
BETWEEN THE
UNITED STATES POSTAL SERVICE
AND THE
AMERICAN POSTAL WORKERS UNION,
AFL-CIO**

Re: Sick Leave for Dependent Care

The parties agree that, during the term of the **2000** National Agreement, sick leave may be used by an employee to give care or otherwise attend to a family member having an illness, injury or other condition which, if an employee had such condition, would justify the use of sick leave by that employee. Family members shall include son or daughter, parent and spouse as defined in ELM Section 515.2. Up to 80 hours of sick leave may be used for dependent care in any leave year. Approval of sick leave for dependent care will be subject to normal procedures for leave approval.

* * *

**MEMORANDUM OF UNDERSTANDING
BETWEEN THE
UNITED STATES POSTAL SERVICE
AND THE
AMERICAN POSTAL WORKERS UNION,
AFL-CIO**

Re: Leave Sharing

The Postal Service will continue a Leave Sharing Program during the term of the **2000** Agreement under which career postal employees are able to donate annual leave from their earned annual leave account to another career postal employee, within the same geographic area serviced by a postal district. In addition, career postal employees may donate annual leave to other family members that are career postal employees without restriction as to geographic location. Family members shall include son or daughter, parent, and spouse as defined in ELM Section 515.2. Single donations must be of 8 or more whole hours and may not exceed half of the amount of annual leave earned each year based on the leave earnings category of the donor at the time of donation. Sick leave, unearned annual leave, and annual leave hours subject to forfeiture (leave in excess of the maximum carryover which the employee would not be permitted to use before the end of the leave year), may not be donated, and employees may not donate leave to their immediate supervisors.

To be eligible to receive donated leave, a career employee (a) must be incapacitated for available postal duties due to serious personal health conditions including pregnancy and (b) must be known or expected to miss at least 40 more hours from work than his or her own annual leave and/or sick leave balance(s), as applicable, will cover, and (c) must have his or her absence approved pursuant to standard attendance policies. Donated leave may be used to cover the 40 hours of LWOP required to be eligible for leave sharing.

For purposes other than pay and legally required payroll deductions, employees using donated leave will be subject to regulations applicable to employees in LWOP status and will not earn any type of leave while using donated leave.

Donated leave may be carried over from one leave year to the next without limitation. Donated leave not actually used remains in the recipient's account (i.e., is not restored to donors). Such residual donated leave at any time may be applied against negative leave balances caused by a medical exigency. At separation, any remaining donated leave balance will be paid in a lump sum.

(The preceding Memorandum of Understanding, Leave Sharing, applies to Transitional Employees.)

NOTE: GRIEVANCE NUMBER Q90C-4QC 94013818 IS WITHDRAWN.

* * *

**MEMORANDUM OF UNDERSTANDING
BETWEEN THE
UNITED STATES POSTAL SERVICE
AND THE
AMERICAN POSTAL WORKERS UNION,
AFL-CIO**

Re: PTFs Reassignment Opportunities

All part-time flexible (PTF) clerk craft employees on the rolls on **November 21, 2000** who have completed their probationary period in installations with less than 100 career clerk craft employees will be given an opportunity to be reassigned to offices with 100 or more career clerk craft employees.

The parties recognize that it is in the interest of both the Employer and the Union to provide career clerk craft employees in installations with less than 100 career clerk craft employees the opportunity to be reassigned and future opportunities to be converted to full-time, prior to hiring PTFs in offices with 100 or more clerk craft employees.

A list to include installation name, location, job title and number of all available part-time flexible vacancies in offices within a District will be provided to the appropriate APWU Regional Coordinator.

The APWU Regional Coordinator, within 30 days of receipt of the list, will provide the names of eligible and qualified PTFs who will accept those opportunities.

For purposes of this agreement, an employee must have an acceptable work, attendance and safety record and meet the minimum qualifications for all positions to which they request reassignment. A part-time flexible clerk reassigned pursuant to this agreement who fails to qualify in the gaining office will be returned to his/her former installation as a part-time flexible employee.

Installation heads or designees in the gaining installation will contact the installation head of the losing installation and arrange for mutually agreeable reassignment and reporting dates. The losing office will be afforded a minimum of 45 days notice. Except in the event of unusual circumstances at the losing installation, reasonable time to fill vacancies will be provided the losing installation, however, this time should not exceed 120 days. **This memorandum shall expire with the end of this National Agreement.**

**MEMORANDUM OF UNDERSTANDING
BETWEEN
UNITED STATES POSTAL SERVICE
AND THE
AMERICAN POSTAL WORKERS UNION, AFL-CIO**

Re: Local Implementation

It is hereby agreed by the United States Postal Service and the American Postal Workers Union, AFL-CIO that the following procedures will apply to the implementation of Article 30 during the **2000** local implementation period.

1. The 30 consecutive day period for **2000** local implementation will commence on **April 1, 2002** and terminate on **May 30, 2002**.

If no party provides written notification of its intent to invoke the local implementation process prior to **April 15, 2002**, presently effective Memoranda of Understanding not inconsistent or in conflict with the **2000** National Agreement shall remain in effect during the term of this Agreement. Initial proposals must be exchanged within the first twenty one (21) days of the 30 consecutive day local implementation period.

2. In the event that any issue(s) remains in dispute at the end of the thirty (30) consecutive day local implementation period, each party shall identify such issue(s) in writing. Initialed copies of this written statement and copies of all proposals and counterproposals pertinent to the issue(s) in dispute will be furnished by the appropriate local party to the appropriate management official at the grievance/arbitration processing center, of the Employer with copies to the Postmaster, local Union President and the Union's Regional Representative no later than **June 14, 2002**. Inclusion of any matter in the written statement does not necessarily reflect the agreement of either of the parties that such matter is properly subject to local implementation.
3. The appropriate management official at the Area office and the Regional Union representative shall attempt to resolve the matters in dispute within seventy-five (75) days after the expiration of the **60 day** local implementation period. The appropriate management official at the Area office and the Regional Union representative will have full authority to resolve all issues still in dispute.
4. If the parties identified in paragraph 3 above are unable to reach agreement at the Regional level during the seventy-five (75) day period provided for above, the issue(s) may be appealed to final and binding arbitration by the National Union President or the Vice President, Labor Relations no later than twenty-one (21) days of the end of the seventy-five (75) day period.
5. The parties at the Area level will select sufficient arbitrators from the Regular Contract panel to ensure that issues appealed are heard within 60 days of the appeal to arbitration.

6. Where there is no agreement and the matter is not referred to the appropriate management official at the grievance/arbitration processing center or to arbitration, the provision(s), if any, of the former Local Memorandum of Understanding shall apply ~~unless inconsistent with or in conflict with the 2000~~ National Agreement.
7. Where a dispute exists as to whether an item in the former Local Memorandum of Understanding is inconsistent or in conflict with the **2000** National Agreement, such dispute will be processed in accordance with the procedures outlined in two (2) through four (4) above. Items declared to be inconsistent or in conflict shall remain in effect until **four (4) months have elapsed from the conclusion of the local implementation period under the 2000 National Agreement.**

This Memorandum of Understanding expires **with the expiration of the 2000 National Agreement.**

* * *

**MEMORANDUM OF UNDERSTANDING
BETWEEN THE
UNITED STATES POSTAL SERVICE
AND THE
AMERICAN POSTAL WORKERS UNION,
AFL-CIO**

Re: Retail Operations Within Installations

The parties agree that all existing retail operations will remain within the installation of which they are a part and all future retail operations established within the jurisdiction of an installation shall become a part of that installation.

This memorandum is entered into without prejudice to the positions of either party on any issues.

This Memorandum of Understanding expires with the expiration of the 2000 National Agreement.

**MEMORANDUM OF UNDERSTANDING
BETWEEN THE
UNITED STATES POSTAL SERVICE
AND THE
AMERICAN POSTAL WORKERS UNION, AFL-CIO**

CLERK CRAFT

**Re: Computerized Forwarding System (CFS)
Rotation**

In accordance with Article 37, Section 9, the parties mutually agree that it is in the best interests of employees who work in the Computerized Forwarding System (CFS) operation to have a rotation system that allows for time away from continuous uninterrupted keying duties.

In order to provide another option for an effective rotation system in CFS units, it is agreed that local parties may adopt the same work/rest cycle that is currently employed in Remote Encoding Center (REC) sites.

The parties who have not previously met and reached agreement at the local level as provided below shall, during the term of the 2000 National Agreement, be afforded the opportunity to do so. Therefore, as soon as practicable, the parties will meet at the local level to reach agreement on the appropriate work/break cycle to employ in their CFS site. The local parties will meet to discuss the issue and by mutual agreement will either implement the CFS work/break cycle as listed below or continue with their current work/break cycle. It is not the intent of this agreement to add to existing breaks or change any system that is currently acceptable to the parties. The current work/break cycle is as follows:

INTERIM WORK BREAK CYCLE

4 & 8 Hour Tours

Hours 1 & 5	Key 55 minutes Break 5 minutes
Hour 2 & 6	Key 55 minutes Break 5 minutes
Hour 3 & 7	Break 5 minutes Key 55 minutes
Hour 4 & 8	Break 5 minutes Key 55 minutes

HOME OR LUNCH BREAK

6 Hour Tours

Hour 1	Key 55 minutes Break 5 minutes
Hour 2	Key 55 minutes Break 5 minutes
Hour 3	Break 5 minutes Key 55 minutes
Hour 4	Break 5 minutes Key 55 minutes
Hour 5	Break 10 minutes Key 50 minutes
Hour 6	Key 5 minutes Break 5 minutes Key 50 minutes

HOME

This understanding applies only to CFS units and expires **with the expiration of the 2000 National Agreement.**

**MEMORANDUM OF UNDERSTANDING
BETWEEN THE
UNITED STATES POSTAL SERVICE AND
THE AMERICAN POSTAL WORKERS UNION, AFL-
CIO**

Re: Management Meetings on Maintenance Work Assignments

The Employer shall bring a group of Bargaining Unit employees and Non-Bargaining Unit employees to its National Training Center in Norman, Oklahoma for a period of one (1) week for the initial meeting. This initial meeting shall take place within sixty (60) days of the effective date of the 2000 National Agreement.

The Union shall be responsible for selecting a total of twelve (12) Bargaining Unit employees, four (4) Maintenance Mechanics, four (4) MPE Mechanics, and four (4) Electronic Technicians.

The Employer shall be responsible for selecting its twelve (12) Maintenance Managers to participate in this endeavor.

The purpose of this meeting will be to identify, discuss, and propose solutions to the recognized problems with the assignment of work among the above-referenced Occupational Groups. The Group's findings shall be provided to their respective National representatives.

No later than three (3) months following the completion of the Group's initial meeting, the Employer shall convene the Group again at its National Training Center in Norman, Oklahoma for a one (1) week period to continue its examination of the work assignments within the Maintenance Craft. The Group's findings shall be provided to their respective National representatives.

The Group's work shall be completed within nine (9) months of the initial meeting. At that time, the Group will make its final report to their respective National representatives.

It is the expressed intent and expectation of the parties that this effort will eliminate outstanding issues, resolve pending grievances and appeals to arbitration under Article 19, and prevent further disputes from arising.

* * *

**MEMORANDUM OF UNDERSTANDING
BETWEEN THE
UNITED STATES POSTAL SERVICE
AND THE
AMERICAN POSTAL WORKERS UNION,
AFL-CIO**

Re: Mail Equipment Shop Operations

The parties agree that the Union will be informed as far in advance as practicable of any decision to substantially alter operations at the Mail Equipment Shops (MES) which will affect jobs at the MES.

