

LOCAL MEMORANDUM

OF

UNDERSTANDING

between

THE INFORMATION TECHNOLOGY / ACCOUNTING SERVICE CENTER

EAGAN, MINNESOTA

UNITED STATES POSTAL SERVICE

and

THE TWIN CITIES LOCAL

AMERICAN POSTAL WORKERS UNION

Effective November 22, 2002

MEMORANDUM OF UNDERSTANDING

In accordance with Article 30 of the 2001 Information Technology / Accounting Service Centers Agreement between the United States Postal Service and the American Postal Workers Union, AFL-CIO, this Memorandum of Understanding is entered into at the Minnesota Information Technology and Accounting Service Center, Eagan, Minnesota, by and between the authorized representatives of the American Postal Workers Union and the United States Postal Service. This Memorandum of Understanding constitutes the agreement between the parties signatory hereto pertaining to those items of discussion specified in Article 30 of the Information Technology / Accounting Service Centers Agreement. It is further understood and agreed to that this Memorandum of Understanding is effective November 22, 2002, and shall remain in full force and effect as determined by Article 42 of the Information Technology / Accounting Service Centers Agreement.

In Witness Whereof:

/s/

Gary Wetherington, Mgr. HCS
MN IT/ASC, USPS

/s/

Jimmie Kelly, Mgr. SSC
MN IT/ASC, USPS

/s/

James Grahn, A/Mgr. IBSSC
MN IT/ASC, USPS

/s/

Dean Rodman, Mgr. ASC
MN IT/ASC, USPS

/s/

Carolyn Thornton, President
Twin Cities Local APWU

/s/

Judith Taylor, Vice-President
Twin Cities Local APWU

/s/

Roger Rubin, Labor Relation Spec.
MN IT/ASC, USPS

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*** ITEM A***

“The duration of the choice vacation period, which shall not be less than 30 weeks, with the commencement date to be determined locally.”

The vacation period shall be defined as the entire calendar year.

*** ITEM B***

“Determination on a percentage basis as to the number of employees who shall receive leave each week during the choice vacation period.”

1. Integrated Business Systems Solutions Center:

Vacation selection will be made and granted according to **total IT/ASC** seniority within Supervisory Unit. There will be no limit to the number of individuals that may be on approved annual leave during a given period, providing that analysis, programming and quality assurance coverage is sufficient to meet the service needs within each Supervisory Unit.

2. Accounting Service Center:

a) **Payroll Services and Payroll Operations Branches**

Vacation selection will be made and granted according to **total IT/ASC** seniority within Supervisory Unit. Twenty-five percent (25%) of the employees within each Supervisory Unit are to be allowed leave selection during each week of the choice vacation

period defined in Item A.

b) **Finance and Accounting Reconciliation Branches:**

Vacation selection will be made and granted according to **total IT/ASC** seniority within Supervisory Unit. Twenty-five (25%) of the employees within each Supervisory Unit are to be allowed leave selection during each week of the choice vacation period defined in Item A.

c) **Payroll Benefits Branch:**

1. Ten percent (10%) of the employees within Supervisory Unit 9621 are to be allowed leave selections during each week of the months of December and January, excluding the actual week of Christmas.

2. Twenty-five (25%) of the employees within each Supervisory Unit, except as provided in B.2.c-1 above, are to be allowed leave selections during the vacation period identified in Item A.

d) **Disbursing Branch:**

1. Ten percent (10%) of the employees within each Supervisory Unit are to be allowed leave selections during each week of the month of January and the four week period following the end of the fiscal year.

2. Twenty percent (20%) of the employees within each Supervisory Unit, except as provided in B. 2.d.1., are to be allowed leave selections during each week of the vacation period identified in Item A.

3. **Host Computing Services:**

a) Production Operations Branch

1. Ten percent (10%) of the employees within each functional assignment area (see Item R) by tour are to be allowed leave selections during each week of the month of January and the four week period following the end of the fiscal year.

