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NRLCA and USPS Reach Tentative Three-Year Agreement

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From the Desk of NRLCA President Jeanette P. Dwyer

NRLCA Reaches Tentative Agreement with USPS for Three-Year Contract

he NRLCA and Postal Service have negotiated a tentative agreement to cover the 3-year period from May 21, 2015 to May 20, 2018. In this special edition of *The National Rural Letter Carrier*, you will find the details of the tentative agreement, including an explanation of proposed changes to the existing contract language. This agreement must be ratified by a majority of the voting membership to become effective.

We began meeting with the Postal Service in March 2015 with every intention of trying to reach a negotiated contract settlement before the May 20 contract expiration date. In many ways, the conditions favored a deal: The Postal Service's financial position was considerably better than it was when we were last in bargaining. We had a new Postmaster General in Megan Brennan, who has made real efforts to connect with the postal unions and listen to our concerns. And finally, the issue that has repeatedly stood in the way of a deal – time standards – was off the table because of the ongoing industrial engineering project.

However, despite our best efforts, at the time, there was just too much of a gulf between the parties' positions on general wage increases and COLA. On May 20, 2015, the NRLCA and Postal Service declared an impasse in their efforts to negotiate a new collective bargaining

agreement. As both parties prepared for the next step—interest arbitration—we continued to try to bridge the gap without success. We did not want to bring to the membership a contract we did not think was worthy of ratification. Notwithstanding our commitment to the interest arbitration process, if opportunities for a negotiated settlement arose, we would certainly review our options. We continued talking with PMG Brennan and USPS Vice President of Labor Relations Doug Tulino.

The NRLCA's proposals provided for appropriate and reasonable wage increases, continued cost-of-living adjustments, and the maintenance of core benefits, including the no-layoff clause. Our goal was to improve the National Agreement in as many ways as possible, with our focus remaining on the economic issues that have taken center stage in this round of bargaining. We believe we have achieved that goal, and more, in this tentative agreement.

We encourage you to read over this tentative agreement and the explanation of changes carefully and exercise your right to vote. Your National Board supports the new contract and will be traveling throughout the country to explain the changes in more detail and to answer your questions prior to the ratification vote.



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Tentative Contract Language & Explanations

Note: Changes are indicated with bold, underlined text. Ellipses indicate language in the section has not changed.

WAGES

ARTICLE 9 COMPENSATION, SALARIES, AND

Section 1. Salaries and Wages

A. Basic Annual Salary

The basic annual salary schedules (<u>Tables One and Two</u>) in effect on <u>May 20, 2015</u>, with proportional application to hourly rate employees, for those employees covered under the terms and conditions of this Agreement, shall be increased as follows:

1. Effective November <u>14</u>, 20<u>15</u>

The basic annual salary for each step shall be increased by an amount equal to 1.2% of the appropriate March 21, 2015 salary schedule.

2. Effective November <u>26</u>, 20<u>16</u>

The basic annual salary for each step shall be increased by an amount equal to 1.<u>3</u>% of the appropriate <u>March 21, 2015</u> salary schedule.

3. Effective November **25**, 2017

The basic annual salary for each step shall be increased by an amount equal to 1.3% of the appropriate March 21, 2015 salary schedule.

...

Explanation: This article provides the general wage increases for each year of the Agreement: 1.2% in 2015 (upon ratification, retroactive to

November 14, 2015, 1.3% in 2016, and 1.3% in 2017.

The increases above <u>do not</u> reflect additional COLA adjustments for regular, PTF, and RCA/RCR employees on the rolls prior to August 11, 2012.

E. Cost-of-Living Adjustment

1. Definitions

- a. "Consumer Price Index" refers to the "National Consumer Price Index for Urban Wage Earners and Clerical Workers," published by the Bureau of Labor Statistics, United States Department of Labor (1967=100), and referred to herein as the "Index."
- b. "Consumer Price Index Base" refers to the Consumer Price Index for the month of July <u>2014</u> and is referred to herein as the "Base Index."
- 2. Each eligible employee covered by this Agreement shall receive cost-of-living adjustments, upward, in accordance with the formula in E.3, below, effective on the following dates:
 - The second full pay period after the release of the July 2015 Index
 - The second full pay period after the release of the January 2016 Index
 - The second full pay period after the release of the July 2016 Index
 - The second full pay period after the release of the January 2017 Index
 - The second full pay period after the release of the July 2017 Index
 - The second full pay period after the release of the January 2018 Index

