

**MEMORANDUM OF UNDERSTANDING  
BETWEEN THE  
UNITED STATES POSTAL SERVICE  
AND THE  
NATIONAL ASSOCIATION OF LETTER CARRIERS,  
AFL-CIO**

**Re: Article 15—Dispute Resolution Process**

The NALC National Business Agents, **Area Managers, Labor Relations** and District Managers are responsible for ensuring that the Dispute Resolution Process is effective in all ways, including the timeliness of decision-making. All parties are expected to monitor the functioning of the new process and, generally, to assume a proactive role regarding the labor/management relationship. In the event the National Business Agent and **District Manager or Area Manager, Labor Relations** are unable to resolve any differences, the issue will be referred to the national parties for resolution, an event which is expected to be an infrequent occurrence. To facilitate this oversight responsibility, Step B Teams should copy both their respective National Business Agent and Area Manager, Labor Relations on all decisions.

Additionally, in any district where there are more cases pending arbitration than can be arbitrated in a timely manner using the existing arbitration scheduling process, the appropriate Area Manager, Labor Relations and National Business Agent are responsible for ensuring an ongoing review of the backlogged cases in an effort to settle cases, select representative cases, reduce the backlog, and provide direction to the local parties.

The primary role of the Step B Dispute Resolution Team is to decide the grievance presented to them and to communicate the basis for the decision to the parties at Step A, using a format agreed upon at the national level. Additionally, with the joint concurrence of the District Manager and National Business Agent, the Teams may be called upon to provide training and other assistance to the local parties. The national parties encourage the use of the Step B Dispute Resolution Teams to provide contract training throughout the district, especially when grievance activity suggests a lack of understanding of contract application or local responsibilities to address disputes in a timely manner. As noted above, however, the primary role of the Step B Dispute Resolution Team is to process and resolve disputes. No other secondary activities should be undertaken if the timely processing of grievances is negatively impacted.

The Step B Dispute Resolution Team (and back-up team) will be made up of one management representative and one union representative. Although the Postal Service and the NALC will each determine their own method of selection for Step B representatives, it is anticipated that the National Business Agents and District Managers will discuss their separate recommendations for appointment to the Step B Dispute Resolution Teams prior to submitting recommendations.

Back-up Step B representatives will be designated for each Step B Dispute Resolution Team to provide coverage for vacations or other lengthy absences or, when warranted by the workload, to ensure timely grievance processing. Back-up teams also may be effectively utilized to provide training or such other assistance as may be agreed upon by the District Manager and National Business Agent.

**The Step B Dispute Resolution Team is responsible to track and monitor its Step B workload. When the Step B Dispute Resolution Team believes its current workload exceeds its ability to render Step B decisions in a timely manner (within fourteen days of receipt of the Step B appeal), the Step B Dispute Resolution Team will contact the Area Manager, Labor Relations and the National Business Agent jointly.**

**The National Business Agent and the Area Manager, Labor Relations will determine jointly whether there is a need to activate back-up Step B representatives to address a backlog. If back-up activation is necessary the Area Manager, Labor Relations and the National Business Agent will determine the most efficient and effective way to ensure timely Step B processing. They will either:**

- 1. Activate the back-up Step B Dispute Resolution Team without undue delay, normally within 48 hours, subject to availability. The back-up team will remain activated until the backlog is eliminated. For this purpose, "availability" means certified, employed by the Postal Service and fit for duty consistent with the provisions of this MOU.**
- 2. Send Step B appeals to another primary Step B Dispute Resolution Team under the jurisdiction of the Area Manager, Labor Relations and the National Business Agent if they determine that this Step B Dispute Resolution Team can handle the workload without causing the team's regular work to become untimely. If the National Business Agent and the Area Manager, Labor Relations do not agree that another primary Step B Dispute Resolution Team under their jurisdiction can handle the additional work without becoming untimely, the back-up team will be activated as provided above.**

**In the event the National Business Agent and the Area Manager, Labor Relations determine neither the back-up team nor another primary Step B Dispute Resolution Team under their jurisdiction is available for this additional work based on the above, the Area Manager, Labor Relations and the National Business Agent will activate another back-up Step B Dispute Resolution Team under their jurisdiction until the backlog is cleared.**

**If the National Business Agent and the Area Manager, Labor Relations are unable to identify a primary or back-up Step B Dispute Resolution Team for**

**this work, they will promptly contact and fully inform their respective parties at the headquarters level.**

In the interest of providing stability and developing expertise, the parties expect that Step B representatives will serve for no less than 2 to 3 years, absent special circumstances such as retirement, promotion, relocation, decertification, etc.

