

National Association of **Letter Carriers**

William H. Young President

February 21, 2007

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Douglas A. Tulino, Vice President Labor Relations United States Postal Service 475 L'Enfant Plaza, SW Washington, DC 20260-4100

Certified letter: 7099 3400 0011 3698 7524

Re: Interpretive Disputes: Flat Sequencing System

Jim Williams Executive Vice President

> Gary H. Mullins Vice President

Jane E. Broendel Secretary-Treasurer

James Korolowicz Asst. Secretary-Treasurer

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Brian E. Hellman Director, Safety & Health

Myra Warren

Director, Life Insurance
Thomas H. Young Jr.

Director, Health Insurance

Donald T. Southern

Director, Retired Members

Board of Trustees:

Larry Brown Jr. Chairman Daniel T. Rupp Randall L. Keller Dear Doug:

Pursuant to Article 15, Section 3.F of the National Agreement, I hereby initiate at the national level, two interpretive disputes arising from management's apparent intention to implement the Flat Sequencing System (FSS).

1. Hiring of Transitional Employees

Management representatives have indicated that the Postal Service claims the authority to hire transitional employees in the letter carrier craft to fill positions which the Postal Service anticipates will be impacted by the FSS. NALC disagrees with this position.

It appears that the Postal Service is basing it's claimed entitlement to hire new TE's on the fact that Article 7.1.C was carried over into the current Agreement. However, Article 7.1.C derives from the original NALC Transitional Employee Arbitration Award, issued by the Mittenthal Panel on January 16, 1992, (the "TE Award") (Appendix B to the Agreement).

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The TE Award specifically states that "the use of transitional employees will be phased out within 90 days of when ABC is on line and cost effective in terms of bar coding goals in the specific-five digit delivery unit." Similarly, the parties' subsequent Memorandum of Understanding regarding "Transitional Employees/Part-Time Flexible Conversions," dated December 21, 1992, provided that "all such TE's will be separated in a delivery unit when Delivery Point Sequencing (DPS) is on-line and operational." With respect to those TE's hired to fill positions withheld for career employees to be excessed under Article 12, the TE Award states that such TE's would be retained only until "the reassigned employees, who may require training, qualify for their new duty assignments."

For the overwhelming majority of delivery units, the deadlines for TE employment described above occurred several years ago. Accordingly, as you know, there are no longer TE's in the letter carrier craft. Article 7.C.1 and the TE Award, at most, authorize the hiring of TE's for those few offices for which ABC is not yet on line. Neither the TE Award, nor any subsequent MOU, ever authorized an entirely new round of TE hiring based on the future deployment of flat sequencing technology.

2. Methodology for Estimating Impact of FSS

Management representatives have also indicated that the Postal Service intends to implement its own methodology for estimating the impact of FSS on letter carrier route assignments. Once again, NALC disagrees with this position.

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The Memorandum of Understanding, dated September 17, 1992, entitled "Resolution of Issues Left Open By Mittenthal Award of July 10, 1992," set forth a detailed methodology for estimating the impact of DPS on letter carrier routes. This methodology, which was jointly developed and implemented by the parties, was specifically tied to the delivery point sequencing of letter mail. To date, there is no agreed-upon method of estimating the impact of flat sequencing on letter carrier work.

Absent mutual agreement, any standard or system for measuring the impact of FSS on letter carrier work or time would have to be developed in compliance with the provisions of Article 34 of the Agreement. The Postal Service has not invoked Article 34 in connection with the FSS.

In addition to Article 34, the application of a unilaterally developed methodology for estimating the impact of FSS to the evaluation or adjustment of letter carrier routes would be unauthorized by, and in conflict with, Chapter 2 of the M-39 Handbook, Articles 19 and 41.3.S of the Agreement, Arbitrator Mittenthal's Hempstead Award, and the above-referenced MOU's. The use of a unilaterally developed methodology for estimating the impact of FSS to justify the hiring of TE's is unauthorized by, and in conflict with, the 1991 Mittenthal Panel Interest Arbitration Award (requiring that all aspects pertaining to the employment of TE's be resolved by agreement or interest arbitration); the 1992 Mittenthal Panel TE Award; the MOU regarding TE's, dated September 17, 1992, and the MOU regarding Transitional Employees/ Part-Time Flexibles, dated December 21, 1992, as well as Article 5 of the Agreement.

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As previously indicated NALC stands ready to negotiate a comprehensive agreement resolving all issues pertaining to the FSS.¹ However, absent such agreement, a meeting to discuss this interpretive dispute should be scheduled expeditiously.

Sincerely,

William H. Young

President

WHY/cjh opeiu #2

¹Apart from the issues outlined in the body of this letter, we also note our disagreement with the validity of the methodology that your representatives have described to us. NALC reserves the right to initiate separate grievances regarding the accuracy of any management estimates of the impact of FSS deployment on letter carrier work.