

April 30, 2009

**Memorandum of Agreement
Modified Interim Alternate Route Adjustment Process**

This jointly-developed document provides the mutual understanding of the national parties on issues related to the April 7, 2009, Memorandum of Agreement, *Re: Modified Interim Alternate Route Adjustment Process*. It is intended for use by the parties at all levels in properly applying the terms of the Modified Interim Alternate Route Adjustment Process.



Alan S. Moore
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**MEMORANDUM OF AGREEMENT
BETWEEN THE
UNITED STATES POSTAL SERVICE
AND THE
NATIONAL ASSOCIATION OF LETTER CARRIERS**

Re: Modified Interim Alternate Route Adjustment Process – 2009

In accordance with the Memorandum of Understanding Re: *Alternate Route Evaluation Process*, the parties agree to the following:

The National Association of Letter Carriers, AFL-CIO (NALC) and United States Postal Service (USPS) recognize the importance of maintaining routes in proper adjustment throughout the year. The parties agree that in a stable and consistent mail volume environment, a historical review of data over a longer period would be preferred and the parties will continue to pursue a permanent process which encompasses the regular carrier's office and street time.

The parties further agree that certain conditions may require that the review period be of a shorter and more recent duration for the evaluation to be representative of the current mail volume environment.

The current environment has resulted in a significant and continued decline in mail volume over recent months. Therefore, the parties agree to the following Modified Interim Alternate Route Adjustment Process to be used on all city delivery letter routes for 2009.

If mail volume continues to decline during the life of the current National Agreement, the parties agree to evaluate and adjust city delivery routes through a new jointly developed expedited evaluation and adjustment process, unless the parties mutually agree to use the Modified Interim Alternate Route Adjustment Process outlined in this Memorandum of Understanding. Additionally, if annual mail volume increases during the remaining term of the National Agreement, city delivery routes will be evaluated and adjusted in accordance with the expedited process agreed to pursuant to this paragraph.

Modified Interim Alternate Route Adjustment Process

1. The parties will appoint a joint NALC/USPS route evaluation team(s) in each District who will be used to implement the methodology outlined below (with the NALC team member compensated on a no loss, no gain basis). In Districts with more than one team, a lead team will be established. The evaluation team(s) will be responsible for data analysis, route evaluation and adjustment, and oversight of jointly conducted carrier consultations. The NALC representative on the evaluation team(s) will be appointed by the National NALC President while the USPS representative will be selected by the District Manager.

Structure

National Oversight Team - The members of the National Oversight Team will oversee the process and resolve issues referred by the Area/Regional Teams. The National Oversight Team will provide training on the Process to the Area/Regional Teams and oversee training to the District Lead Teams and to the District Evaluation and Adjustment Teams.

Area/Regional Teams - The Area/Regional Teams will consist of the NALC National Business Agent (NBA) or their designee from each NALC region and the Area Managers Delivery Programs Support or their designee from each Postal Service Area. It will be the job of each team to monitor the process, determine the number of district teams needed, and resolve issues advanced by the District Lead Teams. Any issues that can not be resolved by the Area/Regional Team will be referred to the National Oversight Team within three working days of receipt of the issue. The teams will regularly communicate with both District Lead Teams and the National Oversight Team. The Area/Regional Teams will provide training on the Process to the District Lead Teams and to the District Evaluation and Adjustment Teams.

District Lead Teams - There will be one lead team in each district who will be responsible for oversight of the process and the District Evaluation and Adjustment Teams. These teams will be responsible for prioritizing and scheduling evaluations and adjustments so that all needed adjustments can be completed within the given time frame. Schedules will be provided to the Area/Regional Teams. District Lead Teams are responsible for resolving issues advanced by the District Evaluation and Adjustment Teams. Any issues that can not be resolved by the District Lead Team will be referred to the Area/Regional Team within two working days of receipt of the issue. The District Lead Team is responsible for assigning the District Evaluation and Adjustment Teams to units and communicating with them at least weekly.

It will be the responsibility of the District Lead Team, after coordinating with a district office designee, to schedule the COR technicians when COR is used for adjustments, to make sure that valid PS Form 3999s are available, and to ensure that necessary travel time validations are completed so as there are no delays in scheduled evaluations or adjustments.

The District Lead Teams will be responsible for data entries tracking the progress of each of their District Evaluation and Adjustment Teams in all the units. Additionally, the District Lead Teams will compile the results of the Evaluation and Adjustment Process by delivery unit, installation, and district, and forward this information to the Area/Regional and National Oversight Teams.