No final decision on whether to substantially alter operations at the MES which will affect jobs at the MES will be made until the

Employer has met and discussed the matter with the Union.

The intent of the parties is to provide that affected employees are given consideration, including training if necessary, for reassignment to an available postal position, in accordance with Article 12, for which they meet all qualifications, within the MES or to another bargaining unit represented by the American Postal Workers Union, AFL-CIO.

This Memorandum of Understanding expires with the expiration of the 2000 National Agreement.

* * *

**MEMORANDUM OF UNDERSTANDING
BETWEEN THE
UNITED STATES POSTAL SERVICE
AND THE
AMERICAN POSTAL WORKERS UNION, AFL-CIO**

Re: Dependent Care

During the term of the **2000 National Agreement**, the parties agree to **continue the** Dependent Care Subcommittee to the National EAP Committee under Article 35.2. The President of the APWU and the Vice President, Human Resources, may each name three members to serve on the Dependent Care Subcommittee. Through the subcommittee the parties agree to jointly work to develop and recommend a national program for resource and referral services for dependent care to begin implementation no later than September 11, 1999. The Postal Service will retain the responsibility for implementation and administration of the program. The parties will immediately begin work on details of the program. Upon implementation of the national program of resource and referral services for dependent care, the subcommittee will monitor and evaluate the program as necessary.

In addition the subcommittee may explore, evaluate and make recommendations concerning Postal Service communications and advertising of the national resource and referral services. The subcommittee may study, assess and make recommendations regarding the benefits of the resource and referral services and other dependent care programs to employees and the USPS regarding issues such as improvements in attendance, productivity, morale, turnover, etc.

No later than April 1, 2002, the Postal Service will re-bid the contract for the provision of dependent care resource and referral. The Dependent Care Subcommittee shall evaluate the cost and quality of all bidders prior to selecting the bidder to whom a new contract for the provision of dependent care resource and referral services will be awarded.

At the end of the **2000 National Agreement**, the parties will evaluate the program to determine if either party wishes to continue.

BEFORE THE INTEREST ARBITRATION PANEL

In the Matter of:

UNITED STATES POSTAL SERVICE

Employer

-and-

AMERICAN POSTAL WORKERS UNION, AFL-CIO

Union

2000 National Agreement

STEPHEN B. GOLDBERG, Neutral Chair

CARIN A. CLAUSS, APWU Member

ROBERT A. DUFEK, USPS Member

Appearances:

United States Postal Service:

Edward F. Ward, Jr.,
Manager, Collective Bargaining and Arbitration

David A. Stanton
Chief Counsel, Labor Law

Kevin B. Rachel
Deputy Managing Counsel
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R. Theodore Clark, Jr.
Seyfarth Shaw

American Postal Workers Union, AFL-CIO

O'Donnell, Schwartz & Anderson, P.C.

Darryl J. Anderson
Arthur M. Luby
Anton G. Hajjar
Lee W. Jackson
Melinda K. Holmes

AWARD

I. ECONOMIC ISSUES

A. Introduction

The core economic demands of both APWU and USPS were hotly contested. Both parties presented witnesses, introduced written evidence, and made attorney presentations on a whole range of issues. Among these were:

- The comparability of past and current APWU bargaining unit wages and benefits compared to those received by employees doing comparable work in the private sector of the economy. (See

Postal Reorganization Act of 1970, 39 U.S.C. Sec. 101(c), 1003(a)).

- The USPS assertion that it is suffering from a structural deficit resulting from the effects of technology on the means by which Americans communicate.
- The current financial condition of the Postal Service, as impacted by the aftermath of the tragic events of September 11, 2001, as well as by biological terrorism.
- The impact of automation on APWU-represented employees.
- The APWU demand for wage parity between clerks and city letter carriers.
- The APWU demand for one level upgrades for Level 4 Mail Processors, Level 5 Senior Mail Processors, Level 5 Motor Vehicle Operators, Level 6 Tractor Trailer Operators, Level 7 and 8 Maintenance Employees, and Level 9 and 10 Electronics Technicians.
- The USPS demands that the night shift differential be reduced, the Sunday premium be limited, the employer contribution to the employee health benefit plan be reduced and sick leave for dependent care be eliminated.
- The APWU demand that non-REC Transitional Employees be phased out by the end of the 2000 Agreement.
- The APWU demand that the Memorandum of Understanding on layoff protection for employees with less than six years of service be continued
- The duration of the 2000 National Agreement.

The panel's basic approach to resolving these issues begins with acceptance of the principle that interest arbitration is an extension of the collective bargaining process.

Accordingly, the panel's goal was to reach the same result as the parties would have reached in collective bargaining if they were bargaining in good faith, had a clear understanding of each other's interests and constraints, and were committed to reaching an agreement that was consistent with the goals of the Postal Reorganization Act. With that goal in mind, we award the following on the parties' economic demands:¹

B. Award

Length of Agreement

The 2000 National Agreement will have a 36-month term, beginning November 21, 2000, and expiring at 12 midnight, November 20, 2003. Unless otherwise

¹A written opinion setting out the basis on which the panel reached its decision on economic issues will be issued as soon as reasonably practicable.

provided, this Agreement shall be effective December 18, 2001.

General Wage Increase

Effective 11/18/00 - 1.2% of the salary schedule in effect on 9/9/00

Effective 11/17/01 - 1.8% of the salary schedule in effect on 9/9/00

Effective 11/16/02 - 1.4% of the salary schedule in effect on 9/9/00

The 1.2% general increase will be paid as soon as administratively practicable. Since 1984 it has been the practice of the parties to provide for general increases based on the salary schedule in effect at the end of the previous agreement. In this case, that salary schedule is the one in effect on September 9, 2000. Current transitional employee hourly rates shall be adjusted by the regularly scheduled general wage increases as specified above.

COLA

The current COLA formula and payments schedule for career employees shall continue except that there shall be no COLA payments during the first year of the contract (i.e., March and September 2001). The COLA base period month shall be rebased to October 2001. In lieu of any COLA payments during the first year of the 2000 National Agreement, career eligible employees will receive a one-time lump sum cash payment of \$499 as soon as administratively practicable. This payment equals the COLA amount that would have been paid during year 1 of the Agreement. Eligibility rules shall be identical to the ones used by the parties with respect to the payment of the one-time cash payments in 1995 and 1996.

March 23, 2002 Upgrades

As soon as administratively practicable, but no later than March 23, 2002, the pay levels of the following 2 positions will be upgraded by one-pay level:

Mail Processor, PS-04
Senior Mail Processor, PS-05

Based on the two Mittenthal national level arbitration awards and certain other evidence dealing with expanding duties and responsibilities of the Mail Processor and the Senior Mail Processor positions, the panel has concluded that this contentious matter, which is the subject of hundreds of grievances in the field, should be brought to closure in order to improve the labor relations climate between the parties. In that connection and in full and complete non-precedential resolution of all outstanding issues and disputes, the APWU is directed to withdraw all pending grievances and arbitrations, including claims for back pay, related to the Mail Processor and the Senior Mail Processor positions.

Generally, the parties' promotion rules apply with respect to upgrades; however, the panel has decided on a non-precedential basis to utilize a step-to-step upgrade mechanism, including credit for waiting period time already served, for the purpose of implementing these upgrades.

November 16, 2002 Upgrades

Effective November 16, 2002, the pay levels of the following 6 positions will be upgraded by one-pay level:

Motor Vehicle Operator, PS-05
Tractor Trailer Operator, PS-06
Building Equipment Mechanic, PS-07
Maintenance Mechanic MPE, PS-07
Electronic Technician, PS-09
Electronic Technician, PS-10

Generally, the parties' promotion rules apply with respect to upgrades; however, the panel has decided on a non-precedential basis to utilize a step-to-step upgrade mechanism, including credit for waiting period time already served, for the purpose of implementing these upgrades.

Non-REC Transitional Employees

Without limitation as to their use or operational justification, the total number of APWU Transitional Employees working in non-REC sites will be in accordance with the following schedule:

<u>Calendar Year</u>	<u>Number</u>
January 1, 2002 through December 31, 2002	4,000
January 1, 2003 through December 31, 2003	4,000
January 1, 2004 through December 31, 2004	4,000
January 1, 2005 through December 31, 2005	4,000

The parties will apply the appropriate contract language governing work rules for non-REC Transitional Employees, utilizing Appendices A and B as appropriate. The Postal Service will phase out all non-REC Transitional Employees by no later than December 31, 2005. REC Transitional Employees, who are governed by a separate Memorandum of Understanding and related agreements, shall continue.

This portion of the Award dealing with non-REC Transitional Employees shall not be raised during the 2003 National Negotiations or during any related interest arbitration proceedings.

Night Shift Differential

The current contractual provision set forth in Article 8.7 shall continue for the term of the 2000 National Agreement.

Sunday Premium Pay

The current contractual provision set forth in Article 8.6 shall continue for the term of the 2000 National Agreement.

Employee Health Benefits Contribution Amount

The current contractual provision set forth in Article 21.1 shall continue for the term of the 2000 National Agreement.

Sick Leave For Dependent Care

The current Memorandum of Understanding shall continue for the term of the 2000 National Agreement.

Layoff Protection

The current Memorandum of Understanding shall be revised to reflect the date of November 20, 2000.

II. WORKRULES

A. Introduction

Interest arbitrators are far less well situated to deal with requests for work rule changes than are the collective bargaining representatives of labor and management. The latter know the business of the company, the organization of the work, and the labor-management relationship in a way that the interest arbitration panel cannot, regardless of the advocates' efforts to educate the panel in the interest arbitration hearing. The disadvantage at which the panel is placed is magnified when, as here, the enterprise is huge (360,000 employees in the bargaining unit), is geographically widespread (40,000 postal facilities), has a lengthy history (the Postal Service was founded in the 18th century), and complex labor relations.

In circumstances such as these, the panel must tread warily in imposing changes requested by either party. For, what appears to the panel to be innocuous change clearly warranted by the circumstances may, as a pebble dropped into a tranquil pond, produce ripples that spread farther than the panel can imagine, and have effects far different from those imagined by the panel. Under these circumstances, the panel should be certain, before imposing any work rule change, however justified it may appear, that the panel is reasonably certain that it can foresee all the ramifications of that change. Indeed, the panel might well adopt that part of the physicians' creed that counsels, "Above all else, do no harm".

With that cautionary background, which has guided the panel in responding to the parties' requests for work rule changes, we turn to the panel's award on those requests.

B. Award

Holidays - Article 11

APWU demands that Article 11 be amended to provide that employees who work their holiday have the option of receiving straight time pay, and the additional 1/2 time for work on Christmas, plus an additional eight hours of annual leave, instead of the double time to which employees are presently entitled under Article 11. The language demanded by APWU is in bold face below:

Article 11 Section 3. Payment

- A. An employee shall receive holiday pay at the employee's base hourly straight time rate for a number of hours equal to the employee's regular daily working schedule, not to exceed eight (8) hours. **Employees who work their holiday, at their option, may elect to have their annual leave balance credited with eight (8) hours of annual leave in lieu of holiday leave pay.**

Article 11 Section 4. Holiday Work

- A. An employee required to work on a holiday other than Christmas shall be paid the base hourly straight time rate for each hour worked up to eight (8) hours. **Employees who work their holiday, at their option, may elect to have their annual leave balance credited with eight (8) hours of annual leave or receive** holiday pay to which the employee is entitled as above described.
- B. An employee required to work on Christmas shall be paid one and one-half (1-1/2) times the base hourly straight time rate for each hour worked. **Employees who work their holiday, at their option, may elect to have their annual leave balance credited with eight (8) hours of annual leave or receive** holiday pay to which the employee is entitled as above described.