**Replacement or removal of any Step B representative from Step B duties prior to fulfillment of this expectation will be discussed in advance by the parties at the headquarters level.**

Step B representatives will undergo a joint comprehensive training and certification program. Training and certification of Step B representatives (including back-up Step B representatives) is required before Step B representatives may assume their duties. The national parties are jointly responsible for both the content and the delivery of the training and will meet at least once each calendar year to discuss training needs and schedule training sessions, if needed. The NALC and the Postal Service reserve the right to certify their respective nominees to serve as Step B representatives.

Step B Dispute Resolution Teams are responsible for issuing decisions that are fair and consistent with the contract and the Joint Contract Administration Manual (JCAM), and written in a manner that is both educational and informative. The national parties encourage the Step B Dispute Resolution Teams to jointly respond to questions concerning the proper interpretation or application of their decisions.

Step B teams are not responsible for building the grievance file. It is the responsibility of the parties at Step A to exchange documentary evidence and place copies in the file. If, however, a file lacking proper documentation is received, the grievance should be remanded to the local level, or the Step B Dispute Resolution Team should jointly call the local parties with a request for the submission of specific information within a specific timeframe, whichever is more effective. The primary responsibility of the Step B team is making timely decisions on the merits of disputes.

Step B representatives will not be involved in arbitrations or other hearings involving letter carriers except as jointly approved by the **Area Manager, Labor Relations** and National Business Agent.

Step B representatives may not be subjected to instruction or coercion while carrying out their duties.

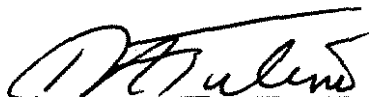
Unless alternate arrangements are agreed upon by the District Manager and National Business Agent, the Step B Dispute Resolution Teams will work at the District office. If the District Manager and the National Business Agent agree to use an alternate location, any additional expenses will be shared equally by the local parties. The Step B Dispute Resolution Teams should be provided suitable office space, clerical

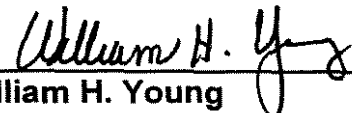
support as typically provided in that office, a telephone, and computers with CD-ROM, and such other support as may be needed to perform their assignments.

Concerns about the performance of a Step B representative may be forwarded to the national level by either the **Area Manager, Labor Relations** or the **National Business Agent**. When this occurs, the **Vice President, Labor Relations**, and the **National President, NALC**, or their designees, will review relevant evidence and determine jointly whether the subject of the complaint should be decertified from Step B responsibilities. In the event the parties are unable to agree on the issue of decertification, the matter will be submitted to mediation. If a Step B representative's original duty assignment becomes a holddown assignment, the NALC will not seek the conversion of a PTF employee to full-time as a consequence of a PTF serving in that assignment and meeting the maximization criteria of Article 7.3.C or the Memorandum on Maximization.

Removal actions, subject to the thirty (30) day notification period in Article 16.5 of the National Agreement, will be deferred until after the Step B decision has been rendered, or fourteen (14) days after the appeal is received at Step B, whichever comes first, except for those removals involving allegations of crime, violence, or intoxication or cases where retaining the employee on duty may result in damage to postal property, loss of mails, or funds, or where the employee may be injurious to self or others, pursuant to Article 16.6 and 16.7.

The national parties will update the current JCAM at least once each calendar year during the life of the National Agreement.

  
\_\_\_\_\_  
**Doug A. Tulino**  
**Vice President**  
**Labor Relations**  
**U. S. Postal Service**

  
\_\_\_\_\_  
**William H. Young**  
**President**  
**National Association of**  
**Letter Carriers, AFL-CIO**

**Date: September 11, 2007**