

Mr. Michael O. Foster
Director, Motor Vehicle Service Division
American Postal Workers Union, AFL-CIO
1300 L Street, NW
Washington, DC 20005-4128

Re: Q15V-4Q-C 19224673/HQTV20190130
Class Action
Washington DC 20260-4100

Dear Mike:

The parties met at Step 4 of the grievance-arbitration process to discuss the above referenced grievance. The dispute was initiated at Step 4 by the American Postal Workers Union (APWU). Time limits were extended by mutual consent.

The issue presented by the APWU is whether Section 422.125 of the Employee Labor Relations Manual (ELM) was incorrectly applied to employees who had special salary rates as a result of the *Memorandum of Understanding Re: Resolution of Postal Support Employee (PSE) Salary Exception*, dated June 6, 2014, the Addendum dated April 3, 2015, the MOU *Re: PSE Salary Exception Pay Entitlement to Contractual Increase* dated May 12, 2016, and the PSE Salary Exception MOU dated March 10, 2017.

Specifically, an issue arose where some MVS employees were incorrectly released from the special exception salary rate when they bid from a level 8 TTO to a level 7 MVO position and/or bid back to a level 8 TTO position and ELM section 422.125 was applied without consideration to the PSE Salary Exception MOUs.

The parties agree the above listed MOUs covering salary exceptions take precedent over the language of ELM 422.125. (See ELM 421.1(a))

Motor Vehicle Service (MVS) employees with a special salary rate are held in place and will not advance to the next salary rate (MOU dated April 3, 2015) until their Form 50 grade and step catches up through the normal step progression.

When an MVS employee with a special salary rate exception bids to a higher or lower grade position, the placement will be in accordance with the principles of the MOUs cited above as follows:

1. If an MVS employee voluntarily bids from a higher level to a lower level, the step placement in the lower grade will be determined by slotting the employee into the new lower grade using his or her grade and step in the higher grade. The employee's special salary rate exception will be placed at the appropriate spot on the APWU Article 9 pay table for the lower level. This may result in an increase of the special salary rate exception but not a decrease. If after the placement in the lower level the employee's grade and step has not caught up to their special salary rate exception, they will remain held in place at the special salary rate exception until their grade and step catches up through the normal step progression just as it was held in place in the step and grade in the higher level.

2. If an MVS employee with a special salary rate exception voluntarily bids back from a lower level to a higher level, the employee will be placed in accordance with the APWU Article 9 pay tables. If after the employee's placement in the higher grade, the employee's grade and step has not caught up to their special salary rate exception they will remain held in place at the special salary rate exception until their grade and step catches up through the normal step progression just as it was held in place in the step and grade in the lower level.
3. If an MVS employee with a special salary rate exception voluntarily bids to a higher level, they will be placed based on their special salary rate exception in accordance with the APWU Article 9 pay tables. If after the employee's placement in the higher grade, the employee's grade and step has not caught up to their special salary rate exception they will remain held in place at the special salary rate exception until their grade and step catches up through the normal step progression just as it was held in place in the step and grade in the lower level.
4. In locations identified by the parties at the National level, the HRSSC will review situations where an MVS employee with a special salary rate exception bid from a higher level to a lower level or from a lower level to a higher level. If it is revealed an employee has not been placed as outlined above and was improperly released from the special salary rate exception, their salary will be compared to the employees senior to them in the same and former levels. If a junior employee has progressed past a senior employee, the senior employee(s)' salary progression will be adjusted retroactive to the date the junior employee was released and allowed to progress, and shall be made whole.

This settlement does not replace or negate any of the above listed MOUs. The parties agree that all the above MOUs remain in effect. An employee's placement in a different level should not on its own be a reason to release an employee who is held in place due to a special salary rate exception. An employee will remain held in place at the special salary rate exception until their Form 50 grade and step catches up through the normal step progression.

When pay anomalies involving PSE Salary Exceptions are identified in the field, the parties agree to meet and discuss such issues at the national level.

Sincerely,



Shannon Richardson
Director, Labor Relations
Contract Administration (APWU)
U.S. Postal Service



Michael O. Foster
Director, Motor Vehicle Service
American Postal Workers
Union, AFL-CIO

Date: June 13, 2022