The Postal Service does not oppose the concept underlying the APWU demand, but proposes the following alternative approach:

The parties agree to explore an exception to Article 11, Sections A and B. Under the exception, an employee who works on the employee's holiday or designated holiday may elect to be credited with deferred holiday leave instead of holiday pay to which the employee would otherwise be entitled, for a limited number of holidays. The parties shall mutually agree, within 180 days after the effective date of the 2000 National Agreement, to a cost effective and practicable methodology and time frame for implementation. Deferred holiday leave credited under this exception will be subject to all applicable rules for requesting and scheduling annual leave and shall be combined with annual leave and counted as annual leave for purposes of annual leave carryover.

This memorandum of Understanding will expire on the expiration date of the 2000 National Agreement.

The Postal Service offered no persuasive reason for its proposal to merely explore the annual leave option other than that it wanted to assure an administratively sound implementation of that option. To accomplish that goal, the panel awards the Union's demand, but will defer its implementation until February 2, 2002. Accordingly, the words "Effective February 2, 2002" shall be inserted as an introductory clause in the second sentence of Article 11,

Section 3 A; Article 11, Section 4 B; and Article 11, Section 4 B, as those Sections are set out above.

The panel also awards that sentence of the USPS proposal that provides:

Deferred holiday leave credited in accordance with Section 4.A or 4.B. above, will be subject to all applicable rules for requesting and scheduling annual leave and shall be combined with annual leave and counted as annual leave for purposes of annual leave carryover.

Grievance/Arbitration Procedure - Article 15

APWU proposes two changes in Article 15. The first change provides, in essence, that grievance settlements and arbitration awards which entitle an employee to compensation from the Postal Service be paid in a timely fashion, and that, in the event of a delay in payment greater than sixty days, the affected employee is to receive an advance of 70% of the amount due.

The language proposed by APWU to effectuate that change is in bold face below:

Section 4. Grievance Procedure-General

- A. The parties expect that good faith observance, by their respective representatives, of the principles and procedures set forth above will result in settlement or withdrawal of substantially all grievances initiated hereunder at the lowest possible step and recognize their obligation to achieve that end. **Every effort shall be made to ensure timely compliance and payment of monetary grievance settlements and arbitration awards. The Employer agrees that upon receipt of necessary paperwork from the grievant and/or union, concerning a grievance settlement or arbitration award, monetary remuneration will be made. The Employer will provide the union copies of appropriate pay adjustment forms, including confirmation that such forms were submitted to the appropriate postal officials for compliance and that action has been taken to ensure that affected employee(s) receives payment and/or other benefits. In the event that an employee is not paid within sixty (60) days after submission of all the necessary paperwork, such employee, upon request, will be granted authorization from management to receive a pay advance equal to seventy (70%) of the payment owed the employee. In the event of a dispute between the parties concerning the correct amount to be paid, the advance required by this section will be the amount that is not in dispute.**

The Postal Service opposes the APWU proposal, but offers no reason for its opposition other than the administrative burden that proposal would place on it. Accordingly, the panel will award the APWU proposal with one qualification. That proposal, as written, requires that “necessary paperwork” be completed to qualify for an advance payment. In order to avoid disputes about what constitutes the “necessary

paperwork”, the panel directs the parties to insert appropriate references to ELM Section 436.4 to clarify the meaning of “necessary paperwork”.

The Union also proposes an amendment to Article 15 that would entitle it to advance two cases per scheduling period in each District to the head of the arbitration queue. The proposed language is in bold:

Section 5. Arbitration

B. District Level Arbitration - Regular

2. Cases will be scheduled for arbitration in the order in which appealed, unless the Union and Employer otherwise agree. **Prior to arbitration dates being accepted by the parties for the next round of scheduling, the Union may, at its option, advance two cases to the top of the docket.**

The Postal Service opposes this amendment, arguing that the parties have agreed upon a “first in - first out” approach to scheduling arbitration, and that any variance from that approach, other than those already agreed upon for representative grievances (Article 15, Section 2), safety and health grievances (Article 14, Section 2), and “tech and mech” cases (Article 4, Section 3), would be unwise. The Union, however, responds that there are many cases not covered by any of the exceptions that nonetheless warrant prompt hearing. Among these are the termination of a Local Union president, allegedly for Union activities, or disputes over job selection awards, reassignments and excessing, each of which may have a domino effect on the bidding rights and job placement of many employees. According to the Union, a limited catchall exception to the “first in - first out” approach would enable it to have such cases heard earlier, thus benefiting both the employees and the Postal Service. While there may be merit to the Union’s argument, the panel is unwilling to grant a catch all exception that would enable the Union to advance cases to the top of the docket without providing the same power to the Postal Service. Accordingly, in lieu of the new sentence proposed by APWU, the panel awards the following amendment to Article 15, Section 5 B 2:

Prior to arbitration dates being scheduled by the parties for the next round of scheduling, each party may, at its option, advance one case to the top of the docket.

Handbooks and Manuals - Article 19

APWU demands a number of amendments to Article 19. It would require USPS to provide it with greater information about proposed changes, and it seeks additional time within which to decide whether to appeal proposed changes to arbitration. APWU would also preclude the Postal Service from making additional changes in a handbook or manual concerning which the Union has already appealed proposed changes to arbitration. According to APWU, the first two amendments would enable it to make a more considered judgment regarding whether to appeal a proposed change. The latter amendment would prevent USPS from mooting out challenges to a proposed rule or handbook change by making yet another change, effectively keeping the Union forever

one step behind in its effort to challenge changes. The language changes proposed by the Union are in bold:

HANDBOOKS AND MANUALS

Those parts of all handbooks, manuals and published regulations of the Postal Service, that directly relate to wages, hours of working conditions, as they apply to employees covered by this Agreement, shall contain nothing that conflicts with this Agreement, and shall be continued in effect except that the Employer shall have the right to make changes that are not inconsistent with this Agreement and that are fair, reasonable, and equitable. This includes, but is not limited to, the Postal Service Manual and the F-21, Timekeeper's Instructions.

Notice of such proposed changes that directly relate to wages, hours or working conditions will be furnished to the Union at the national level at least sixty (60) days prior to issuance. **The Employer shall furnish the Union with the following information about each proposed change: a narrative explanation of its purpose and impact on employees and any documentation concerning the proposed change from the manager(s) who requested the change addressing its purpose and effect. Proposed changes transmitted at the same time shall be limited to a single chapter of a handbook, manual or published regulations.** Proposed changes will be furnished to the Union by hard copy or, if available, by electronic file. At the request of the Union, the parties shall meet concerning such changes. **The meeting will be attended by a manager(s) who are knowledgeable about the purpose of the proposed change and its impact on employees.** If the Union, after the meeting, believes the proposed changes violate the National Agreement (including this Article), it may then submit the issue to arbitration in accordance with the arbitration procedure within [sixty (60)] **ninety (90) days** after receipt of the notice of proposed change. Within fifteen (15) days after the issue has been submitted to arbitration, each party shall provide the other with a statement in writing of its understanding of the precise issues involved, and the facts giving rise to such issues. **If the Union has appealed a change to arbitration, the Employer shall not make further changes in those parts of the handbooks, manuals, or published regulation which it has already proposed to change until the dispute over the initial proposed change is resolved by agreement or an arbitration award.** Copies of those parts of all new handbooks, manuals and regulations that directly relate to wages, hours or working conditions, as they apply to employees covered by this Agreement, shall be furnished to the Union upon issuance.

The Postal Service opposes the Union's demand that it provide the Union with greater information about proposed changes, asserting that such a requirement will accomplish nothing other than to generate additional procedural grievances concerning whether the requested information has been properly or timely provided. It opposes extending the time for Union appeals to arbitration on the ground that 60 days is ample time within which to make that decision. Finally, USPS asserts that changes in government-wide regulations may compel it to make changes in manual and

handbook provisions that are in arbitration, and that it cannot be precluded from abiding by its obligation to make required changes.

This is one of those areas, referred to in the Introduction to this section, in which the panel perceives a real area of controversy between the parties and strong views on both sides. Accordingly, the panel will tread warily for fear of creating more problems than it solves. With the goal of encouraging reasoned discussion of proposed changes, rather than automatic appeal to arbitration, the panel awards the following changes to Article 19:

- The Employer shall furnish the Union with the following information about each proposed change: a narrative explanation of the purpose and the impact on employees, and any documentation concerning the proposed change from the manager who requested the change, addressing its purpose and effect.
- (If the Union requests a meeting concerning proposed changes) The meeting will be attended by manager(s) who are knowledgeable about the purpose of the proposed change and its impact on employees.
- The Union will have 90 days after receipt of notice of a proposed change within which to submit the proposed change to arbitration.

Uniforms and Work Clothes - Article 26

APWU asserts that each time that the uniform and work clothes allowances are raised, the uniform manufacturers raise their prices accordingly. It seeks to break this pattern by the joint development of a program pursuant to which uniforms and work clothes would be provided to employees who are required to wear them. Until such a program can be implemented, APWU demands a 4.5% increase in the clothing allowance during each year of the contract term, beginning on November 21, 2001. APWU also seeks a grace period following the adoption of new uniform items, during which employees would not be disciplined for not wearing those items. Its precise proposals are these:

The Parties are directed to appoint a joint task force within 60 days to develop a program under which uniforms and work clothes will be provided to Postal Service employees who are required to wear them.

During the period prior to implementation of the new uniforms and work clothes program, the uniform and work clothes allowance in the National Agreement shall be increased as follows:

Effective Nov. 21, 2001, 4.5 %

Following adoption of new uniform items, the employees will not be disciplined for wearing the previous uniform items for a period of at least one year.

The Postal Service opposes the appointment of a joint task force, pointing to the futile efforts of the parties in the past to agree upon a program pursuant to which the Postal Service

would provide employees with uniforms. As for the remaining APWU demands, the Postal Service asserts that no increase is warranted, but that if the panel decides otherwise, a 2.5% annual increase is the right result, since that has been the average annual increase in recent Agreements. The Postal Service also suggests that the question of how soon employees must wear new uniforms is better dealt with by the Article 26 Uniform Control Committee than by the National Interest Arbitration Panel.

The panel will not compel the parties to appoint the joint task force sought by APWU. As the Postal Service points out, the parties spent considerable time and energy in past efforts to develop a program under which the Postal Service would provide uniforms and work clothes. Those efforts were marked by failure and frustration, and it would be unwise for the panel to compel the parties to resume them.

The panel awards a 4.5% uniform allowance increase on November 21, 2001, and 2.5% on November 21, 2002. The Union's request that the panel issue a rule regulating discipline for not wearing new uniforms is denied.

Local Negotiations - Article 30 and MOU Re Local Implementation

In addition to its unopposed demand that certain dates in both Article 30 and the MOU be amended to conform to the equivalent dates in the 2000 Agreement, APWU demands a change in the procedures applicable to local negotiations. Article 30 presently provides:

- A. Presently effective local memoranda of understanding not inconsistent or in conflict with the 1998 National Agreement shall remain in effect during the term of this Agreement unless changed by mutual agreement pursuant to the local implementation procedure set forth below or as a result of an arbitration award or settlement arising from either party's impasse of an item from the presently effective local memorandum of understanding...

- C. All proposals remaining in dispute may be submitted to final and binding arbitration, with the written authorization of the national Union President or the Vice President, Labor Relations. The request for arbitration must be submitted in accordance with the Memorandum of Understanding regarding Local Implementation. However, where there is no agreement and the matter is not referred to arbitration, the provisions of the former local memorandum of understanding shall apply, unless inconsistent with or in conflict with the 1998 National Agreement.