2. Twenty percent (20%) of the employees within each functional assignment area (see Item R) by tour, except as provided in B.3.a.1., are to be allowed leave selections during each week of the vacation period identified in Item A.

b) Customer Support Branch

1. Ten percent (10%) of the employees within each functional assignment area (see Item R) by tour are to be allowed leave selections during each week of the month of January and four week period following the end of the fiscal year.

2. Twenty percent (20%) of the employees within each functional assignment area (see Item R) by tour, except as provided in

B.3.b.1., are to be allowed leave selections during each week of the vacation period identified in Item A.

4. All Other Units:
 - a) Ten percent (10%) of the employees within each Supervisory Unit are to be allowed leave selections during each week of the month of January and the four week period following the end of the fiscal year.
 - b) Twenty percent (20%) of the employees within each Supervisory Unit, except as provided in B. 4.a., are to be allowed leave selections during each week of the vacation period identified in Item A.
 - c) For the purpose of vacation bidding, the Mail Center and the Purchasing, Property and Office Services section will be considered separate units.
5. If the above-referenced percentage figures result in less than one (1); one (1) employee is to be allowed a selection.
6. The general "rounding rule" shall apply to all above-referenced percentages.
7. It is recognized that exceptions or modifications to the above may be necessary or appropriate due to operational considerations or other changing conditions which may affect local leave planning. In addition, normal operational considerations in Supervisor Units of fifteen (15) or

fewer bargaining unit personnel may require exception or modification to the above. Should any such exception or modification be found to be appropriate, they shall be discussed and resolved by the parties signatory hereto.

ITEM C

“Formulation of local leave program”

1. Application for annual leave during the vacation period defined in Item A. above will be granted according to **total IT/ASC** seniority within each Supervisory Unit, functional assignment area, or tour, as defined in Item B. Said applications are to be in units of one (1) week, as defined in Item D. below. This selection period is defined as February 15 - March 15.
2. After all employees have been given the opportunity to make their initial vacation selection (s) on the “selection chart,” a second round of selections of remaining vacation periods will be allowed per Article 10 Section 3D of the Information Technology/Accounting Service Centers Agreement.
3. If an employee does not make a selection within two (2) working days of receipt of the Vacation Schedule List; the employee shall be considered passed on that vacation bidding round.
4. Requests to withdraw approved leave selections must be made at least two (2) weeks prior to the commencement of the requested leave.

Failure to do so may result in the employees taking that leave as scheduled if any such employee has a sufficient leave balance.

5. Normally, no employee will be required to forfeit his or her approved vacation selection due to a transfer or reassignment. If forfeiture is deemed probable, the parties will consult and attempt to resolve this matter.
6. Surrendered vacation periods within a Supervisory Unit, or Functional Assignment Area, when the maximum percentage of employees are scheduled off, will normally be posted for application. These will be granted according to **total IT/ASC** seniority as defined in Item B. If it is deemed probable any such period may not be reopened for application; the parties will consult and attempt to resolve this matter.
7. After vacation selections have been awarded in accordance with Item G. below, it is agreed that applications for annual leave may be submitted for consideration. Management will make every reasonable attempt to reach a decision regarding any such request as soon as practicable. It is understood the provisions of Item B will apply, if applicable.
8. Exceptions to the above, which are not inconsistent with the Agreement, may be granted upon mutual agreement between the parties to this Local Memorandum.
9. **An employee who is ordered to military duty shall not have such leave counted as one of the employee's choice vacation selections. Employees whose choice vacation selection conflicts with military**

orders will be able to reschedule the vacation from available open weeks, provided the orders were received after the vacation selection process was completed. If notice of military duty occurs during the choice vacation period, the number of vacation slots will not be affected unless necessitated by operational requirements.

ITEM D

“The determination of the beginning day of an employee’s vacation period.”

For purpose of selections made under Item C.1 and 2. above, the beginning day of an employee’s vacation period shall be as defined in Article 10, Section 3.E. of the Information Technology/Accounting Service Centers Agreement.

ITEM E

“Whether employees at their option may request two selections during the choice vacation period, in units of either five (5) or ten (10) days.”