The District Lead Teams will participate in training District Evaluation and Adjustment Teams on the Evaluation and Adjustment Process.

District Evaluation and Adjustment Teams – The District Evaluation and Adjustment Teams are responsible for data analysis, route evaluation and adjustment, and oversight of jointly conducted carrier consultations. The teams are responsible for communicating with local office contacts to obtain information needed to evaluate and adjust the routes. District Evaluation and Adjustment Teams review all available information for anomalies and potential data integrity issues.

Once a District Evaluation and Adjustment Team has been assigned delivery units, the team should immediately advise their Local Office Contacts that they need current representative PS Forms 3999 for the purpose of moving territory, if necessary, during adjustments.

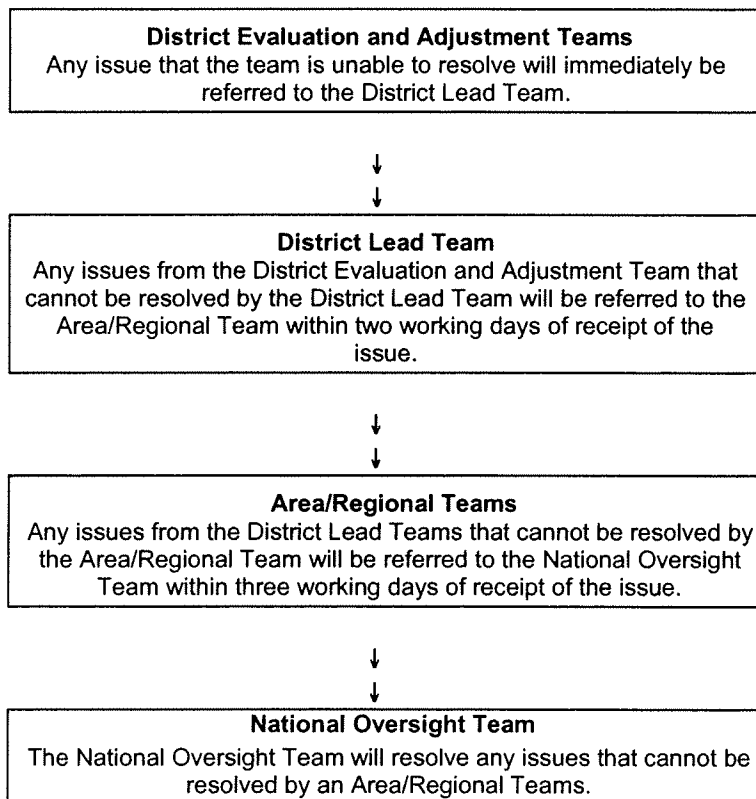
District Evaluation and Adjustment Teams will consider all information provided including actual times, base time, PS Form 3999s, fixed office times, mail volumes and carrier

comments to come up with an evaluated time and adjust the routes if needed. Should a District Evaluation and Adjustment Team be unable to resolve any issue, the matter must immediately be referred to the District Lead Team.

Copies of all data and adjustments will be forwarded to the District Lead Team, who will then monitor the implementation of the agreed to adjustments and the accurate recording of route data.

Local Office Contacts - The Local Office Contacts will be the Postmaster or designee and the Branch President or designee. The Local Office Contacts are responsible for communicating any local issues, current or anticipated vacancies, or any potential data integrity issues to the designated District Evaluation and Adjustment Team. They will provide seniority lists and information regarding replacement carriers. The Local Office Contacts will also advise the District Evaluation and Adjustment Teams if there is some reason the selected review periods should not be used. The Local Office Contacts will use a prepared script to conduct both the initial and the proposed adjustment consultations with the carriers. The Local Office Contacts may provide comments regarding the feedback received from the carrier during consultations.

Issue Resolution



2. The District Evaluation and Adjustment Teams will use the following review periods to evaluate/adjust the routes in delivery units that were not evaluated/adjusted under the October 22, 2008 Interim Alternate Route Adjustment Process, unless the District Evaluation and Adjustment Team mutually agrees to select a different period.

Evaluation Period	Analysis Start Date	Implementation Period
March – April	May 1	June 1 – July 31
April – May	June 1	July 1 – August 31

The above implementation periods are basic guidelines. Route adjustments may be implemented prior to the beginning date if the District Evaluation and Adjustment Team has finalized and signed off on the package.

3. The District Evaluation and Adjustment Teams will use the following review periods to revisit the evaluations/adjustments in delivery units that were evaluated/adjusted under the October 22, 2008 Interim Alternate Route Adjustment Process, unless the District Evaluation and Adjustment Team mutually agrees to select a different period.

