

LABOR RELATIONS



Mr. Fredric V. Rolando
President
National Association of Letter
Carriers, AFL-CIO
100 Indiana Avenue, NW
Washington, DC 20001-2144

Re: Q06N-4Q-C 12217402
Class Action
Washington, D.C. 20260-4100

Dear Mr. Rolando:

On several occasions our representatives met in prearbitration discussion on the above-captioned grievance. This grievance concerns the creation of Handbook F-15-C, *Relocation Policy - Bargaining Employees*.

After reviewing this matter we mutually agree to resolve this grievance as follows:

1. Management will expeditiously propose the following changes consistent with the terms of Article 19 of Postal Service collective bargaining agreements. This settlement is without prejudice to the right of the Postal Service to propose further changes, as appropriate, to Handbook F-15-C in accordance with the terms of the collective bargaining agreement.

2. Chapter 1, Section 135, *Avoid Unnecessary Expenses* will be amended to read:

Relocating employees may be eligible to receive various relocation benefits under this handbook. Depending on the benefit, relocating employees may be required to submit an expense report for reimbursement of those relocation expenses. The Postal Service gives relocating employees flexibility and will reimburse them for allowable expenses. However, the RMF audits all expense reports, and the Postal Service reserves the right to reduce what it determines to be excessive expenses. "Excessive expenses" refers to expenses that are not allowable under the relocation guidelines of the handbook.

3. Chapter 1, Section 137, *Lump Sum Allowance - Expenses* will be created to state the following:

Under this handbook, employees may receive a single lump sum allowance which is intended to help offset advance round trip and temporary quarters relocation expenses. The Postal Service does not require employees who receive this lump sum allowance to submit or keep receipts for purchases made with this allowance, and the employee may use the lump sum allowance as they see fit. The lump sum allowance is not subject to Section 135 of this handbook.

4. The first two paragraphs of Chapter 2, Section 245, *Waiving Repayment of Relocation Expenses* will be amended to read:

If you are transferred to a new duty station for the Postal Service's benefit before completing your one-year commitment, repayment of relocation benefits is waived. You, the employee, are not required to obtain a waiver under this circumstance. Rather, the gaining area

controller or functional Headquarters manager must submit a letter waiving repayment of all expenses to the manager of corporate accounting (Headquarters) or the manager of travel and relocation. The letter must be accompanied by an approval of the transfer from the functional vice president. All current fiscal year costs of the original move will be transferred to the gaining office.

5. Chapter 3, Sections 321, *General Conditions*, 322, *Lump-Sum Allowance* and 323, *Lump-Sum Allowance — Calculation and Payment* will be combined into one section and amended to read:

Section 321, *Lump Sum Allowance*

Under this handbook, eligible employees will receive a single lump sum allowance which is intended to help offset advance round trip and temporary quarters relocation expenses. Eligible employees must request payment of this lump sum allowance through the online expense reporting system on the RMF's website.

The lump sum allowance is calculated as follows:

- a. A lump sum for a single employee with no dependents equals \$1,600 (add \$600 for each dependent moving with the employee, up to a maximum of \$5,200).
- b. A lump sum for an employee and spouse equals \$2,200 (add \$600 for each dependent moving with the employee, up to a maximum of \$5,200).

Every two fiscal years the Postal Service will use the CONUS (national) per diem rate as established by the GSA to adjust the lump sum allowance. To do so, the Postal Service will take the average CONUS per diem rate changes from the previous two years and make a percentage change, consistent with the combined rate change, to the lump sum allowance. The percentage determined as a result of the above computation will be applied to the lump sum allowance effective fiscal year 2015 (10/01/2014).

Note: If you already own or lease a home within commuting distance of your new duty location, you will not receive this benefit.

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



Alan S. Moore
Manager, Labor Relations
Policy and Programs
Labor Relations
U.S. Postal Service



Fredric V. Rolando
President
National Association of Letter
Carriers, AFL-CIO

Date: 2-25-14