Employees, at their option, may split their initial vacation period selection into units of either five (5) or ten (10) consecutive days, as described in Item C.1. Employees are allowed a maximum of two selections during the choice vacation selection period (February 15-March 15) as per the Information Technology/Accounting Service Centers Agreement Article 10 Section 3.

ITEM F

“Whether jury duty and attendance at National or State Union Conventions shall be charged to the choice vacation period.”

Refer to Article 10, Section 3.H. of the Information
Technology/Accounting Service Centers Agreement.

ITEM G

“The issuance of official notices to each employee of the vacation schedule approved for the employee.”

Form 3971 will be made available to all employees when making their application for vacation period selection (s) as defined in Item C.1. Employees should submit Form 3971 in duplicate. These forms shall be signed by an authorized official and one copy shall be returned to the employee within fifteen (15) days following the close of the submission period.

ITEM H

“Determination of the date and means of notifying employees of the beginning of the new leave year.”

Refer to Article 10, Section 4.A. of the Information Technology/Accounting
Service Centers Agreement.

ITEM I

“The procedures for submission of applications for annual leave during other than the choice vacation period.”

Leave requests in addition to the formulas provided in Item B may be granted based on the needs of the Postal Service with consideration also given to the needs of the employee. Where a guideline is needed to determine which employee is to be awarded the selection, **total IT/ASC** seniority will be the determining factor.

ITEM J

“The method of selecting employees to work on a holiday.”

1. The order for scheduling employees to work on holidays shall be as follows:
 - Volunteers whose holiday or designated holiday it is, by **total IT/ASC** seniority.
 - Casuals, as needed.
 - Part-time Flexibles, as needed.
 - Volunteers on their non-scheduled work day, by **total IT/ASC** seniority.
 - Non-volunteers on their holiday or designated holiday, by **total IT/ASC** juniority.
 - Non-volunteers on their non-scheduled work day, by **total IT/ASC** juniority.

2. The holiday schedule will be posted by tour within each Supervisory Unit.
3. **Those absent on leave for the entire week of the holiday shall be passed over.**

ITEM K

“Whether ‘Overtime Desired’ lists in Article 8 shall be by Functional Assignment Area and/or tour.”

1. Overtime Desired Lists (OTDL’s) are to be established by Supervisory Unit. If this OTDL does not provide sufficient qualified people; qualified employees on an OTDL consisting of a merger of all OTDL’s in the affected Functional Assignment Area (see Item R) will be selected to work in order of their PDC seniority on a rotating basis.
2. Overtime Desired Lists (OTDL’s) in the Production Operations Branch and Customer Support Branch are to be established by **total IT/ASC** seniority by Functional Assignment Area (see Item R) by tour.
3. Application of Article 8, Section 5.E. will be by Functional Assignment Area.

ITEM L

“The identification of assignments comprising a Functional Assignment Area when it is proposed to reassign within an Information Technology/Accounting Service Center employees excess to the needs of a Functional Assignment Area.”

Excessed employees will be reassigned, by tour, from the Functional Assignment Areas identified in Item R.

ITEM M

“The assignment of employee parking spaces.”

Management agrees that its present policies regarding employee parking will remain in effect.

ITEM N

“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.”

Annual leave, in units of one (1) week or more, to attend Union activities, requested prior to determination of the vacation schedule, is not to be part of the total vacation plan.

ITEM O

“Local implementation of this agreement relating to seniority, reassignments and posting.”