2009 Interim Adjustments Implemented	Evaluation Period	Analysis Start Date	Implementation Period
On or Before January 31	March	May 1	June 1 – July 31
Between January 31 & February 28	April	May 1	June 1 – July 31
After February 28 *	May	June 1	July 1 – August 31

* Sites implemented in May 2009 under the October 22, 2008 Interim Alternate Route Adjustment Process can use September data for the initial follow-up review and follow the schedule outlined below for analysis and implementation.

The above implementation periods are basic guidelines. Route adjustments may be implemented prior to the beginning date if the District Evaluation and Adjustment Team has finalized and signed off on the package.

Teams using the March Evaluation Period may begin their analysis prior to May 1 if the Team is established during the month of April.

4. The District Evaluation and Adjustment Teams will use the following review periods to revisit the evaluations and adjustments conducted pursuant to paragraphs 2 and 3 directly above, unless the District Evaluation and Adjustment Team mutually agrees to select a different period.

Evaluation Period	Analysis Start Date	Implementation Period
September	October 1	November 1 – January 31 *
October	November 1	January 1 – February 28
November	December 1	January 1 – February 28

No adjustments will be implemented between November 15 and January 1.

The above implementation periods are basic guidelines. Route adjustments may be implemented prior to the beginning date if the District Evaluation and Adjustment Team has finalized and signed off on the package.

Evaluation and adjustment of collection and parcel post routes that do not include any casing and delivery of mail are not covered by this agreement. Evaluation and adjustment of these types of routes will be handled pursuant to the relevant provisions of Handbook M-39. However, when a collection or parcel post route includes the casing or delivery of mail, it is covered by this agreement. Additionally, when a collection or parcel post route that does not include casing and delivery of mail is going to be adjusted to include the casing or delivery of mail, the inspection paperwork will be given to the District Evaluation and Adjustment Team to include in their adjustment package under this process.

Evaluation and adjustment of city delivery routes in non-DOIS offices will use the following procedures except that PS Forms 3997 and 3921 will be used in place of the Workhour Workload Reports referenced below.

DATA ANALYSIS

Data Integrity

Data integrity issues will be addressed prior to any analysis and adjustments. Such issues include, but are not limited to, amended clock rings, work hour transfers, and designation of work hour codes.

It is in the best interests of all parties that the data used is accurate and reliable. The Local Office Contacts should make the District Evaluation and Adjustment Team aware of any issues they have had with the integrity of the data resulting from such things as altered time records, MODS code changes, or work hour transfers. The team will review and address any such issues prior to completing any analysis or adjustment.

Anomalies

The District Evaluation and Adjustment Teams will review the Workhour Workload reports for each route to identify any erroneous volume, office time, or street time entries. Such errors may have resulted from work hours that were not transferred, or erroneously transferred, from one route to another. Additionally, there could have been

an erroneous volume entry. The team will exclude days which they agree may include errors, or days which they agree the entries are not representative of the normal range of volume, office time, or street time for that day on the route.

Volume for the Selected Period by Route

- Cased Letters
- Cased Flats

As indicated below, the cased volume will be used to calculate the Estimated Standard for each route which is then used in determining the office evaluation.

Office Evaluation

The District Evaluation and Adjustment Team will select from the lesser of the following for the data analysis review period when determining the evaluated office time on each route:

1. The regular carrier's actual average total office time (which includes any auxiliary assistance and anomaly adjustments), for the data analysis review period, or
2. The estimated standard for the route using the average cased volume (which includes any anomaly adjustments) on the route for the data analysis review period. The adjusted estimated standard is the sum of the following:
 - the average cased letters divided by 18, plus
 - the average cased flats divided by 8, plus
 - the average cased letters and flats divided by 70, plus
 - the fixed office time (while the minimum FOT of 33/43 is normally used, the team should review the route's base FOT and the carrier's input to ensure that the FOT selected is representative of the route). If necessary, the team can request that specific elements of fixed office time be observed and recorded.

The District Evaluation and Adjustment Team will consider feedback from the carrier's initial consultation regarding the route's office time, and regarding the above components used for the data analysis review period to ensure that the office time selected is representative of the route.

It is intended that the District Evaluation and Adjustment Team use the resources described above to determine an evaluated office time which is representative of the route in the current mail volume environment. The District Evaluation and Adjustment Team should immediately refer any unresolved disputes regarding the evaluated office time to the District Lead Team.