According to APWU, Section A has been interpreted to provide local management with the power to declare a local MOU inconsistent with or in conflict with the National Agreement at any time, even years after the MOU has been entered into. Furthermore, such a declaration renders the challenged MOU immediately unenforceable, unless and until an arbitrator overturns management's challenge.

APWU protests this procedure on two grounds: (1) It is harmful to labor relations to allow management to walk away from an agreement it has negotiated; and (2) In light of the delays in getting to arbitration, the mere declaration by management that a local MOU is inconsistent with or in conflict with the National Agreement bars enforcement of that MOU for years, even if the Union's position is ultimately upheld. To remedy this problem, APWU demands that Article 30, Section C be amended as follows (new language in bold):

- C. All proposals remaining in dispute may be submitted to final and binding arbitration, with the written authorization of the national Union President or the Vice President, Labor Relations. The request for arbitration must be submitted in accordance with the Memorandum of Understanding regarding Local Implementation. However, where there is no agreement and the matter is not referred to arbitration, the provisions of the former local memorandum of understandings shall apply, unless inconsistent with or in conflict with the 1998 National Agreement. **Items declared inconsistent or in conflict shall remain in effect unless changed by mutual agreement, or as a result of an arbitration award or settlement by the parties**

The Postal Service, which would retain the status quo, relies on the sanctity of the National Agreement, asserting that a local MOU that conflicts with the National Agreement is appropriately subject to challenge at any time. The Postal Service also argues that if a challenged MOU remains in force until it is overturned by an arbitrator, the Union will have an incentive to delay arbitration, thus keeping in effect a local MOU that is in conflict with the National Agreement.

Finally, the Postal Service points out that in the 1998 Agreement, the MOU regarding Local Implementation was amended to reduce the delay in obtaining an arbitrator's decision. The parties agreed to select sufficient arbitrators to hear "inconsistent and in conflict" claims to ensure that those claims are heard within 60 days of an appeal to arbitration. They also agreed that items challenged by management as "inconsistent or in conflict" would remain in effect for approximately four months after the conclusion of the local implementation period, further reducing the time between a management challenge on "inconsistent or in conflict" grounds and an arbitrator's decision on the merits of that challenge. According to USPS, those changes, which will be fully implemented by the time of the local implementation period under the 2000 Agreement, should be sufficient to deal with the problems of which the Union complains. (The 1998 MOU Re Local Implementation expires by its terms on the expiration of the 1998 Agreement, but USPS does not oppose its continuation.)

While the panel sees merit in the Union's position that allowing local management to walk away from an agreement is destructive to sound labor management relations, the panel also recognizes the sanctity of the National Agreement. We further accept the USPS argument that the changes in the 1998 MOU may alleviate some of the Union's concerns, and that the parties should wait until those changes have been fully implemented before making additional changes.

Accordingly, the panel awards only one change in Article 30. Henceforth, local management will be able to challenge a local MOU on “inconsistent or in conflict” grounds during the local implementation process only by making a reasonable claim that that MOU is inconsistent or in conflict with new or amended provisions of the most recent National Agreement. Thus, when the parties are engaged in local implementation following the 2000 Agreement, local management may challenge an existing local MOU on “inconsistent or in conflict” grounds only by making a reasonable claim that that MOU is inconsistent with or in conflict with those provisions of the 2000 Agreement that did not exist in the 1998 Agreement, or that have been amended subsequent to the 1998 Agreement. If local management refuses to abide by a local MOU on “inconsistent or in conflict” grounds, and an arbitrator subsequently finds that local management had no reasonable basis for its claim, the arbitrator is empowered to issue an appropriate remedy.

The panel also awards renewal of the 1998 MOU Re Local Implementation for the duration of the 2000 Agreement. (The date until which a local MOU challenged as inconsistent or in conflict shall remain in effect shall be adjusted to be four months after the conclusion of the local implementation period under the 2000 Agreement.)

The Postal Service expresses concern that a local MOU not inconsistent or in conflict with the National Agreement at the time of the local implementation period may subsequently become inconsistent or in conflict with the National Agreement as the result of a mid-term modification or addition to the National Agreement. In the event of a mid-term change in the National Agreement, local management may challenge a local MOU subsequent to the local implementation period, but only by making a reasonable claim that the MOU is inconsistent or in conflict with the changed provisions of the National Agreement. The challenged MOU shall remain in effect for 120 days from the date on which the Union is notified in writing of management’s challenge or the date of an arbitrator’s award dealing with management’s challenge, whichever is sooner.

Seniority and Bidding Rights on Consolidation of Installations or Establishment of a New Installation - Article 30, Section E

APWU demands that Article 30, Section E be amended to apply to changes in installations or facilities not now covered by that section. APWU would also expand the protection afforded by Section E by requiring the parties to negotiate an application of seniority and bidding rights that provides all employees with reasonable opportunities for movement to other jobs and schedules, giving consideration to any preexisting seniority and bidding relationships. In the event of impasse in these negotiations, the dispute would be submitted to local interest arbitration. The changes demanded by APWU are shown in bold:

When installations are consolidated; when a new **facility** is established; **when an independent installation is discontinued; or when a classified station or classified branch is transferred to the jurisdiction of another installation or made an independent installation;** parties shall conduct a thirty

(30) day period of local implementation, pursuant to Section B, **and the parties shall meet at the Area level to determine the inter-installation application of seniority and bidding rights with the goal of providing all affected employees reasonable opportunities for movement to other jobs and schedules and giving consideration to any preexisting seniority and bidding relationships. These negotiations shall be conducted during a thirty (30) day period contemporaneous with the establishment of the new installation.** All proposals remaining in dispute may be submitted to final and binding arbitration, with the written authorization of the national Union President or the Vice President, Labor Relations. The request for arbitration must be submitted within 10 days of the end of the local implementation period.

USPS opposes the APWU proposal, which was introduced on the afternoon of the nineteenth hearing day in an effort to clarify earlier APWU proposals. The Postal Service argues that the revised APWU proposal constitutes a last minute attempt to alter longstanding seniority rights without negotiation. USPS also asserts that the APWU proposal would be certain to lead to many disputes about its interpretation, as it uses terms new to the parties, such as “inter-installation” and “bidding relationships”, and new standards for determining the application of seniority and bidding rights. Finally, USPS asserts that disputes would arise concerning the relationship between the APWU proposal and Article 12 of the Agreement, which also deals with the discontinuance or consolidation of an installation, as well as the transfer of a classified station or branch to the jurisdiction of another installation or made an independent installation.

Without regard to other USPS objections to the APWU proposal, that proposal was not introduced until the afternoon of the next to last day of hearings. As a result, it was not subjected to the give-and-take of negotiations, or to searching inquiry in the arbitration hearing. Under these circumstances, awarding this proposal would amount to an untested leap into unexplored waters. For the reasons set forth in the Introduction, the panel is unwilling to take such leaps, and will not award the APWU proposal.

Subcontracting - Article 32

APWU seeks major changes in Article 32. It would: (1) require advance notice of subcontracting at the local level; (2) require notice whenever subcontracting will have any impact on bargaining unit work, rather than, as under the current Article 32, when subcontracting will have a significant impact on bargaining unit work; (3) involve the Union in proposed subcontracting decisions at an earlier stage in the decision making process; (4) preclude a final decision on subcontracting until all cost comparisons are carried out; (5) bar subcontracting unless the contractor can do the work at least 10% less expensively than bargaining unit employees, and (6) preclude USPS from allowing private sector bidders the opportunity to submit more than one bid. According to APWU, each of these changes (set out below in bold) is necessary to protect the work of bargaining unit employees from unwarranted contracting out

Section 1. General Principles

- A. The Employer will give due consideration to public interest, cost, efficiency, availability of equipment, and qualification of employees when evaluating the need to subcontract.
- B. The Employer will give advance notification to the Union at **both** the national **and local** level when subcontracting which will have an impact on bargaining unit work is being considered and will **meet with the Union while developing the initial Comparative Analysis report. The Employer will consider the Union's views on costs and other factors, together with proposals to avoid subcontracting and proposals to minimize the impact of any subcontracting. A statement of the Union's views and proposals will be included in the initial Comparative Analysis and in any Decision Analysis Report.** No final decision on whether or not such work will be contracted out will be made until the matter is discussed with the Union **and all cost comparisons are completed.**
- C. **The Employer will not contract work if the cost comparison does not favor contracting by a minimum cost differential of 10% of in-house costs.**
- D. **In selecting the means to perform work being considered for subcontracting, the Employer will provide any and all private sector bidders only one opportunity to submit a bid for the work in question, and will not allow any private sector contractor to submit a second bid after an assessment of in-house costs to perform the work has been made.**

USPS opposes all changes proposed by APWU in Article 32. It asserts that (1) in view of the volume of minor local subcontracting of work such as cutting lawns, painting, etc., requiring notice at the local level would place a substantial burden on local management with no corresponding gain in the retention of bargaining unit work; (2) extending the reach of Article 32 at the national level to all subcontracting, not just that contracting with a significant impact, would also add a substantial burden on management with no corresponding gain to the Union; (3) involving the Union in proposed subcontracting decisions earlier in the management decision-making process would substantially delay the decision-making process, and is unnecessary, since the Union's views are presently given full consideration before a subcontracting decision is made; (4) limiting management's freedom to contract out to situations in which there would be at least a 10% cost saving would bar management from contracting out for legitimate reasons unrelated to cost-saving, such as the unavailability of equipment or employees necessary to do the work in question; and (5) allowing outside bidders only one opportunity to bid would impose a substantial burden on management's ability to obtain the lowest possible bids.

This is another area in which the panel will tread gingerly for fear of creating more problems than it solves. That being said, we will nonetheless award one change sought by the Union. The evidence showed that at present Union input into management's consideration of possible subcontracting does not occur until after the following steps in the decision-making process have occurred:

- Concept Approval - Strategic Initiatives Manager
- Briefing to Management Committee and Board
- Description of Work
- Decision Tree Analysis
- Memorandum outlining that due consideration was given to five factors in Article 32 of the Collective Bargaining Agreement
- Comparative Analysis in accordance with Cost Guidelines
- Decision Analysis Report (DAR) if necessary
- Finance Reviews and Validates Cost Analysis
- Sponsor VP/Labor Relations VP Review and Preliminary Decision
- Strategic Initiatives Manager Concurrence
- Briefing to Management Committee and Board

While USPS asserts that the Union's views are given full consideration at the time they are expressed, that assertion assigns insufficient weight to the reality that once a number of top management officers have approved a plan, even if that approval is labeled "tentative", management is likely to react defensively to any contrary opinion expressed by the Union. So here, once the Strategic Initiatives Manager, Finance, the Sponsor VP, and the Labor Relations VP have given "tentative" approval to a decision to subcontract out, and have briefed the Management Committee and the Board on that decision, it is unlikely that considerations raised by APWU that militate against that decision will be listened to with an open mind. If the command of the existing Section 32 that "No final decision on whether or not ... work will be contracted out will be made until the matter has been discussed with the Union" is to be meaningfully implemented, the Union's views must be heard earlier in the decision-making process than they are at present.

Accordingly, the panel awards the language in bold face below to the existing Article 32, Section B:

- B. The Employer will give advance notification to the Union at the national level when subcontracting which will have a significant impact on bargaining unit work is being ~~considered and will~~ **meet with the Union while developing the initial Comparative Analysis report. The Employer will consider the Union's views on costs and other factors, together with proposals to avoid subcontracting and proposals to minimize the impact of any subcontracting. A statement of the Union's views and proposals will be included in the initial Comparative Analysis and in any Decision Analysis Report relating to the subcontracting under consideration.** No final decision on whether or not such work will be contracted out will be made until the matter is discussed with the Union.