3. Method of Determination

The basic salary schedules provided for in this Agreement shall be increased 1 cent per hour for each full 0.4 of a point increase in the applicable Index above the Base Index. For example, if the increase in the Index from July 2014 to July 2015 is 1.2 points, all pay scales for rural carrier employees covered by this Agreement will be increased by 3 cents per hour multiplied by 2,080 to determine the annual base rate, with proportional application to the evaluated base rates. In no event will a decline in the Index below the Base Index result in a decrease in the pay scale provided for in this Agreement.

...

Explanation: Cost-of-Living Adjustments (COLA) and method of determination will remain the same. The "Base Index" date for the purpose of calculating future COLA adjustments was updated from July 2011 to July 2014. July 2014 represents the date of the last COLA adjustment under the 2010-2015 Agreement.

The dates for the future potential COLA adjustments to the base salary schedules are also indicated in this Article.

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F. Roll-In of Existing COLA

For RCA/RCR employees on rolls prior to August 11, 2012, an amount equal to the COLA paid to full-time rural carriers on an hourly basis under the 2015 Agreement will be rolled into RCA/RCR hourly rates during the first full pay period of August 2018.

Explanation: The language in this Article was changed to update the date of the COLA roll-in for those RCA and RCR employees who were on the rolls prior to August 11, 2012.

• •

I. New Rural Carrier Associates and Assistant Rural Carriers

RCAs hired on or after August 11, 2012, <u>and Assistant Rural Carriers ("ARCs")</u> will be paid the basic hourly rate in Table Four. The hourly rate shall be adjusted by the general increases provided for in Article 9.1.A. In addition, RCAs in Table Four <u>and ARCs</u> will receive the following wage adjustments:

- Effective November <u>14</u>, 20<u>15</u>, the hourly rate shall be increased by 1.0%.
- Effective November <u>26</u>, 201<u>6</u>, the hourly rate shall be increased by 1.0%.
- Effective November <u>25</u>, 201<u>7</u>, the hourly rate shall be increased by 1.<u>0</u>%.

All percentage increases are applied to the <u>Table</u> <u>Four</u> wage rate in place on <u>March 21, 2015</u>.

Explanation: In light of the expansion of Sunday/holiday parcel delivery service, the parties have agreed to establish a new, non-career leave replacement employee classification: assistant rural carrier (ARC). ARCs may only perform Saturday, Sunday, and holiday duties and will be paid on an hourly basis using the rate of pay in Table Four, the same rate as RCAs hired on or after August 11, 2012.

ARCs will be bargaining unit employees with limited contractual benefits. Articles 15 and 16 will apply, but ARCs will not have access to non-career employee health benefits, earned leave, or bidding rights.

Article 9.2.M.1 (actual hours, first five pay periods) and Article 9.2.M.3 (actual hours, if not served route within past 12 months) will not apply to ARCs.

ARCs are not required to take a hiring exam, but all other hiring requirements will apply. Their probationary period will be the earlier of 90 days worked or one year. They must apply for any desired RCA positions and may not automatically convert to an RCA vacancy. ARCs may be required to provide a vehicle for delivery and will receive EMA accordingly.

ARCs will be entitled to Sunday and Holiday

parcel delivery prior to RCAs. They may also case and carry routes on Saturday only after all available RCAs have been assigned and prior to working a regular rural carrier on the relief day. The ARC will not be designated as the primary leave replacement on any regular routes and will not be included in any criteria for implementation or calculation of the formula.

NOTE: RCA/ARC employees identified in this section (those hired on or after August 11, 2012) will continue to receive an additional hourly rate adjustment annually in lieu of COLA adjustments. (See Table 4 below.)

TABLE FOUR								
RURAL CARRIER ASSOCIATE***/								
ASSISTANT RURAL CARRIER								
STRAIGHT-TIME HOURLY WAGE RATES								
Effective Date	General Wage	Wage	Hourly Rate					
Encoure Bate	Increase	Adjustment						
11/14/2015	11/14/2015 1.2%		17.02					
11/26/2016	1.3%	1.0%	17.40					
11/25/2017	1.3%	1.0%	17.78					

*** Applies to rural carrier associates hired on or after August 11, 2012.

RCA/RCR employees on the rolls prior to August 11, 2012 will continue to receive all general wage increases and COLA roll-in during the first full pay period of August 2018. (See Table 3 below).