Street Evaluation

The District Evaluation and Adjustment Team will consider the following when determining the evaluated street time on each route:

- A) The regular carrier's actual average total street time (which includes any auxiliary assistance and anomaly adjustments), for the data analysis review period.

B) A valid base street time and a representative PS Form 3999 for the route.

C) Feedback from the carrier initial consultation regarding the route's street time, and regarding the above data to ensure that the street time selected is representative of the route.

It is intended that the District Evaluation and Adjustment Team use the resources described above to determine an evaluated street time which is representative of the route in the current mail volume environment. The District Evaluation and Adjustment Team should immediately refer any unresolved disputes regarding the evaluated street time to the District Lead Team.

Replacement Carriers

All actual office and street time data used will be based on the performance of the regular carrier as described above. On vacant routes or routes where the data for the regular carrier is not available for the analysis period, the parties may use the data from a mutually agreed to replacement carrier.

Prior to the data analysis, Local Office Contacts will advise the District Evaluation and Adjustment team of any routes that were vacant or did not have data available for the regular carrier during the data analysis review period. After discussion with the local parties, the team will decide whether data from a replacement carrier will be used.

Consultations

Joint consultations will be conducted with each carrier to obtain his/her input regarding the evaluation and proposed adjustments. No adjustment will be finalized until after the carrier consultations have taken place.

The following script and form will be used by the Local Office Contacts to conduct the initial consultation with each carrier. The District Evaluation and Adjustment Team will enter the bolded data elements into the script prior to sending the forms to the Local Office Contacts.

The NALC and the USPS have developed a modified interim process to jointly evaluate and adjust routes to as near as eight hours as possible.

The evaluation process consists of data analysis and input from the regular carrier on the route. After reviewing the input from the regular carrier and the data, decisions regarding the evaluation and adjustment of the routes will be made jointly by a district team consisting of a letter carrier representative selected by the NALC, and a management representative selected by the USPS.

To ensure that the data is accurate and reliable, we were asked by the district team to identify any issues we may have in this office with the integrity of the data being reviewed, so that they can be sure the office and street times for the routes are properly recorded prior to their data analysis.

We were also asked to conduct this consultation with you so that we can obtain your input regarding the office and street value of the route, and any suggestions you have regarding any possible transfers of territory or other potential adjustments, if needed.

Once you have had an opportunity to provide your input on the value of the route and potential adjustments, we will then share with you the results of the data they will use, along with your input, to determine the evaluated office and street time for the route. This will also give you an opportunity to comment on any of the data they will consider in the evaluation.

We will then send your input, recommendations, and comments back to the district team so they can jointly determine the evaluated office and street time of the route based on the results of both this carrier consultation and their data analysis.

Prior to any final adjustment decisions being made, we will be conducting a second carrier consultation with you to explain and obtain your feedback regarding any proposed adjustments to the route from the district team. After consideration of your comments regarding the proposed adjustments, the district team will jointly decide on the final adjustments and provide you with the results.

After the final adjustments are implemented, the district team will jointly revisit the adjustments to ensure that the routes are adjusted to as near eight hours as possible.

At this point we would like you to tell us what you believe the average office time and street time is for the route on a representative day. Keep in mind that your input may differ from the data we will be sharing with you since the data analysis includes your actual office and street times, including auxiliary assistance, for the **month(s) of** _____, as well as a review of the route's base data, a PS Form 3999, and an estimated office standard for the same period.

Route # _____ **Carrier** _____ **Date** _____

Carrier's Input - Average Office Time _____

Carrier's Input - Average Street Time _____

Carrier's Other Comments on Route Value:

Carrier's Comments on Potential Adjustments

Thank you for your input. Now let's review the other data that the District team will consider in determining the evaluation of the route

The actual average office and street times data is for days that you were on the route during the **months of** _____, and it includes any auxiliary assistance you may have received. Additionally, the team deleted any days which appeared to include any volume, office, or street anomalies.

An estimated standard office time for the route was also calculated, using the route's average cased volume for the stated months, and a minimum fixed office time of either 33 or 43 minutes. This data was applied to the casing/pull-down standards of 18, 8, and 70 pieces per minute and FOT to determine this estimated standard.

Actual Average Office time	
Estimated Office Standard	
Fixed Office time	
Base Fixed Office time	
Actual Average Cased Letters	
Actual Average Cased Flats	
Actual Average Street Time	
Base Street Time	
PS Form 3999 Street Time	

Your base street time is the street time from the last route adjustment **implemented on** _____.