Pay: Travel for Training - Article 36, Section 2

APWU asserts that maintenance craft employees must frequently travel to Norman, Oklahoma, for training, and that, under current USPS practice, some of those employees receive full compensation for travel time, while others receive less than full compensation. If an employee travels during his/her regular shift hours, even on a nonwork day for that employee, such as a Sunday, his/her travel hours are paid for as if they were normal work hours. If, however, a second employee travels on the same day and the same hours as the

first employee, but those hours fall outside the second employee's regular shift, the second employee receives approximately 50% of his/her normal compensation. The Postal Service justifies this treatment on the grounds that the Fair Labor Standards Act does not require compensation for time spent in travel away from home with an overnight stay when the employee travels outside normal work hours. The parties disagree about whether this is a correct interpretation of the Act.

This difference in compensation between two employees traveling on the same day at the same time is attacked by APWU as inherently unfair, whether or not allowed by FLSA, and is the subject of numerous pending grievances, as well as APWU sponsored litigation. In order to cure this unfairness, and to insure that all employees are paid for travel time, APWU demands that Article 36, Section 2 be amended by adding the following:

C. All travel for job-related training will be considered compensable work hours.

The Postal Service is opposed to this proposal on the grounds that it goes beyond the strict requirements of the FLSA, and would cost the Postal Service approximately \$1.2 million annually (a figure not contested by APWU).

The panel awards the APWU proposal, with two qualifications. First, this proposal will take effect only after the 2000 Agreement is effective, which is the date of the Award, unless otherwise indicated. It is not effective retroactively. Second, as a condition of obtaining pay for all future travel for job-related training, APWU is directed to end all financial and other support for existing and future litigation regarding pay for travel to job-related training under the 1998 Agreement. APWU is further directed to withdraw all pending grievances, including claims for back pay, related to travel to job-related training under the 1998 Agreement.

Filling of Maintenance Craft Positions - Article 38, Section 5B

Under the existing Article 38, Section 5 B, maintenance craft vacancies are filled on the basis of seniority within occupational group and level, and maintenance craft test scores, with seniority prevailing only as between bidders who have identical test scores. APWU demands that maintenance craft positions be filled on the basis of senior qualified in order of maintenance installation seniority. To accomplish this goal, APWU would replace Article 38, Section 5 B 2 in its entirety, as well as Article 38, Section 5 B 8 in its entirety with the following sentence:

Maintenance craft positions shall be filled on the basis of senior qualified in order of maintenance installation seniority.

USPS opposes this change on the ground that it would interfere with the efficient management of the Postal Service by removing from management the authority to consider the relative ability (as shown by test scores) of competing bidders in filling maintenance craft positions.

The panel accepts the USPS position. To substitute a standard of “senior qualified” for an existing standard of “best qualified with seniority as a tie breaker” would depart significantly from current practice. We would not award such a change absent a demonstrated showing of necessity, and no such showing has been made.

Joint Union-Management Meetings on Maintenance Work Assignments - Article 38 MOU

APWU asserts that:

There are too many conflicts between employees over work assignments. Because employees are unsure of the propriety of assignments, employees are becoming angry. The result is poor morale and an increasing grievance workload. Grievances are filed over the appropriate level of employee to perform work. There are innumerable grievances at the National level and untold numbers at the local level.

In order to deal with this problem, APWU makes the following proposal, which it would include as an MOU:

The Employer shall bring a group of Bargaining Unit employees and Non-Bargaining Unit employees at its National Training Center in Norman, Oklahoma for a period of one (1) week for the initial meeting. This initial meeting shall take place within sixty (60) days of the effective date of the Collective Bargaining Agreement.

The Union shall be responsible for selecting a total of twelve (12) Bargaining Unit employees, four (4) Maintenance Mechanics, four (4) MPE Mechanics, and four (4) Electronic Technicians.

The Employer shall be responsible for selecting its twelve (12) Maintenance Managers to participate in this endeavor.

The purpose of this meeting “will be to identify, discuss and propose solution(s) to the recognized problems with the assignment of work among the above referenced Occupational Groups. The Group’s findings shall be provided to their respective National Representatives.

No later than three (3) months following the completion of the Group’s initial meeting, the Employer shall convene the Group again at its National Training Center in Norman, Oklahoma for a one (1) week period so that it will continue its examination of the work assignments within the Maintenance Craft. The Group’s findings shall be provided to their respective National Representatives.

The Group’s work shall be completed within nine (9) months of its initial meeting. At that time it will make its final report to their respective National Representatives.

The Postal Service does not oppose the concept underlying the Union’s proposal. It would, however, substitute a less structured proposal that would take place over less time, and would more clearly specify the goal of the proposed group.

Thus, the USPS counterproposal provides:

The parties agree that there are issues with regard to the assignment of work among the occupational groups of Maintenance Mechanic, MPE

Mechanics and Electronic Technicians. Accordingly, the parties agree to convene a meeting within ninety (90) days of the effective date of the 2000 National Agreement.

The purpose of the meeting will be to identify, discuss and propose solutions to the work assignment issues confronting the parties, including those related to the issuance of various Management Maintenance Orders (MMOs). The meeting shall take place at the National Training Center in Norman, Oklahoma, and shall include such manager and union-designated personnel as are necessary to accomplish the purposes of the meeting. The group's discussions and findings shall be provided to their respective National Representatives, who may choose to reconvene the group for further discussions and work.

It is the expressed intent and expectation of the parties that this effort will eliminate outstanding issues, resolve pending grievances and appeals to arbitration under Article 19, and prevent further disputes from arising.

In the absence of any criticism by the Postal Service of the more precise and structured Union proposal, that proposal will be awarded, since the greater precision may avoid disputes concerning such matters as the number of Union personnel who may participate in the group's work. We will, however, direct that the last paragraph of the USPS proposal be added to the APWU proposal.

Memorandum of Understanding Regarding Transfers

According to APWU, employee requests for transfers are not given adequate consideration, and the ratio of new hires to transferees is greater than it should be. APWU would deal with this perceived unfairness by amending the MOU regarding transfers. (Since the MOU is quite lengthy, and all but one of the Union's proposed changes are in Sections A through D, only those sections are set out here, with the proposed APWU changes in bold).

- A. Installation heads may continue to fill authorized vacancies first through promotion, internal reassignment and change to lower level, transfer from other agencies, reinstatements, etc., consistent with existing regulations and applicable provisions of the National Agreement.
- B. Installation heads will **grant** reassignment requests from employees in other geographical areas within the Postal Service **prior to hiring from the street**. The requests will be **granted** in the order received consistent with the vacancies being filled and type of positions requested.

- C. Districts will maintain a record of the requests for reassignment received in the offices within their area of responsibility. **All requests for reassignments shall be provided to the Districts by the APWU.** This record may be reviewed by the Union on an annual basis upon request. Additionally, on a semiannual basis local Unions may request information necessary to determine if **provisions of this memo** are being met.
- D. **All employees who are considered for reassignment must meet the minimum qualifications for all positions to which they request reassignment.**

USPS opposes the amendments sought by the Union. It points out that Section D of the existing MOU authorizes management to consider the work, attendance, and safety records of employees being considered for reassignment, and protests depriving management of the opportunity to take these factors into account before approving a reassignment request.

The panel finds the USPS arguments persuasive, and will not award the changes sought by APWU.

Memorandum of Understanding Regarding PTFs Reassignment Opportunities

The MOU provides in relevant part as follows:

All part-time flexible (PTF) clerk craft employees on the rolls on the date of this agreement who have completed their probationary period in installations with less than 100 career clerk craft employees will be given an opportunity to be reassigned to offices with 100 or more career clerk craft employees.

APWU proposes that this MOU be updated so that all PTFs on the rolls on November 21, 2000, would be allowed a reassignment opportunity. USPS does not oppose the APWU proposal, but would have the MOU expire on the termination date of the 2000 Agreement.

The panel awards the Union proposal with the expiration date sought by the Postal Service.

Memorandum of Understanding Regarding Computerized Transfer Request System

APWU asserts that both it and the Postal Service would benefit if they were to develop a computerized transfer request system to process and track reassignments and transfers. Accordingly, APWU proposes the following MOU:

The United States Postal Service and the American Postal Workers Union will develop a shared computerized transfer request system to process and track reassignments and transfers under the PTF Reassignment Memorandum and other transfer provisions.

USPS expresses no interest in participating in a shared computerized transfer request system. It complains of the risk that employees will not want their transfer requests shared

with APWU, and will claim that their privacy rights were violated by such sharing. USPS also asserts that such a system would be of little value, as employees can learn about transfer opportunities at an installation to which they wish to transfer by contacting the installation manager.

Whatever the benefits of the APWU proposal, it is clear to the panel that a shared computerized transfer system, like any joint union-management project, will succeed only if both parties are committed to a cooperative effort to make it succeed. In the absence of such a commitment by the Postal Service, the proposed shared computerized transfer system is unlikely to succeed, and the panel will not order that it be undertaken.

Memorandum of Understanding Regarding Annual Leave Exchange Option

APWU demands that this MOU, which expired on the expiration date of the 1998 Agreement, be made permanent. USPS does not oppose its continuation for the life of the 2000 Agreement.

The panel awards the renewal of the MOU for the length of the 2000 Agreement.

Memorandum of Understanding Regarding Leave Sharing

APWU demands that this MOU, which expired on the expiration date of the 1998 Agreement, be made permanent. USPS does not oppose its continuation for the life of the 2000 Agreement.

The panel awards the renewal of the MOU for the length of the 2000 Agreement.

Memorandum of Understanding Regarding Purge of Warning Letters

This MOU, which was contained in the 1998 Agreement, provides that:

The parties agree that there will be a one-time purge of Official Disciplinary Letters of Warning from the personnel folders of all employees represented by the American Postal Workers Union. To qualify to be purged, a Letter of Warning must meet the following conditions:

- a. An issue date prior to the effective date of the 1998 National Agreement between the parties.
- b. The Letter of Warning has been in effect for 6 months and has not been cited as an element of prior discipline in any subsequent disciplinary action.
- c. The Letter of Warning was not issued in lieu of a suspension or a removal action.
- d. All grievances associated with discipline that is purged as a result of this Memorandum shall be withdrawn.

APWU demands that this MOU be updated and continued through the term of the 2000 Agreement. USPS opposes that demand. It points out that Article 16, Section 10 of the Agreement provides for the removal of a warning letter from

an employee's official personnel folder after two years if there has been no disciplinary action instituted against the employee in that two-year period. It argues that there is no justification for removing some warning letters after six months merely because a new Agreement has been entered into, other than as an inducement to employees to support that Agreement in a ratification vote. Since there is to be no ratification vote on the instant Agreement, USPS opposes continuation of the MOU.

The Postal Service arguments against the continuation of the MOU are persuasive, and the panel will not award such continuation.

Memorandum of Understanding Regarding Retail Operations Within Installations

APWU demands that the following MOU, which expired at the expiration of the 1998 Agreement, be continued and made permanent:

The parties agree that all existing retail operations will remain within the installation of which they are a part and all future retail operations established within the jurisdiction of an installation shall become a part of that installation.

This memorandum is entered into without prejudice to the positions of either party on any issues.

The Postal Service asserts that it has abandoned any plans to establish separate retail installations, hence that this MOU is no longer necessary. As APWU notes, however, if the Postal Service does not plan to establish any separate retail installations, this MOU will have no negative effect on the Postal Service, and will give APWU the assurance that the Postal Service cannot do what it now says it has no intention of doing. From the APWU perspective, this is a "belt and suspenders" MOU.