TABLE THREE								
RURAL CARRIER ASSOCIATE/								
RURAL CARRIER RELIEF								
STRAIGHT-TIME HOURLY WAGE RATES								
Effective Date	General Wage	Sch 1*	Sch 2**					
Effective Date	Increase	Hourly Rate	Hourly Rate					
11/14/2015	1.2%	21.26	24.95					
11/26/2016	1.3%	21.54	25.27					
11/25/2017	1.3%	21.81	25.59					

^{*} Applies to rural carrier associates hired from August 24, 1991 through August 10, 2012.

Section 2. Compensation, Allowance, and Fees

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C. Evaluated Compensation

3. Mail Counts

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(1) A national mail count will be conducted for twelve (12) working days beginning March 12 and ending March 25, 2016. All routes will be counted except those routes which both the regular carrier and management agree in writing not to count. The mail count will be effective at the beginning of the fourth full pay period following the end of the count period.

(2) Unless there is implementation of an alternate method for evaluating routes, or the parties agree otherwise, a national mail count will be conducted for twelve (12) working days beginning February 24, and ending March 9, 2018. All routes will be counted except those routes which both the regular carrier or the rural carrier associate (Designation Code 79), as appropriate, and management agree in writing not to count. The mail count will be effective at the beginning of the fourth full pay period following the end of the count period.

Explanation: This section provides the dates for mail counts that will be conducted during the term of the Agreement.

In accordance with the 2010-2015 Agreement, the parties will conduct a twelve-day mail count beginning on March 12, 2016.

There is no mail count scheduled for 2017.

In 2018, the parties will conduct an opt-out mail count beginning on February 24, unless an alternate method for evaluating routes is implemented or the parties (at the national level) agree not to conduct the count.

If the mail count occurs, all routes will be counted except when the regular carrier or RCA (Des. 79) agrees with management not to count the route.

^{**} Applies to rural carrier associates and rural carrier relief employees on the rolls prior to August 24, 1991.

This represents the first time that RCAs (Designation 79) serving auxiliary routes have been given the opportunity to opt-in (or opt-out) of having their assigned route counted.

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J. Equipment Maintenance Allowance

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3. Rate of EMA

A. Effective with the quarterly adjustment based on the November $201\underline{6}$ CPI-W, the equipment maintenance allowance base rate shall increase by one-half cent $(0.5\fraket)$ to forty-seven and one-half cents $(47.5\fraket)$ per mile or major fraction of a mile scheduled per day or \$19.00, whichever is greater.

Effective with the quarterly adjustment based on the November 2017 CPI-W, the equipment maintenance allowance base rate shall increase by one-half cent (0.5¢) to forty-eight cents (48.0¢) per mile or major fraction of a mile scheduled per day or \$19.20, whichever is greater.

Explanation: This provision increases EMA by 1.0¢ per mile - to a new EMA base rate of 48¢ per mile - over the life of the Agreement.

Example: If the EMA rate is 64¢ per mile at the time of the adjustment based on the November 2016 CPI-W, the new rate will increase to 64.5¢ per mile. The guaranteed minimum is adjusted accordingly.

ARTICLE 12 PRINCIPLES OF SENIORITY, POSTING, AND REASSIGNMENT

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Section 2. Rural Carrier Seniority

A. Accruing Seniority

- 1. Rural carrier seniority begins to accrue with appointment as a regular rural carrier and continues to accrue while service is uninterrupted in the same post office.
- 2. The Employer shall be responsible for the administration of seniority. A current seniority list shall be posted on the official bulletin board following the effective date of this Agreement and a copy of the seniority list shall be furnished to the Union. Thereafter, changes to the seniority list shall be made only when they occur and a copy of such changes will be provided to the Union.

Explanation: This change requires the Postal Service to ensure that seniority is properly applied to rural carriers. Following the effective date of this agreement, the Postal Service, for the first time, will be required to post a current seniority list in every office and furnish a copy to the Union.

