

**MEMORANDUM OF AGREEMENT  
BETWEEN THE  
UNITED STATES POSTAL SERVICE  
AND THE  
NATIONAL ASSOCIATION OF LETTER CARRIERS**

Re: Minor Route Adjustments—Handbook M-39, Section 141

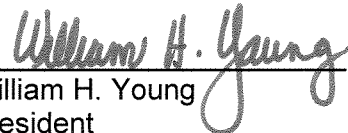
Pursuant to the September 11, 2007 Memorandum of Understanding, *Re: Alternative Route Evaluation Process*, the parties are discussing the evaluation and adjustment of routes through the minor route adjustment process outlined in Section 141 of Handbook M-39. The following is intended as an interim agreement until these talks conclude:

- Unless the local parties mutually agree otherwise, minor route adjustments may only be implemented pursuant to Section 141 of Handbook M-39. The evaluation must be made consistent with Section 141.18 and adjusted consistent with Section 141.19. This requirement includes availability of reasonably current count and inspection data and the same carrier on the route.
- Held grievances concerning whether routes were properly adjusted under the minor route adjustment process will be jointly reviewed at Formal Step A. The held grievances will be closed if the same carrier is no longer on the route, or if the route has been subsequently adjusted pursuant to the requirements of Chapter 2 of the Handbook M-39. Otherwise, the parties will determine what action, if any, needs to be taken to ensure that the route is properly adjusted. Absent such joint determination, the regular carrier may request, and shall receive, a six-day route count and inspection.

This agreement is without prejudice to the position of either party in this or any other matter and may only be cited for the purposes of enforcing its terms.



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



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

Date: August 1, 2008

LABOR RELATIONS



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OFFICE of the PRESIDENT  
N.A.L.C. HDQTRS., WASHINGTON, D.C.

October 8, 2008

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

Dear Bill:

As a matter of general interest, enclosed is the draft of a *Postal Bulletin* article announcing the "Penalty Overtime Exclusion" period for the calendar year 2008, as referenced in Article 8, Sections 4 and 5 of the NALC and APWU National Agreements.

If you have any questions concerning the foregoing, please contact Norman Smith at (202) 268-4061.

Sincerely,

A handwritten signature in black ink, appearing to read "Alan S. Moore".

Alan S. Moore  
Manager  
Labor Relations Policy and Programs

Enclosure

**POSTAL BULLETIN**

**Penalty Overtime Exclusion** As referenced in article 8, sections 4 and 5, of the USPS-NALC and USPS-APWU national agreements, the December period (during which penalty overtime regulations are not applicable) consists of 4 consecutive weeks. This year, the December period begins pay period 26-08, week 1 (December 6, 2008), and ends pay period 01-09, week 2 (January 2, 2009). — *Policy and Programs, Labor Relations*

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

**Re: Assignment of City Delivery**

The parties agree to the following regarding assignment of city delivery.

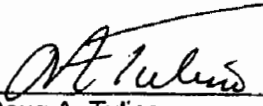
- The Memorandum of Understanding Re: *Subcontracting*, dated September 11, 2007, continues in full force and effect.
- The six-month moratorium referenced in the September 11, 2007 Memorandum of Understanding Re: *Article 32 Committee*, is continued for the remainder of the term of the 2006 National Agreement.
- In city only delivery offices with highway contract delivery, all new growth will be assigned to the city carrier craft, except for in-growth on existing highway contract delivery routes.
- Disputes over whether an existing contract route is CDS or highway contract will be resolved by the Article 32 Committee, established pursuant to the September 11, 2007 Memorandum of Understanding, Re: *Article 32 Committee*.

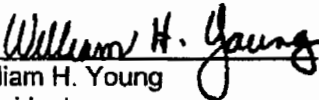
In offices with both city and rural delivery, new deliveries will be assigned in keeping with the following:

- Growth will be assigned in accordance with boundaries that have been established by agreement of the Postal Service, National Association of Letter Carriers, and National Rural Letter Carriers' Association.
- Absent such agreement, the city letter carrier craft will be assigned all new growth (i.e., new deliveries that are not in-growth on an existing route assigned to another form of delivery), subject to the following. The Postal Service may assign new growth to another form of delivery only if assigning the work to the city letter carrier craft would result in inefficiencies. In such case, the appropriate NALC National Business Agent must be provided notice. If the union disagrees with such assignment, the National Business Agent may directly refer the matter to a national-level task force. This task force will consist of two members appointed by the Postal Service Vice President, Labor Relations, and two members appointed by the President of the NALC. The task force will promptly determine whether assignment of such deliveries to the city letter carrier craft will result in inefficiencies.