Perceiving no harm to USPS in its doing so, the panel awards the MOU sought by the Union. The MOU will expire at the conclusion of the 2000 Agreement.

Memorandum of Understanding Regarding Computerized Forwarding System (CFS) Rotation

APWU demands that this MOU, which expired at the termination of the 1998 Agreement, be continued and made permanent. USPS asserts that nearly all local level parties have already met and reached the agreement called for by the MOU. Accordingly, while USPS does not oppose continuation of the MOU, it would insert the following paragraph at the beginning of the MOU:

The parties who have not previously met and reached agreement at the local level as provided below shall, during the term of the 2000 National Agreement, be afforded the opportunity to do so. It is expressly understood that this Memorandum of Understanding shall sunset at the expiration of the 2000 National Agreement.

The panel awards the continuation of the MOU for the duration of the 2000 Agreement, with the addition of the first

sentence proposed by USPS. We see no reason, however, to emphasize the termination of this MOU more than any other, and will not award the second sentence proposed by USPS. Instead, the MOU will be followed, as is typically the case, by a sentence stating that it expires with the expiration of the 2000 National Agreement. (The Union opposes such an expiration date, asserting that the MOU should remain in place as long as there are any local parties that have not agreed on an appropriate work/break cycle. Even accepting this argument, however, there appear to be fewer than ten local parties that have not yet agreed on an appropriate work/break cycle, and it is entirely likely that they will have done so by the termination date of the 2000 Agreement.)

Memorandum of Understanding Regarding Dependent Care

The 1998 Agreement contained an MOU pursuant to which the parties agreed to add a Dependent Care Subcommittee to the National EAP Committee, and to charge that Subcommittee with the responsibility of developing a national program for dependent care. Upon implementation of this program, the Subcommittee was to monitor and evaluate the program. The MOU further provided that at the end of the 1998 contract term, the parties were to determine if they wished to continue the program.

The Subcommittee, pursuant to the MOU, selected a provider for resource and referral services, and that provider has been functioning since November 1999, when a 9-site program was introduced. The program was rolled out nationally in September-October 2000. APWU wants to ~~continue the~~ MOU on a permanent basis. USPS wants to terminate the Subcommittee's contract with the current provider, and transfer responsibility for the provision of resource and referral services to the provider under the EAP program.

According to USPS, the dependent care resource and referral service has been so little used that each call, under the fixed fee arrangement with the current provider, has cost in excess of \$200, a total in excess of \$1 million. It contends that the same services could be provided by the EAP provider at a fraction of that cost.

APWU responds that the low utilization rate has been a function of insufficient publicity, and that the solution is to increase employee awareness of the dependent care program, rather than to turn the program over to the EAP provider. APWU further points out that the EAP provider was among those considered by the Dependent Care Subcommittee to provide its referral service, but was rejected as inferior to the current Dependent Care Subcommittee provider. Hence, APWU opposes transferring the responsibility for dependent care referral services to the EAP provider.

The panel awards that the MOU on Dependent Care be extended through the term of the 2000 Agreement. This should provide sufficient time for the Subcommittee to see if, through increased publicity, it can generate greater employee awareness and utilization of its referral service. The panel also orders that the Postal Service, no later than April 1, 2002, to re-bid the contract for the provision of dependent care resource and referral. The Dependent Care Subcommittee shall evaluate the proposed cost and quality of all bidders

prior to selecting the bidder to whom a new contract for the provision of dependent care resource and referral services will be awarded.

Memorandum of Understanding Regarding Subcontracting

APWU proposes a MOU that would ban all additional subcontracting during the term of the 2000 Agreement. USPS opposes this demand, characterizing it as a substantial and unjustified restriction on its managerial prerogative to subcontract when called for by legitimate business needs. The panel will not award this MOU.

Memorandum of Understanding Regarding Mail Equipment Shops Operations

APWU proposes the permanent renewal of this MOU, which expired at the end of the 1998 Agreement. USPS does not oppose its renewal, but would limit it to the term of the 2000 Agreement.

The panel awards the renewal of this MOU through the term of the 2000 Agreement.

Memorandum of Understanding Regarding NLRB Dispute Resolution Process

APWU demands the deletion of this MOU, which deals with APWU requests for information under Articles 17.3 and 31.3 of the Agreement. According to APWU, the procedure set out in this MOU has failed to provide it with the information to which it is entitled.) While USPS asserts that the procedure could be made to function effectively, it did not oppose the Union demand for deletion. Accordingly, the panel orders that this MOU be discontinued.

Memorandum of Understanding Regarding Article 7, 12, and 13 - Cross Craft and Office Size

USPS supports, and APWU opposes, the continuation of this MOU, which applies to the 1998 Agreement.

USPS asserts that this MOU provides it with the ability to comply with its obligations to the APWU under Articles 7, 12, and 13. In the absence of any persuasive argument by APWU to the contrary, the panel awards the continuation of this MOU.

All references in this MOU to the 1998 Agreement shall be amended to refer to the 2000 Agreement.

III. PROVISIONS OF THE 1998 AGREEMENT AND MEMORANDA OF UNDERSTANDING NOT DEALT WITHIN THIS AWARD

All provisions of the 1998 Agreement, and all memoranda of Understanding under the 1998 Agreement which have not been dealt with in this Award shall remain in full force and effect.

Stephen R. Goldberg
Neutral Arbitrator

Carin A. Clauss
APWU Arbitrator

Robert A. Dufek
USPS Arbitrator

Entered: December 18, 2001

BEFORE THE INTEREST ARBITRATION PANEL

In the Matter of:

UNITED STATES POSTAL SERVICE

Employer

-and-

AMERICAN POSTAL WORKERS UNION, AFL-CIO

Union

2000 National Agreement

STEPHEN B. GOLDBERG, Neutral Chair
CARIN A. CLAUSS, APWU Member
ROBERT A. DUFEK, USPS Member

**SUPPLEMENTAL OPINION DEALING WITH
ECONOMIC ISSUES**

On December 18, 2001, the Panel issued its Award in this matter. In the interest of issuing that Award as promptly as possible, the Panel did not, at that time, prepare an opinion explaining its reasoning on economic issues. This Supplemental Opinion is intended to repair that omission. While all members of the Panel joined in the Award, this Opinion is that of the Neutral Chair.¹

I. Comparability

A. Contentions of the Parties

The Postal Reorganization Act of 1970, which establishes collective bargaining as the means by which wages and benefits are to be established for postal workers, also provides guidelines for determining those wages and benefits. It states:

It shall be the policy of the Postal Service to maintain compensation and benefits for all officers and employees on a standard of comparability to the compensation and benefits paid for comparable levels of work in the private sector of the economy. 39 U.S.C. 1003(a).

As an employer, the Postal Service shall achieve and maintain compensation for its officers and employees comparable to the rates and types of compensation paid in the private sector of the economy of the United States. 39 U.S.C. 101 (c).

¹The Neutral Chair would be remiss if he did not express in this Opinion his gratitude to panel members Carin Clauss and Robert Dufek for the manner in which they carried out their functions. Each of them assisted the Neutral Chair to fully understand the concerns of the party that appointed him/her, and each vigorously advocated those concerns. At the same time, each of them, when asked by the Neutral Chair to do so, helped the Neutral Chair on many issues to find solutions that, while not providing either party with everything it sought, nonetheless satisfied the core concerns of each. To the extent that the Panel's Award does so (as well as satisfying the commands of the Postal Reorganization Act), much of the credit must go to Ms. Clauss and Mr. Dufek.

A central argument of the Postal Service in these proceedings was that postal employees in general, and APWU-represented employees in particular, receive compensation and benefits greater than those paid in the private sector for comparable work, a difference characterized by the Postal Service as a “wage premium”.

In support of the existence of a Postal Service wage premium, the Postal Service relied upon a series of regression analyses performed by Dr. Michael Wachter and his colleagues. Using data from the Current Population Survey, the Dictionary of Occupational Titles, and the Occupational Information Network, Dr. Wachter concluded that postal clerks are paid between 21.2% and 35.7% more than employees who have similar “human capital” characteristics (age, education, occupational category, region of residence, city size, and job tenure), and who are doing comparable work in the private sector. Dr. Wachter also concluded that across all mail processing and clerk crafts, the wage premium was 33.9%.

In addition to regression analyses, the Postal Service relied upon a job analysis study performed by Hay Management Consultants. Hay studied 31 high-incumbency APWU jobs in all crafts, compared the rates of pay for those jobs with pay rates for comparable private sector jobs, and concluded that the average wage premium across the APWU bargaining unit is 26.5%. Only the higher-level technical positions were found to be at or near comparability.

The Postal Service also presented evidence (the New Hire Survey) showing that newly-hired postal clerks received a starting wage that averaged 31.8% more than the wage they received in their last job, an increase substantially above the 4% wage increase received by the average private sector job-changer. (The average wage increase for all Postal Service new hires was 28.4%, also substantially higher than the private sector 4%.)

Additionally, the Postal Service introduced evidence that the APWU full-time employee quit rate averaged slightly less than 1% per year from 1991-2000. While the Bureau of Labor Statistics does not maintain current quit rate data, in 1981, the last year such data were collected, the quit rate for employees in manufacturing was over 15%, while the quit rate for full-time Postal Service employees was 1.5%. The Postal Service also introduced evidence showing that there are large applicant queues for Postal Service positions, even when unemployment is low. In July 2001, the number of applicants for clerk positions was in excess of 400,000.

Finally, the Postal Service introduced testimony concerning the rapid growth in worksharing, particularly destination entry mail, which bypasses the entire USPS sort and distribution function. The USPS contended that private sector mail logistics and sortation companies had lower labor costs which allowed them to perform the sort and distribution function more cheaply and efficiently than the USPS.

APWU attacked the results of the Wachter regression analyses primarily on the ground that they failed to control for relevant variables - race, gender, union status, and firm size - and that if these controls are added, the so-called “wage premium” disappears. APWU argued that the seeming differences between the wages of postal workers and persons

doing similar work in the private sector are due in part to the fact that private sector employers continue to practice wage discrimination against minority and female employees, while the Postal Service does not. According to APWU, if Postal Service wages are pegged to private sector wages, without taking account of the discrimination in the private sector, the Postal Service will be profiting by private sector discrimination. Similarly, APWU argued that a comparison which does not take account of the fact that most private sector workers are not represented by unions, while Postal Service workers are union-represented, and union representation is accompanied by both higher wages and greater productivity, gives the Postal Service the advantages that flow from the union representation of its employees without requiring it to pay for those advantages in the form of higher wages.

APWU also attacked the Hay job analysis on the grounds that (1) the Hay group did not consider whether the private sector jobs it studied were unionized, and (2) APWU was not allowed to examine the Hay analysis of private sector jobs (asserted by Hay to be proprietary information). As for Postal Service data on quit rates and the new hire premium, APWU stated:

- USPS quit rates are low because the size and geographic scope of USPS permits employees to transfer rather than quit. Furthermore, the quit rate data relied on by USPS are suspect because they omit transitional employees, while private sector data on quit rates do not exclude non-career workers, provided they are working full time.
- The new hire premium data are similarly suspect because they omit transitional employees, whose initial pay is less than that received by other newly hired employees, and because they deal only with clerks, omitting maintenance and motor vehicle personnel. Furthermore, every postal clerk is hired as a part time flexible, and a substantial wage premium is necessary to induce a full time worker to take a part time position with no fixed schedule.

Finally, APWU argued that the growth of worksharing and destination entry mail was a function of overly generous discounts to mailers awarded by the Postal Rate Commission, which provided too great an incentive to the use of private sort and logistics companies.