The Postal Service will then be required to update seniority lists as changes occur, post the updated list in every office, and provide copies to the Union.

ARTICLE 21 BENEFIT PLANS

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Section 1. Health Benefits

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A. The Office of Personnel Management (OPM) shall calculate the subscription charges under the FEHBP that will be in effect the following January with respect to self only, **self plus one**, and self and family enrollments.

B. The bi-weekly Employer contribution for self only, self plus one, and self and family

plans is adjusted to an amount equal to <u>75</u>% in 201<u>7</u>, 7<u>4</u>% in 201<u>8</u>, <u>and</u> 7<u>3</u>% in 20<u>19</u>, of the weighted average bi-weekly premiums under the FEHBP as determined by OPM. The adjustment begins on the effective date determined by OPM in January 201<u>7</u>, January 201<u>8</u>, and January 201<u>9</u>.

...

E. The limitation upon the Employer's contribution towards any individual employee shall be 78.25% in 2017, 77.25% in 2018, and 76% in 2019, of the subscription charge under the FEHBP in 2017, 2018, and 2019.

Explanation: A new category – self plus one - has been added pursuant to changes in the FEHB.

Self plus one is defined as the eligible employee plus a single designated family member, such as a spouse, child under 26 years old, or child over 26 years old with a mental or physical disability. FEHBP health insurance contributions from the Postal Service will continue to decrease at the rate of 1% each year.

ARTICLE 25 HIGHER LEVEL ASSIGNMENTS

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Section 3. Written Order

Any employee detailed to higher level of work shall be given a written management order, (Form 1723, Notice of Assignment), stating the beginning and approximate termination, and directing the employee to perform the duties of the higher level position. A copy of the Notice of Assignment shall be provided to the district representative.

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Explanation: Under this provision, the Postal Service must notify the appropriate district representative any time a rural carrier is detailed to a higher-level assignment

ARTICLE 29 LIMITATION ON REVOCATION OF DRIVING PRIVILEGES

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Section 5. Licensed Drivers Provided by Employee

In the event a **regular** rural carrier or a substitute rural carrier or a **rural** carrier associate in a leave earning capacity loses his or her driving privileges and cannot be employed in the installation, a licensed driver meeting the Employer's driving standards may be provided by the **regular** rural carrier, substitute rural carrier or the **rural** carrier associate in a leave earning capacity at the carrier's option and expense for a period not to exceed one (1) year. This paragraph is applicable to only the employee's personal vehicle.

Explanation: Under this provision, RCAs in a leave earning capacity who lose their driving privileges will be permitted to provide a licensed driver in the same manner as regular and substitute rural carriers.

ARTICLE 30

WORKING RULES FOR RURAL CARRIERS

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Section 2. Special Provisions for Part-time Flexible Rural Carriers, Substitutes, Rural Carrier Associates, Rural Carrier Relief Employees, and Auxiliary Rural Carriers

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G. Filling an Auxiliary Route

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Language will be added to provide that leave replacements assigned to the auxiliary route in accordance with Article 30.2.G may be utilized on any other auxiliary route, serve as a leave replacement, or provide auxiliary assistance on any regular route, in addition to the auxiliary route and/or primary route assignment.

ARTICLE 31 UNION-MANAGEMENT COOPERATION

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Section 2. Information Provided by Employer

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Requests for information relating to local matters must be submitted by an authorized steward in writing to the installation head or designee. Requests for information relating to policy matters at a district or area level will be submitted by a National Executive Committeeman, in writing, to the appropriate Area Manager, Labor Relations. All other requests for information shall be directed by the National President of the Union to the Vice President, Labor Relations or designee.

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Explanation: This provision adds new language specifying that Executive Committeemen have the authority to request information related to district or area level matters.

Section 3. Meetings

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a. National Level

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4. Such meetings may be held via teleconference or any other available electronic communication. b. Area Level

...

- 4. <u>Such meetings may be held via tele-conference or any other available electronic communication.</u>
- c. District Level
 - 1. Frequency Semiannually; however, by mutual agreement additional or less frequent meetings may be held.
 - 2. Attendees The District Representative and/or the Assistant District Representative(s).
 - 3. Agenda Items Items of districtwide concern which affect more than one office, such as Safety and Health, Human Rights, and other labor-management subjects.
 - 4. Such meetings may be held via teleconference or any other available electronic communication.
- d. Local Level

...