Your base Fixed Office Time is the FOT from the last route adjustment **implemented on** _____.

Additionally, the most current PS Form 3999 on file was conducted with **carrier** _____, on **(day of week)** _____ - **(date)** _____.

Please provide any comments regarding the above data:

We will provide you with a copy of this completed form/script before we leave today. We will be conducting another consultation with you in the next few weeks, to obtain your feedback regarding the final evaluation of, and proposed adjustments (if any) to the route. Between now and then, the District Evaluation and Adjustment Team will jointly determine the evaluated office and street time of the route. They will then jointly propose any necessary route adjustments based on their agreement of both the evaluated times and any optimizing of the route structure proposed manually or through the Carrier Optimal Routing (COR) process.

The Local Office Contacts may use the space below to comment on any of the feedback provided by the carrier:

Initial Consultation conducted by Local Office Contacts:

USPS (name) _____ NALC (name) _____

signature _____ signature _____

Date _____

Adjustments

The teams will be guided by sections 243.21.b, 243.22, & 243.23 of Handbook M-39 when adjusting routes.

A current 3999 will be used by the District Team to determine the street value of territory transferred.

The associated office time for the territory transferred will be jointly determined using any of the methods in the M-39 section 243.316.b.

In any unit where the team determines that the number of routes will be reduced, preference should be given to selecting auxiliary routes, vacant routes, and then routes held by junior carriers, provided such selections are efficient and effective. Additionally, carrier seniority should be considered when excessive route changes are anticipated, provided such consideration does not adversely affect the efficiency or effectiveness of the adjustments.

Handbook M-39

243.21 Routes of More than 8 Hours

243.21.b. Permanent relief may be provided by reducing carrier office or street time. Consider items such as additional segmentations, use of routers, hand-offs, relocating vehicle parking, withdrawal of mail by clerks or mailhandlers, providing a cart system for accountable items, etc. When routes require a current adjustment and Delivery Point Sequencing will commence within 6 months, management will adjust using non-territorial, non-scheme change adjustments. Where actual transfer of territory is necessary, see 243.23. If a hand-off is the method selected for providing relief on the street, the time value associated with the delivery of the hand-off must be deducted from the route getting relief and transferred to the gaining route.

243.22 Route Less than 8 Hours

On routes where the evaluated time is less than 8 hours, make permanent additions by transferring territory through a realignment of the territory in the delivery unit. This realignment could reduce or eliminate an existing auxiliary route, reduce a regular route to auxiliary status, or eliminate it entirely.

243.23 Transferring Territory

243.231 Before transferring territory, determine the objectives of the final route adjustments and consider the following points:

- a. Implementation of new programs.*
- b. Whether the adjustments should be:*
 - (1) Entirely within regular routes only.*
 - (2) Transferred from established auxiliary routes to regular routes.*
 - (3) From regular routes to established auxiliary routes.*
 - (4) To establish additional auxiliary routes.*

- (5) To convert auxiliary routes to a regular status.
 - (6) To eliminate auxiliary or regular route.
 - (7) To reduce a regular route to an auxiliary route.
- c. Consider adjustments in terms of sectors and segments to be added to or taken from the route. Adjustments must not result in the splitting of a segment.
- (1) A sector is designated by the sixth and seventh digits of the ZIP+4 Code. It is composed of a maximum of 100 segments.
 - (2) A segment is the smallest unit to which mechanized distribution and carrier route adjustments can be provided. The eighth and ninth digits of the ZIP+4 Code identify the area known as a segment. A segment may be any of the following:
 - (a) Block-face (one side of street between intersections) or block;
 - (b) Cove or cul-de-sac;
 - (c) Hundred-block range which is not intersected by another street;
 - (d) Firm, building, or firm within a multi-firm building;
 - (e) Floor or floors within a building;
 - (f) Cluster box, group of apartment boxes;
 - (g) All or part of a mobile home park.

- 243.232 To determine the territory to be transferred to or from any route, consider that:
- a. Scheme changes should be kept to a minimum and simplified where possible.
 - b. Routes should be compact, avoiding dog-legs and should not cross ZIP Code boundaries except in unusual circumstances.
 - c. Routes should begin and end as near as possible to the delivery unit or transportation.
 - d. Excessive retracing or deadheading should be avoided.
 - e. Adjustments should be made so that future growth may be absorbed by auxiliary routes.
 - f. Variations in territory, mail volume and methods of delivery will affect the final adjustment.