According to APWU, the best means of determining the wages paid in the private sector for work comparable to that performed by APWU-represented employees is by examining the wages paid in nine major industries, as the Postal Service did from 1977 to 1985. APWU focused particularly on the wages paid by United Parcel Service and Federal Express, two Postal Service competitors of comparable scope and size. Wage data submitted by APWU for UPS show that the top rates paid automotive mechanics, tractor trailer drivers, motor vehicle operators, window clerks, and distribution clerks are higher at UPS than at the Postal Service, and that the top rate is reached sooner, an average of 2 years at UPS and 9.7 years at the Postal Service. FedEx top rates are higher for

automotive mechanics and tractor trailer drivers, and lower for motor vehicle operators, window clerks, and distribution clerks. FedEx employees, too, reach the top rate sooner than Postal Service employees, an average of 5.5 years at FedEx, compared to 9.7 years at the Postal Service.

APWU also focused on the wages paid to letter carriers. It pointed out that letter carriers are in pay level 6, and clerks are in pay level 5, yet, according to APWU, clerks perform work of comparable difficulty, and should receive the same wages. In support of its position, APWU quoted extensively from the testimony of Postal Service witnesses in the 1999 NALC interest arbitration before arbitrator George Fleischli. In those proceedings, as APWU points out, several Postal Service witnesses testified that the skill, effort, and responsibility required of clerks was equivalent to, or greater than, the skill, effort, and responsibility of letter carriers, hence that carriers should receive no higher pay than clerks. The Postal Service also argued that clerks and carriers had been at the same pay level for many years, and that it would be destructive of the relationship between clerks and carriers, as well as disruptive to collective bargaining at the Postal Service, if this long-standing parity was disturbed.

APWU recognized that Arbitrator Fleischli rejected the Postal Service arguments, awarding the carriers an upgrade to pay level 6, and breaking parity with the clerks. Nonetheless, APWU took the position that, having argued before arbitrator Fleischli that clerks and carriers work is comparable, and that disturbing parity would be harmful, the Postal Service can hardly adopt a different position in this proceeding. Thus, at very least, APWU is entitled to wage increases large enough to catch up to the NALC bargaining unit, and so re-establish parity between clerks and carriers.

APWU also argued that to the extent the Fleischli award rested upon the impact of automation on the letter carriers as a justification for an upgrade, automation has had a greater impact on clerks than on carriers. Additionally, APWU clerk productivity gains have been great. Accordingly, an upgrade for clerks, equaling that awarded carriers, is amply warranted.

The Postal Service responded to each of the APWU arguments. First, it argued that the private sector comparison should be to comparable levels of work in the entire private sector, not limited by industry, firm size, or union status. According to the Postal Service, fewer than 10% of private sector employees are represented by unions, and it would pervert the intention of the Postal Reorganization Act for the Postal Service or this Interest Arbitration Panel to exclude 90% of private sector employees when making the wage comparisons called for by the Postal Reorganization Act.

The Postal Service response to the FedEx/UPS wage comparison was that UPS and FedEx pay some full-time employees at higher rates than their Postal Service counterparts, but each of those employers has more than 50% part-time employees. Those part time employees are paid far less than full-time employees, and far less than comparable Postal Service employees. Accordingly, the average wage across the UPS and FedEx employee groups is substantially below the average wage across the APWU bargaining unit for employees doing comparable work.

The Postal Service response to the APWU parity argument was that the Postal Reform Act does not require parity among the employees represented by the different unions with which the Postal Service bargains. Indeed, the emergence of wage differentials between these employees is due to the unions themselves, and results from the different bargaining positions and priorities each union has advanced in negotiations with the Postal Service.

Finally, the Postal Service argued that neither automation nor APWU productivity gains support parity for APWU clerks. According to the Postal Service evidence, the major impact of automation on the clerks occurred long ago, and rather than making their work more difficult, made it simpler. The Postal Service also introduced evidence showing that there is no relationship between productivity growth in a particular firm (whether labor productivity or total factor productivity) and wage growth. It also introduced evidence to the effect that productivity gains in mail processing are a result of the billions of dollars spent by the Postal Service on automated equipment, and that in non-automated areas, APWU productivity has decreased.

B. Analysis

Initially, I reject the APWU argument that the Panel should consider the wages paid to carriers in determining the appropriate wages for clerks. While internal comparability may be relevant to minimize workplace tensions, the Postal Reorganization Act requires that the Panel focus on external comparability - wages and benefits paid in the private sector - not on internal comparability or internal equity. I also reject the related argument that parity between clerks and carriers must be reestablished as a matter of past practice or of avoiding collective bargaining disruptions. Inasmuch as each of the four postal unions negotiates separately with the Postal Service, contractual differences are inevitable unless the unions and the Postal Service agree that parity should be maintained. No such agreement exists, and the panel will not impose parity for its own sake. The wages of clerks will be determined on the basis of private sector comparability, not on the basis of parity with letter carriers.

The evidence relating to private sector comparability is both voluminous and contradictory. As the parties' contentions (Part A) make clear, for each argument raised by one party, there is a counter-argument from the other party; for each data analysis, there is a counter-analysis. The parties are represented by highly competent counsel, and have engaged in interest arbitration many times before the present proceeding. Each interest arbitration bears a marked similarity to the previous arbitrations, as the parties typically present many of the same witnesses, and make many of the same arguments. (The Postal Service, because it deals with other unions in addition to APWU, has engaged in more interest arbitrations than has APWU, but APWU is intimately familiar with every detail of the interest arbitrations between the Postal Service and its other unions.) Having heard each other's witnesses and arguments many times, the parties have refined both their arguments and counter-arguments to the point that this Panel would need to devote weeks of study and analysis to pierce to the core of all the parties' arguments and data analyses.

When all is said and done, however, what stands out clearly, divorced from all the competing multivariate regression analyses and job content analyses, is that Postal Service jobs are highly sought after, and once obtained, are held onto. Applicant queues are long, and the quit rate is all but non-existent.² Nor is this surprising or counter-intuitive. Employees represented by APWU have total job security, an extraordinary benefit package³, and wages that have fully kept up with inflation.⁴

These data, which show how much Postal Service jobs are valued, both by those who want them and by those who have them, provide powerful support for the Postal Service argument that the Postal Service provides a wage and benefit package to APWU represented employees that is better than that available for comparable work in the private sector. Further support of a very straightforward nature for this conclusion is provided by the New Hire Survey, which showed that newly-hired Postal Service employees receive an average 2.8% pay increase from their prior jobs, and postal clerks receive an average 31.8% increase, both of which are substantially greater than the average 4% increase received by private sector job changers.⁵ For all these reasons, I conclude that APWU-represented employees do in general receive a wage premium, though I hesitate to quantify that premium with anything like the exact figures suggested by the various Postal Service multivariate regression and job content analyses.

² APWU suggests that the postal clerk quit rate data are flawed because (1) the size and geographic scope of the Postal Service is such that employees can transfer rather than quit, holding down the quit rate without regard to Postal Service wages and benefits; (2) the data do not include Transitional Employees, and are thus not comparable to the private sector quit rate data, which include all full time employees. While point (1) is theoretically sound, there was no record evidence concerning the number of APWU-represented employees who actually do transfer. There was evidence that of the approximately 31,000 part-time flexible employees who were in the bargaining unit on the effective date of the 1998 contract, only 112 requested transfers from small to large offices, as they were entitled to do under the Memorandum of Understanding Regarding PTF Reassignment Opportunities. This suggests that transfer opportunities may not be so heavily used by Postal Service employees as to have a significant effect in keeping the quit rate down. As for point (2), Transitional Employees make up less than 5% (approximately 15,000/340,000) of the APWU bargaining unit. Hence, their inclusion would be unlikely to have a substantial effect on the overall APWU quit rate. Furthermore, the only private sector comparison in the evidence introduced by the Postal Service was for 1981, when the private sector manufacturing quit rate was above 15%, the Postal Service quit rate was 1.5%, and the Transitional Employee category did not exist. Finally, even without a private sector comparison, a 1% quit rate shows that APWU bargaining unit employees hardly ever leave their jobs voluntarily, clear evidence that those are good jobs.. The lengthy applicant queues, concerning which APWU is silent, are equally clear evidence of this fact.

³ These include retirement plans indexed to the CPI for the lives of the survivors; early retirement at age 55 with no actuarial reduction in benefits; retiree health care (70% paid by USPS); health insurance (85% paid by USPS); life insurance (100% paid by USPS); annual leave up to 26 days per year, with up to 55 days carryover; 13 days of sick leave per year; sick leave for dependent care; and 10 holidays per year.⁴ While APWU introduced evidence that the average wage in the APWU bargaining unit had not kept pace with changes in the Consumer Price Index (CPI-W) or the Employment Cost Index (ECI) since 1984, that is a result of the introduction of new entry steps in the Kerr and Mittenenthal awards, and the awarding of the Transitional Employee classification in the Mittenenthal award. Additionally, evidence introduced by the Postal Service demonstrated that actual

In concluding that there exists a Postal Service wage premium, I join a long list of arbitrators in prior USPS interest arbitrations who have reached the same conclusion. See Awards of Clark Kerr (discrepancies in comparability exist)(1984); Richard Mittenthal (a wage premium still exists)(1991); Arthur Stark (need for wage increases even more modest than those awarded by Mittenthal)(1995); David Vaughn (NPMHU represented employees continue to enjoy a wage premium compared to their counterparts in the private sector)(1996).

II. USPS Financial Condition

A. Contentions of the Parties

Another of the main contentions of the Postal Service in these proceedings was that its financial condition is such as to require wage and benefit moderation. Among the points made by the Postal Service were the following:

- The Postal Service lost approximately \$1.65 billion in fiscal year 2001. Prior to the events of September 11, 2001, a deficit of \$1.35 billion was projected for fiscal year 2002.
- First Class mail is the “bread and butter” of the Postal Service, providing 67% of Postal Service revenues. However, the Postal Service has experienced a substantial slowdown in First Class mail volume growth, going from 5.1 % in 1980-1990 to 2.2% in 1991 -2000. First Class mail is projected to be in absolute decline in 2003.
- The slowdown in First Class mail growth is primarily attributable to technological competition - facsimile machines, e-mail, online banking, electronic bill payments, electronic funds transfer, and electronic data exchange. The impact of technological competition is expected to result in the loss of over 14 billion pieces of single piece First Class mail in the year 2005.

APWU-represented employees on the payroll from 1984 to 2000 enjoyed real wage growth relative to the CPI-W during the term of every contract between APWU and the Postal Service.

⁵ APWU sought to diminish the significance of the New Hire Survey by pointing out that postal clerks are initially hired as part-time flexibles, suggesting that extra wages may be necessary to persuade them to take a part time job with no fixed schedule. This is pure speculation, however, and does little to diminish the force of the data. APWU also noted that the New Hire Survey excludes Transitional Employees, but that is irrelevant, since the focus here is on the comparative wages of career employees. Finally, APWU noted that the New Hire Survey is limited to postal clerks, and does not show the existence of a wage premium for maintenance or motor vehicle personnel. The existence of an average 28.4% new hire premium across the entire Postal Service suggests, however, that the new hire premium is unlikely to be substantially less for the maintenance and motor vehicle crafts. To the extent that the Panel concludes that particular job classifications within the maintenance and motor vehicle craft are not the beneficiaries of a wage premium, those job classifications were treated separately in the Award. See page 13, supra.