1. Preferred duty bids may be made by all employees eligible to bid within their Functional Assignment Area and Occupational Code, provided the preferred assignment bid would result in a change of work hours or days off.
2. Employees in the Payroll Services, **Payroll Operations** and Payroll Benefits **Branches** of the Information Technology and Accounting Service Center who occupy positions with payroll related titles may make written application for reassignment to available positions within the Payroll Services **Payroll Operations** and Payroll Benefits Branches after all applicable contractual obligations have been met. Consideration will be given to these requests on a case-by-case basis. Where a guideline is needed to determine which employee will be awarded the reassignment, Functional Assignment Area Seniority will be the determining factor, except under unusual circumstances. A written reply is required for those requests, which have been denied. **Employees who have accepted a voluntary reassignment and have met the expectations, may not request another voluntary reassignment for a period of at least one calendar year.**

3. Employees of the Finance Branch **and the Accounting Reconciliation Branch** of the Information Technology and Accounting Service Center may make written requests for reassignment to **their Branch Manager** for available positions in the **two Branches**. These requests can be submitted at any time throughout the year. These written request(s) will be given consideration to available vacant duty assignment(s). Where a guideline is needed to determine which employee will be awarded the reassignment, Functional Assignment Area seniority will be the determining factor, except under unusual circumstances. A written reply is required for those requests which have been denied. All residual vacant duty assignments will be posted in accordance with Article 38. The posting (s) would include the section where the vacancy resides, as well as identifying the Finance Branch as the Functional Assignment Area. **Employees who have accepted a voluntary reassignment and have met the expectations, may not request another voluntary reassignment for a period of at least one calendar year.**

4. Integrated Business Systems Solutions Center craft duty assignments are not available for preferred duty bid. However, in the interest of providing maximum mobility and experience to Integrated Business Systems Solutions Center personnel; written requests for reassignment to available positions in the Integrated Business Systems Solutions Center will be honored, contingent upon a review, and a determination made within three (3) months, except under unusual circumstances. Where a guideline is needed to determine which employee will be awarded the reassignment, Functional Assignment Area Seniority will be the determining factor.
5. The successful bidder shall be placed in the new assignment within twenty-one (21) days following the date the award notice is posted.
6. A cumulative change in the starting time which exceeds one (1) hour for a majority of days of the basic work week over the life of the Agreement shall cause the duty assignment to be reposted for bid at the option of the Union.

ITEM P

“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.”

In times of civil disorders or Acts of God involving community disasters such as fire, flood or storms; the Business Unit Manager (s) of the Information Technology and Accounting Service Center will determine whether conditions are such that operations should be curtailed or terminated, taking into account the needs of the service, local conditions, and the welfare of postal employees. Prior to making a decision, and as far in advance as practicable, a Union Official will be contacted for an exchange of information. An emergency plan will be followed when a local emergency exists.

ITEM Q

“The method to be used in requesting or reserving light duty or restricted duty assignment as appropriate so that no regularly assigned member of the regular work force will be adversely affected.”

Refer to Article 13 of the Information Technology/Accounting Service Centers Agreement.

Notification will be made to the President, APWU Local when a bargaining unit employee has requested light duty assignment as specified in Article 13.

ITEM R

Identification of Functional Assignment Area (s).

The Functional Assignment Areas are designated as follows:

1. Integrated Business Systems Solutions Center
2. Payroll Services Branch, **Payroll Operations Branch**, and
Units 9635, 9639 and **9650 of the Payroll Benefits Branch**
3. Unit 9621 of the **Payroll Benefits Branch**
4. Finance Branch and **Accounting Reconciliation Branch**
5. Purchasing, Property and Office Services
6. Support Services Section
7. Disbursing Branch
8. Mail Center
9. Production Operations - Operations
10. Production Operations - JCL & Scheduling
11. Production Operations - Tape Library
12. Lan Support
13. Customer Support Branch
14. Security Section
15. Software Systems

ITEM S

“Guidelines for the Flextime Program”

1. The parties shall establish an Alternative Work Arrangement Committee (AWA). This committee will consist of two (2) representatives from both labor and management to be designated by the President, Twin Cities PDC Local, APWU, and the HR Manager. It shall be the responsibility of this committee to oversee the implementation and administration of the Flextime Program.

Management will be responsible for determining if the work requirements of the office (e.g., work unit, pay location, branch, section, etc.) would require a limitation on flexibility for the entire office, or for a specific number of employees. If participation is limited by a manager/supervisor, the reasons will be supported in writing and forwarded to the committee for review.