243.316 Office Time Column

- b. The character of the route more or less governs the method of computing the office time for the territory being transferred between routes. Following are some methods which may be used:

(1) If the deliveries on the route are similar in character, the following simple formula for determining the amount of office time for the deliveries transferred may be used: Divide the average office time of the inspection period appearing on Form 1840 for the route from which territory is being transferred by the total number of possible deliveries. For example: a route has 400 possible deliveries and the average office time for inspection period was 120 minutes: 120 divided by 400 equals .3 minutes per delivery. The total number of deliveries being considered for transfer should be multiplied by minutes or fraction of minutes per delivery.

(2) Another method to determine the office time percentage factor is to divide the average office time for the count week by the average total time. For example 165 minutes office time divided by 486 minutes total time equals 34 percent. Therefore, the allowance of 34 percent of the total time value of any territory to be added or taken away from a route must be allowed for office time to prepare the mail for delivery.

(3) Another method when utilizing the hand-held computer is to count the mail by ZIP+4 sector/segment so the number of mailpieces delivered in a segment can be calculated to determine the office time allowance for each segment to be transferred between routes. To calculate the office time allowance when transferring particular route segments, any other following three methods may be used.

(a) Apply the current casing standards of 18 (letter size), 8 (other size), and 70 (strap out) to the actual segment(s) mail count from the day of inspection. For example: A segment receives 220 pieces on day of inspection; 180 letters divided by 18 = 10 minutes; 40 other size pieces divided by 8 = 5 minutes; 220 divided by 70 = 4 minutes. The office time allowance for that segment would be 19 minutes.

(b) Follow (a) above but factor in the percentage of standard office time used during the week of inspection from the carrier who serviced that segment(s) in the most recent inspection. For example: The carrier who serviced the segment utilized .80 of standard office time allowed during week of inspection ($19 \times .80 = 16$ minutes). The office time allowance for that segment would be 16 minutes.

(c) Follow (a) above but factor in the percentage of standard office time used during the week of inspection from the carrier whose route is gaining the segment(s) being transferred. For example: The carrier whose route will pick up the segment utilized .85 of standard office time allowed during the week of inspection ($19 \times .85 = 17$ minutes). The office time allowance for that segment would be 17 minutes.

Note: The effort here is to arrive at the most accurate time allowance for the transferred segment(s), negating the need for corrective adjustments.

Considerations for Router Adjustments

1. Routes evaluating more than 8 hours can use router as permanent relief.
2. Routes evaluating less than 8 hours, that currently have router time assigned to the route(s);
 - a. consider reducing/eliminating router time to adjust route(s)
 - b. consider territorial adjustments to adjust route(s)
3. Routes evaluating less than 8 hours, that do not currently have without router time assigned to that route/s, must make permanent additions by transferring territory in the delivery unit.
4. The establishment and administration of router positions must be consistent with the November 21, 2001 National Memorandum of Understanding, Re: *Router, Carrier Craft*, and other agreements between the parties regarding routers.

5. Maximization of router positions must comply with the September 21, 1988 Router Assignment Instructions and the April 13, 1989 settlement agreement on case number H4N-5C-C 36660, which states in part:

Item 3, of the September 21, 1988, Router Assignment Instructions states that "Router positions should be maximized to full-time, 8-hour positions to the extent practicable.

The parties may consider implementing router adjustments and then reviewing the practical administration of the router assignments during the revisit of the adjustments as a means of addressing certain disputes over the use of routers.

When available, Carrier Optimal Routing (COR) will be jointly used by the District Evaluation and Adjustment Team as a tool for route optimization and adjustment.

Carrier Optimal Routing [COR]

The team's use of COR must be consistent with the applicable provisions of the M-39 Handbook, and their application of the COR process must also comply with the parties national settlement which is reproduced below.

When transferring territory, the back of the PS Form 1840 will indicate by sector segment, any change in street credit from the actual street time used for that sector segment on PS Form 3999, including all relay, travel, allied time, etc. Any such proposed adjustment to the carrier's street time must be documented and explained by appropriate comments on the reverse of PS Form 1840.

For example, territory transferred from Route C002 to Route C004 would be noted, by sector/segment, in the "Relief" Column on the PS Form 1840 Reverse for Route C002. The same territory would be noted, by sector/segment, in the "Addition" Column on the PS Form 1840 Reverse for Route C004. Allied times associated with that territory will also be reviewed to determine if they should be transferred to the gaining route C004, or left on the losing Route C002.

