

LABOR RELATIONS

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MAY 15 1998

**CONTRACT ADMINISTRATION UNIT
N.A.L.C. WASHINGTON, D.C.**

Mr. Vincent R. Sombrotto
President
National Association of Letter
Carriers, AFL-CIO
100 Indiana Avenue, NW
Washington, DC 20001-2197

Re: H90N-4H-C 95052857
CLASS ACTION
GADSDEN, AL 35901-9998

Dear Mr. Sombrotto:

On May 1, 1998, Nora Becker of my staff met with your representative to discuss the above-captioned grievance.

The parties agreed that no national interpretive issue is fairly represented in this case.

As a result of our discussions, the parties have agreed at the national level that the local parties are to be guided by the following mutual understanding of the issues presented in these grievances:

Does the conversion of a PTF to full-time in a delivery unit constitute "PTF attrition" for purposes of TE hiring under Revised Chapter 6 of Building Our Future By Working Together? It was mutually agreed that the conversion of a PTF to full-time does constitute "PTF attrition" for purposes of TE hiring under Revised Chapter 6 ONLY where the other criteria of Revised Chapter 6 regarding the DPS impact calculation are met and the unit is in the transition period.

Additionally, it was agreed that management may unilaterally change the DPS target percentage. If the target percentage is changed, the "DPS methodology" must be used to recalculate the estimated reduction in carrier office time. This recalculation must be made using the established methodology, and requires re-drawing the route map for the planned adjustments. It also impacts entitlement to transitional employees and may have the effect of requiring a reduction in TE hours.

Further, the parties mutually agreed that TEs may be hired under Section A in Revised Chapter 6 ("Delivery Point Sequencing impact calculation plus triggers") only after the unit or installation has entered the transition period (defined as that length of time needed for attrition to fulfill staffing reduction requirements). The question of whether management improperly estimated the length of time needed for attrition to fulfill staffing requirements does not present an interpretive issue. The question of whether this unit was in a transition period does not present an interpretive issue.

It was further agreed that the hiring of TEs should be reasonable within the local fact circumstances. The attrition rate used should neither be artificially understated (so as to limit the hiring of TEs) nor artificially overstated (so as to permit excessive TE hiring).

If TEs have been hired under Section A in Revised Chapter 6 ("Delivery Point Sequencing impact calculation plus triggers"), management must provide the local union with the "DPS methodology" calculations, and all relevant information on which the calculations are based, under which those TEs have been hired.

Accordingly, the parties have agreed to remand these cases to Step 3 for application of the above understanding or to be rescheduled for regular arbitration, if necessary.

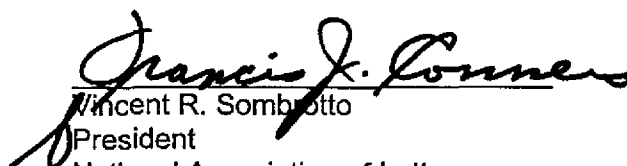
Please sign and return the enclosed copy of this letter as your acknowledgment of agreement to remand this case.

Time limits were extended by mutual consent.

Sincerely,



Nora Becker
Labor Relations Specialist
Grievance and Arbitration



Vincent R. Sombrotto
President
National Association of Letter
Carriers, AFL-CIO

Date: 5/26/98