- Postal Service expenses continue to rise. The Postal Service is statutorily required to provide universal service, and adds 1.7 million new delivery points each year, an annual increased expense of approximately \$400 million. Cumulative revenue and expense growth from 1996 to 2001 shows revenues increasing by approximately \$12 billion, and expenses by almost \$16 billion. This outstripping of revenues by expenses, which is due primarily to technological competition, has created a long-term structural deficit.
- Rate increases cannot resolve this structural deficit. Neither the Postal Rate Commission nor sound public policy would permit disproportionately high rate increases on First Class mail, and high rate increases on other Postal Service products (such as Priority Mail, Express Mail, Standard Mail, and Parcel Post), would be selfdefeating, because these products must compete with private sector providers.
- An essential component of any cost containment strategy in the Postal Service must include arresting the rapid rise in labor costs, which account for 76% of USPS expenses. APWU-represented employees alone account for 30.4% of all USPS expenses.⁶
- Cost containment is particularly important in the first year of the 2000 Agreement, in light of the immediate threats to Postal Service income: (1) an economy that has been in decline since 2000; (2) the terrorist attacks of September 11, 2001, that weakened the economy still further, with a rebound not expected until the latter part of 2002; (3) the dissemination of anthrax through the mails, which has undoubtedly had a short-term negative effect on postal volume, and an uncertain long-term effect.
- The USPS needs critical breathing space to position its product lines to grow volume in Standard Mail and related products, and to consolidate its mail sortation and processing facilities to reflect emerging First Class mail growth trends. This can be done, but not without significant cost restraint, particularly in the first year of the 2000 Agreement.

The APWU response to these contentions was as follows:

- The Postal Service's protestations of poverty are irrelevant, as these interest arbitration proceedings are not a forum for analysis of the Postal Service's financial condition. The Interest Arbitration Panel has but one responsibility, and that is to apply the criteria set out in the Postal Reorganization Act of 1970 for determining the wages and benefits of postal employees.

⁶ APWU introduced evidence that APWU compensation as a share of USPS operating expenses declined from over 34% in 1984 to 27.3% in 2001.

- The Postal Service's \$1.65 billion deficit in fiscal 2001, and its anticipated \$1.35 billion deficit in fiscal 2002 must be considered in light of its annual revenues of approximately \$70 billion.
- The deficit experienced by the Postal Service prior to September 11, 2001, was in keeping with its normal business experience, and posed no threat to the fiscal stability of the Postal Service. The pending postal rate case is anticipated to generate a Postal Service surplus of up to \$2.8 billion as early as fiscal 2003.
- The Postal Service has requested several billion dollars in financial relief from Congress to deal with the losses occasioned by the appearance of anthrax in the mail, and there is no doubt that Congress will take action to insure the continued financial viability of the Postal Service.

B. Analysis

The evidence is convincing that the Postal Service is faced with a long-term structural deficit that threatens its viability under the existing legislative scheme. I do not, however, accept the argument that a long-term structural deficit warrants reducing the wages and benefits of Postal Service employees below those earned by employees doing comparable work in the private sector. The Postal Reorganization Act provides for comparable wages and benefits, and does not condition that comparability on the long-term financial health of the Postal Service, as opposed to broader economic trends that affect wage and benefit comparability. If the current legislative system for financing the Postal Service is no longer functioning well due to technological changes in the means by which Americans communicate, it is for Congress to provide an alternative financing system, not for this Panel to require Postal Service employees to subsidize the long-term structural deficit of the Postal Service by working at wages and benefits less than those earned by employees doing comparable work in the private sector.

On the other hand, I do regard the immediate, short-term financial problems facing the Postal Service as a result of the terrorist attacks of September 11 and their economic aftermath, as well as the anthrax threat, to be relevant to the Panel's award. Private sector employees whose employers are faced with a short-term crisis have frequently moderated their financial demands to enable their employer to weather that crisis, and, taking the comparability analysis one step further, it is not inappropriate to require Postal Service employees to do likewise. This is particularly true in the first year of the 2000 Agreement, which runs from November 2000 through November 2001, since substantial increases in that year, if retroactive, would impose a major financial burden on the Postal Service right now, when it must deal with the extraordinary, financial problems referred to above. And, while the pending rate case will undoubtedly bring some relief to Postal Service finances, that relief will not occur prior to fiscal 2003.⁷

⁷ The Postal Service argues that its current financial problems are not solely a function of September 11 and the anthrax threat. Rather, according to the Postal Service, these events did no more than to exacerbate a financial crisis that existed

III. Award

Consistent with the forgoing analysis, the Panel's award rests upon two core conclusions: (1) APWU-represented employees, in general, receive wages and benefits that exceed the wages and benefits received by employees performing comparable work in the private sector; (2) The extraordinary financial problems faced by the Postal Service as a result of the terrorist attacks of September 11 and their economic aftermath, as well as the anthrax threat, require moderation in the wages and benefits to be awarded to APWU-represented employees in the first year of the 2000 Agreement.

It is my judgment that the terms of the Award, as announced by the Panel on December 18, 2001, are consistent with these conclusions. The general wage increase, plus the anticipated COLA payments during the term of the Agreement, are anticipated to amount to 7.6 %, while the cost of living during that period (CPI-W) is predicted to rise between 7.0 % (USPS) and 7.3 % (APWU).⁸ Thus, even under the most pessimistic forecast, the average APWU-represented employee will receive wages and COLA payments that will more than keep up with inflation.

Another appropriate statistic with which to compare the 7.6 % increase in APWU wages and benefits is the Employment Cost Index (ECI), which measures the average increase or decrease in the total labor costs of employers across the U.S. economy. The Postal Service evidence, which consisted of the revised DRI-WEFA November 2001 forecast, was that the ECI will increase 9.6 % over the term of the Agreement; the APWU evidence projects a 7% increase over the first two years of the Agreement, and, assuming the accuracy of the DRI-WEFA prediction of 3.2% for the third year, a 10.2% increase over the term of the Agreement.⁹ APWU-represented employees will thus receive an increase of approximately 1% per year less in total wages and benefits than will employees across the U.S. economy. This difference is entirely appropriate in light of the wage and benefit premium that I have found APWU represented employees to enjoy. It is also consistent with recent arbitration awards,¹⁰ and with Postal Service projections concerning the cost of the 1998-2000 Agreement.¹¹

well before September 11. The Postal Service points out that it lost approximately \$1.65 billion in fiscal year 2001, and that even before the events of September 11, a deficit of \$1.35 billion was projected for fiscal year 2002. These deficits do not, however, play an independent role in my analysis. To the extent that they were a function of technological competition (the structural deficit), they are dealt with above. To the extent that they were a function of a pre-September 11 sluggish economy, their influence on my decision was indirect. Under the Postal Reorganization Act, with its focus on comparing Postal Service wages to those in the private sector, a weak economy is relevant only to the extent that it drives down private sector wages and benefits, not to the extent that it reduces Postal Service profitability. To the extent that a weak pre-September economy did hold down private sector wages and benefits, thus creating (or increasing) the Postal Service wage premium, it played a role in Part I of this Opinion (Comparability), but does not play an additional role in Part II (USPS Financial Condition).

⁸ The 7.6% increase consists of a 4.4% general increase, 2.7% in anticipated COLA payments, and 0.5%, which represents the increase in the average APWU wage resulting from the selected upgrades of certain classifications.

⁹ The APWU economist, Dr. Joel Popkin, did not testify to an ECI projection for the third year of the Agreement.

While I believe this Award to be eminently fair in its treatment of the employees represented by APWU, I also believe it to be responsive to the concerns of the Postal Service. For the first year of the Agreement, which encompasses the period from November 2000 through November 2001, the cost of the Award to the Postal Service is 1.7 %, compared with the economy-wide ECI increase during that period of 3.6 %. The restraint represented by that limited increase should provide the first year “breathing space” that the Postal Service asserts it needs to deal with its immediate financial concerns.

Some brief comments are also in order concerning other aspects of the Award:

- November 16, 2002 Upgrades. I concluded that while APWU represented employees in general enjoy a wage and benefit premium compared to their private sector counterparts, that is not true of all APWU-represented employees. Accordingly, the Award provides for one-level upgrades for selected employee maintenance, technician, and tractor-trailer driver groups. In recognition of the short-term financial pressures on the Postal Service, these upgrades will not take effect until November 2002.
- March 23, 2002 Upgrades. These upgrades were not based on a conclusion that Mail Processors and Senior Mail Processors are entitled to a one pay level upgrade, a matter on which the parties are sharply divided, and on which I express no opinion. Rather, it was my judgment that the dispute concerning the appropriate pay level for these employees, which has divided the parties for approximately 20 years, and which is the subject of thousands of pending grievances, should be terminated. While the financial cost of these upgrades to the Postal Service will be considerable, this cost is amply justified by the savings in litigation costs, the removal of a barrier to good relationships across the Postal Service, and the freedom that the Postal Service will have to assign Mail Processors and Senior Mail Processors to perform all the duties that fall within their job description, as well as such other duties as are permitted by the National Agreement, without concern for whether those assignments will become the subject of yet another grievance.

¹⁰ Mittenthal (1991) awarded general wage increases of 1.2%, 1.5%, 1.5%, and 1.6% over the four years of the contract, as well as a delayed COLA roll-in and a one-time lump-sum payment. Stark (1995) delayed both COLA and a general wage increase in the first year of the Agreement, awarding a lump sum instead. COLA was awarded for all following years, plus general wage increases of 1.2% in the second and fourth year, and a lump sum payment in lieu of a general wage increase in year three. Clarke (1995) and Vaughn (1996) followed the Stark pattern.

¹¹ While the general wage increase plus COLA in the 1998 Agreement equaled the ECI increase during the term of that Agreement, the Postal Service introduced evidence that its estimate, at the time of entering into the 1998 Agreement, was that it would lead to increases of the same magnitude as those awarded here - approximately 1% per year below ECI. According to the Postal Service, its 1998 estimates turned out to be inaccurate because inflation increased more than it had anticipated, leading to unexpectedly large COLA payments.

- Non-REC Transitional Employees. The 1991 Mittenthal Panel created the Transitional Employee category to enable the Postal Service to fill vacancies created by the transition from a mechanized sortation and distribution system to an automated system. The reason for the Transitional Employee category having largely disappeared with the Postal Service's virtual total transition to an automated system, it is appropriate that the Transitional Employee category should also disappear. However, in recognition of the substantial financial advantages accruing to the Postal Service from the employment of Transitional Employees, the Postal Service is allowed until December 31, 2005, to phase out all Non-REC Transitional Employees. During the phase-out period a fixed number of Non-REC Transitional Employees will be allowed. (Those Transitional Employees who are employed in Remote Encoding Centers are governed by a separate Memorandum of Understanding between the parties. Their continued employment was not at issue in these proceedings.)
- Employee Health Benefits Contribution Amount. The 1993 Valtin Panel ordered the Postal Service contribution to the cost of employee health benefits plans reduced on a gradual basis from 90% to approximately 85% in 1997. The Postal Service sought in this proceeding to reduce its contribution an additional 1% per year for plan years 2003, 2004, and 2005. Whatever the financial or comparability justifications for the Postal Service's proposal, matters on which I express no opinion, this is not the time to require Postal Service employees to pay more for health care benefits.
- Layoff Protection. In these uncertain economic times, I concluded that it was appropriate to provide all members of the bargaining unit who were on the rolls as of the beginning date of the 2000 Agreement with the assurance that they cannot be laid off during the term of that Agreement. While it is difficult to cost out the value of this assurance, in light of the competition that the Postal Service faces from low wage private sector sortation and distribution firms, the certainty that such competition cannot lead to layoffs among employees represented by APWU is a not inconsiderable benefit to those employees.

Stephen B. Goldberg
Neutral Arbitrator

Entered: January 11, 2002