Old relay times from the existing 3999 (recorded as EXR) and new relay times (recorded as ADJ) for the proposed adjustment on each route are identified on the reverse of PS Form 1840 by relay as well as total relay time for the route. The difference between these two total times is noted in the relief or addition column of the PS Form 1840 Reverse. The District Evaluation and Adjustment Team will be provided the relevant reports generated by COR to review the specifics of the proposed changes regarding relays and relay times so that they can jointly make decisions regarding the proposed changes, and then have the necessary documentation for the adjustment consultations regarding any agreed to changes.

The Allied Time Report will be used as a tool to review proposals regarding the transfer of allied time. After the District Evaluation and Adjustment Team jointly decides what is transferred. The report will be used to document any agreed to changes during the adjustment consultations on the PS Form 1840, *Reverse*.

Travel To, Travel From, and Travel Within times must be validated, documented, and

discussed during the carrier consultation. If there is a different credit of time proposed for travel within or travel to and from the route other than what existed as reflected by PS Form 3999, such new time will be validated and a decision made by the District Evaluation and Adjustment Team regarding the proposed change, prior to the second consultation with the letter carrier. It is not necessary that the validation itself be done jointly in order to satisfy the District Evaluation and Adjustment Team.

For example, all Travel To, Travel From, and the total of all Travel Within times from the 3999 (recorded as EXR) are identified on the reverse of the PS Form 1840 and new travel times are identified as an adjustment (recorded as ADJ) on the reverse of PS Form 1840. The difference between these two times will be noted in the relief or addition column on the reverse of PS Form 1840. The District Evaluation and Adjustment Team will be provided all relevant reports generated by COR to review the specifics of the proposed changes regarding travel times so they can jointly make decisions regarding the proposed changes, and then have the necessary documentation for the adjustment consultations regarding any agreed to changes. Any change in travel times from the 3999 due to a proposed new travel pattern must be validated, and then reviewed by the District Evaluation and Adjustment Team so they can jointly make decisions regarding the proposed change. The Route Summary Report will be used as a tool to aid in the validation process.

1. The evaluated office and street times selected by the District Evaluation and Adjustment Teams will be transferred to the top left hand corner of the PS Form 1840 reverse. The initial proposed adjusted office and street times from the COR process will appear on the top right corner of the PS Form 1840 reverse. The difference between these two times must be identified on the 1840 Reverse by sector segment (when applicable) for each route. The difference in these times that must be specifically identified includes items such as proposed changes in relay times, travel times, allied times, delivery times, miscellaneous times, and eliminated/added routes (eliminated/added routes can impact the total time difference due to demonstrated performance, selected street time, and fixed time such as travel to, travel from, loading time, street breaks, etc).
2. The District Evaluation and Adjustment Team will be working with a COR Technician who knows the system. The COR Technician is there to make the necessary inputs and to explain any aspect of the COR program/process that the Team needs to make decisions regarding the proposed adjustments. The COR Technician will conduct such duties at the joint direction of the District and Evaluation Team
3. All decisions regarding the evaluations and adjustments of routes, including deductions and/or changes proposed by COR, or manually, are made jointly by the District Evaluation and Adjustment Team. Any items of disagreement will be identified and documented by the District Evaluation and Adjustment Team and immediately referred to the District Lead Team.

Mr. William H. Young
President
National Association of Letter
Carriers, AFL-CIO
100 Indiana Avenue, N.W.
Washington, DC 20001-2144

Re: Q01N-4Q-C 05022605
Class Action
Washington DC 20260-4100

Dear Mr. Young:

Recently our representatives met in pre-arbitration discussion of the above-referenced grievance.

After reviewing this matter, the parties agree to the following:

The Carrier Optimal Routing (COR) process is a management tool to assist with the adjustment of letter carrier routes pursuant to Chapter 2 of Handbook M-39. No components of the COR program or application of the COR process will be inconsistent with the route inspection, evaluation, or adjustment process found in Chapter 2 of the M-39 Handbook.

Should the Postal Service develop COR for use in the minor route adjustment process, related components of the COR program or application of the COR process will be consistent with the specific minor route adjustment formula in Section 141.19 of Handbook M-39. Local parties that have established, by mutual agreement, an alternate route adjustment method may also use applications of COR consistent with their alternate route adjustment process.

To facilitate the practical application of this understanding, when transferring territory the back of the PS Form 1840 will indicate, by sector segment, any change in street credit from the actual street time used in sector-segment on PS Form 3999; including all relay, travel, allied time, etc. Any such adjustment to the carrier's actual street time must be documented and explained by appropriate comments on the reverse of PS Form 1840. Additionally, any time adjustment to the base street time, which must be selected pursuant to M-39 Section 242.321, will be documented and explained under the comments section on the reverse of PS Form 1840. Travel To, Travel From, and Travel Within times must be validated, documented, and discussed during carrier consultation. The actual time should be taken from the Inspection PS Form 3999, unless a new pattern is created during the route adjustment process. If a new travel pattern has been created, the new times must be validated.