Management will be responsible for evaluating and approving each employee request and is responsible for monitoring the program to ensure employees are adhering to the policies and procedures of the program. Operational needs, then PDC seniority within supervisory unit, shall be the determining factor for flextime requests when there are more employees requesting flextime than can be approved. Reasons for denial of flextime requests must be supported in writing and forwarded to the AWA Committee for review.

2. Only full-time regular career status employees are eligible to participate in the Flextime Program on a voluntary basis. There will be two open seasons annually, coinciding with the changes in daylight savings time. Employees have the flexibility during the open season to opt into the Flextime Program and/or modify their existing flextime based on the availability of work schedules as determined by the operational requirements of the unit. Employees who opt out of the Flextime Program will return to their fixed permanent bid assignment and will not be eligible

to participate for the remainder of the contract period. Employees may opt out of the program by submitting a written request to their immediate supervisor no later than the second Tuesday of a pay period. The request to opt out will be effective the pay period following receipt of the employee's request.

3. All employees participating in the Flextime program are subject to the provisions of the Fair Labor Standards Act (FLSA) and will be required to record their starting and ending times and their lunch out and in times in accordance with Handbook F-21, Time and Attendance.

4. Employees who demonstrate the inability to handle the increased responsibility of Flextime may be required by management to return to their fixed permanent bid duty assignment. Reasons for requiring an employee to return to their fixed permanent bid duty assignment must be supported in writing and forwarded to the AWA Committee for review before the employee is returned to their permanent bid duty assignment.

5. POLICIES AND PROCEDURES.

A. The actual time an employee reports for duty within the flexible schedule becomes the employee's starting time for that day. All employees must be scheduled for their normal schedule of eight (8) or ten (10) hours of work each day, plus a thirty (30) minute lunch period. No employee may use flextime which would result in the employee incurring Sunday Premium pay or night differential, unless already the result of their normal schedule. No employee may use flextime to move their starting time into the previous day.

B. Operational needs, then PDC seniority within supervisory unit, shall be the determining factor for selection of a starting time when there are more employees requesting a start time than can be approved.

- C. Employees clocking in beyond the flextime allowed, after their scheduled begin time, would be considered tardy and handled in accordance with normal timekeeping procedures.

- D. Employees participating in the Flextime Program will only be eligible for out-of-schedule premium pay under the following conditions:
 - 1. When working outside of the additional "flexible" work hours agreed to within their scheduled work hours (unless in an overtime status).

 - 2. When working a schedule within the additional "flexible" work hours agreed to, if directed by management.

- E. For purposes of incidental leave requests, participant's starting time will be determined in the following manner:
 - 1. If an employee reports to work within their authorized flexible starting time, their actual reporting time will be considered as their start time.

 - 2. If an employee requests leave or fails to report to work within their scheduled flexible starting time, the employee's starting time will be the assigned scheduled start time of the employee, without a "flexing" option.

- F. Specified flextime windows are determined in each Center and Branch as follows:
 - 1. Support Service Center. Administrative Services provides employees in the Mail Center a flextime window of fifteen (15) minutes

before the scheduled beginning of their tour to thirty (30) minutes after. Employees of Purchasing, Property and Office Services are provided a flextime window of thirty (30) minutes either side of the scheduled beginning of their tour.

2. Integrated Business Systems Solutions Center. Employees are allowed flextime to the extent that they are required to maintain core hours including a start time no later than 9:00 a.m. and an end time no earlier than 3:00 p.m. IBSSC provides employees a flextime window of thirty (30) minutes before and after the beginning of their scheduled tour of duty. To remain within required core hours, all 8/5 employees are restricted to no earlier than a 7:00 a.m. start, allowing a flex time as early as 6:30 a.m.

3. Accounting Service Center. ASC provides employees, in all of its operations, a flextime window of thirty (30) minutes either side of the scheduled beginning of their tour.

4. **Host Computing Services.** Employees of Lan Support are provided a flextime window of thirty (30) minutes either side of the scheduled beginning of their tour. All other COSC operations provide their employees a flextime window of fifteen (15) minutes before and after the beginning of their scheduled tour of duty.