The parties recognize and agree that this agreement does not alter or amend the terms of the September 11, 2007, Memorandum of Understanding Re: *Subcontracting MOU Issues* and that the provisions of that MOU apply to this agreement. As such, the duration of this agreement is limited to the remainder of the contract term in accordance with the provisions of that MOU.

However, the duration of this agreement is also subject to the parties' implementation of the October 22, 2008, Memorandum of Understanding, Re: *Interim Alternate Route Adjustment Process*. Therefore, if the Postal Service continues to experience mail volume declines so as to invoke the fifth paragraph of that MOU, and the parties are unable to agree to a new process or use again the process described in that MOU by June 30, 2009 or June 30, 2010, this agreement shall terminate and be of no effect.

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

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

October 22, 2008

**MEMORANDUM OF UNDERSTANDING  
BETWEEN THE  
UNITED STATES POSTAL SERVICE  
AND THE  
NATIONAL ASSOCIATION OF LETTER CARRIERS**

**Re: Interim Alternate Route Adjustment Process**

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 Interim Alternate Route Adjustment Process with the understanding that routes evaluated under this process will be reevaluated and adjusted utilizing the Interim Alternate Route Adjustment Process in the event that the total average daily cased mail volume on a route for May and September 2009 increases by 13% or more compared to May and September 2008 combined.

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 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.

**Interim Alternate Route Adjustment Process**

1. The parties will appoint a joint NALC/USPS route evaluation team in each District who will be detailed to implement the methodology outlined below (with the NALC team member compensated on a no loss, no gain basis). The evaluation team will be responsible for data analysis, route evaluation and oversight of jointly conducted carrier consultations and adjustments. The NALC representative on the evaluation team will be appointed by the National NALC President while the USPS representative will be selected by the District Manager.
2. The parties agree that the months of May and September 2008 will be used for the review period, unless the evaluation team mutually agrees to select a different review period.
3. Adjustment packages may be implemented before November 15, 2008, if completed. Adjustment packages not implemented before November 15 must be finalized no later than January 16, 2009, and implemented beginning January 5, 2009.

The Interim Alternate Route Adjustment Process will be used to evaluate all routes in delivery units selected that have not been adjusted pursuant to a joint local alternative adjustment method on or after April 1, 2008. Any routes evaluated and adjusted under a joint local alternative adjustment method on or after April 1, 2008 will be reviewed by the district evaluation team after completion of Interim Alternate Route Adjustment Process to ensure that the routes are properly adjusted.

### **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. Unresolved disputes over data integrity will be forwarded to the District evaluation team.

#### **Volume for the Selected Period by Route**

- o Cased Letters
- o Cased Flats

#### **Office Evaluation**

The lesser of the Estimated Standard using average volumes for the data analysis period (18/8/70 + fixed office time 33/43 minutes), or the actual average office time from the data analysis period (regular carrier's office time including any auxiliary assistance provided).

Additional fixed office time may be included in the Estimated Standard should the team agree to the need on a case by case basis.

#### **Street Evaluation**

The average actual street time from the data analysis period (regular carrier's street time including any auxiliary assistance provided) shall be used. However, if either route evaluation team member believes that actual street time is not representative by comparison to other relevant data (e.g. base street time, current PS Form 3999, carrier consultation), a PS Form 3999 from an average volume day will be completed jointly to determine the most representative street evaluation.

#### **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.

#### **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.

**Adjustments**

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

The associated office time for the territory transferred will be jointly determined using either of the following methods:

- M-39 243.316.b (one of five methods); or
- M-39 141.19 (office factor based on office time per delivery FOT subtracted)

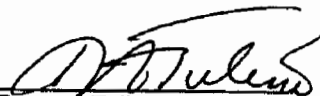
**Miscellaneous**

Carrier Optimal Routing (COR) can be jointly utilized for adjustment by the team providing that the parties agree that the timelines set forth in this agreement can be maintained.

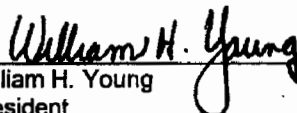
The District Team should monitor the parties at the local level to ensure that all adjustments implemented under this agreement are jointly revisited pursuant to M-39 243.6.

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 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 Interim Alternate Route Adjustment Process in 2008/2009 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.



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



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

October 22, 2008