Notwithstanding any disputes regarding documentation of and/or justification for time adjustments made, the intent of the previous paragraph is for the letter carrier to be made aware of any proposed time adjustment to the carrier's base street time and/or to the street time of the territory being transferred. Time adjustments for territory being transferred will be by sector-segment, including all relay, allied, parcels, accountables, etc. Any time adjustment to a carrier's base street time must comply with the M-39 Section 242.345 through 242.347.

Any grievance held pending a decision on this case will be resolved consistent with the principles of this agreement.

Please sign and return the enclosed copy of this decision as acknowledgment of your agreement to settle this grievance and remove it from the national arbitration docket.

Sincerely,

Doug Tulino
Vice-President
Labor Relations
U.S. Postal Service

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

Date: 7-30-07

The terms of this settlement became effective September 11, 2007 with ratification of the 2006-2011 National Agreement.

Adjustment Consultation

A copy of the following statement will be provided to the carrier:

Once the District Evaluation and Adjustment Team has agreed on their proposed adjustments, with or without the use of COR, they must send the completed PS Forms 1840 Reverse to the Local Office Contacts to conduct the adjustment consultations with the carriers. The PS Form 1840 Reverse and any attachments must be provided to each carrier at least 1 day prior to the consultation.

Along with all the information regarding the proposed adjustments, the 1840 Reverse must include the District Evaluation and Adjustment Team's reasons for the selection of the evaluated office and street times.

Every proposed adjustment must be clearly identified, documented, and explained on the PS 1840 Reverse and attachments so that they can be easily discussed between the Local Office Contacts and the carrier. If any of the proposed changes are unclear to either member of the LOC or the carrier, the District Evaluation and Adjustment Team should be contacted for clarification before continuing the consultation.

The comments and recommendations of the carrier and whether there is agreement or disagreement with the proposed adjustments along with the reasons should be entered on the PS Form 1840 Reverse. The carrier is not required to sign the form or any statement. A completed copy of the PS Form 1840 Reverse and any attachments will be provided to the carrier.

After reviewing the comments from the carrier consultation, the District Evaluation and Adjustment Team will make any jointly agreed to changes to the proposed adjustments, sign off on their final agreed to adjustments, and submit the package to the District office for implementation. Copies of any amended PS Form 1840, Reverse, will be sent to the appropriate carrier through the Local Office Contacts.

Proposed Adjustment Consultation conducted by:

*USPS (name)
(signature)*

*NALC (name) _____
(signature) _____*

Date _____

NOTE: Under no circumstances will route adjustments be implemented unless both the NALC & USPS District Evaluation and Adjustment Team members have signed off on the adjustments.

This agreement is without prejudice to the position of either party in this or any other matter. The procedures described in this agreement will be utilized solely for the purpose of implementing the Modified Interim Alternate Route Adjustment Process, and may be cited only for purposes of enforcing the terms of the agreement. Termination of this agreement pursuant to the paragraph below shall not affect completion of the Modified Interim Alternate Route Adjustment Process or invalidate any adjustments made as a result of that process.

Either party may terminate this agreement if 1) the Postal Service implements a route adjustment process other than as provided by this agreement, pursuant to Section 271 of Handbook M-39, or by mutual agreement; 2) the Memorandum of Understanding Re: *Assignment of City Delivery* is terminated pursuant to the last paragraph of that MOU; 3) either party fails in good faith to live up to its obligations under the Memorandum of Understanding Re: *Assignment of City Delivery* or 4) the Memorandum of Understanding Re: *Assignment of City Delivery* is invalidated, in whole or in part, by a decision of an arbitrator, a court, the National Labor Relations Board or by any other forum.

In any unit where the Area/Regional Team jointly agrees that this process/methodology cannot be applied, they will jointly contact the National Oversight Team to discuss an alternative joint process to evaluate and adjust the routes.

Any data from route inspections conducted pursuant to Section 271 of Handbook M-39 will be forwarded to the appropriate District Lead Team for assignment to a District Evaluation and Adjustment Team for adjustment during the next analysis and implementation period for that delivery unit provided the time limit/extension provisions of Handbook M-39, Section 211.3, for implementing any necessary adjustments resulting from these inspections is adhered to.