Explanation: For the first time, the parties have provided that labor-management meetings—other than local meetings and meetings involving discussions of grievances—may be conducted by teleconference or other electronic means.

This section also now provides for regular labormanagement meetings at the District level to discuss non-grievance related issues relevant to more than one office in the District.

7. MEMORANDUM OF UNDERSTANDING BETWEEN THE UNITED STATES POSTAL SERVICE AND THE NATIONAL RURAL LETTER CARRIERS' ASSOCIATION

It is agreed that the following procedure will be used in situations in which an employee is temporarily unable to perform all of the duties of his or her normal rural carrier assignment.

- 1. Regular rural carriers who are temporarily unable to fully perform the duties of the bid-for position will be allowed to bid for a rural carrier assignment in accordance with Article 12.3 of the USPS-NRLCA National Agreement, provided the employee will be able to perform the duties of the bid-for position within the lesser period, either; six (6) months from the time the bid is submitted or the remainder of the two (2) year period described in MOU #6 regarding relinquishing the route when a regular carrier is unable to perform all the duties of the assigned rural route for a period of two years. During this period, the position shall be held in abeyance and shall not be awarded to the employee until such time that he or she is able to perform the duties of the bid-for position. A regular carrier that has relinquished his or her route in accordance with MOU #6 is not eligible to hold an assignment in abeyance pursuant to this MOU.
- 2. Substitutes and Rural Carrier Associates (RCA) who are temporarily unable to fully perform the duties of a bid-for regular rural carrier position or a Part-time Flexible Rural Carrier (PTF) position will be allowed to bid for the rural carrier assignment in accordance with Article 12.3. or Article 30.2.A.3. of the USPS-NRLCA National Agreement, provided the employee will be able to perform the duties of the bid-for position within six (6) months from the time the bid is submitted. During this period, the position shall be held in abeyance and shall not be awarded to the employee until such time that he or she is able to perform the duties of the bid-for position.
- 3. PTF rural carriers who are temporarily unable to fully perform the duties of a vacant regular position, will not be awarded the regular position and the vacant regular position shall be held in abeyance provided the employee will be able to perform the duties of the regular position within six (6) months from the time the position would have been awarded in accordance with Article 12.3.C.3. During this period, the position shall be held in abeyance and shall not be awarded to the employee until such time that he or she is able to perform the duties of the bid-for position.
- 4. An employee currently holding an assignment in abeyance in accordance with items 1 or 2 above, may elect to bid on other vacancies in accordance with Article 12.3. Should the employee become the successful bidder, the employee relinquishes the first assignment and the subsequent assignment is held in abeyance for the remainder of the period described above in items 1 or 2. Pursuant to Article 12.3., when vacant regular rural routes are posted at the post office where a PTF rural carrier is currently holding a regular rural route assignment in abeyance in accordance with item 3. above, the PTF will be permitted to bid on other vacant regular routes. The PTF must submit a written bid during the 10-day posting period. Should the PTF become the successful bidder, the PTF relinquishes the assignment being held in

abeyance and the subsequent assignment is held in abeyance for the remainder of the period described above in item 3. Submitting a bid for other vacancies pursuant to this item does not extend the time period described above in items 1, 2 or 3. An employee must be able to perform the duties of the subsequent assignment within the abeyance period established by the first bid under this MOU.

- 5. Prior to the award of the bid-for position the employee must have on file or must provide medical certification indicating that the employee will be able to fully perform the duties of the bid-for position within the period described in items 1, 2, 3, or 4. If the employee fails to provide such certification, the position will not be held in abeyance and will be awarded to the next senior bidder in accordance with Article 12.3 or Article 30.2.A.3. Under such circumstances, the employee shall not be permitted to hold any positions in abeyance until they have returned to full duty.
- 6. If at the end of the abeyance period described in items 1, 2, 3, or 4, the employee is still unable to perform the duties of the bid-for position, the position shall be reposted for bidding in accordance with Article 12.3 or Article 30.2.A.3 of the USPS-NRLCA National Agreement and the employee shall not be permitted to hold any positions in abeyance until they have returned to full duty.
- 7. If, during or at the end of the abeyance period described in items 1., 2., 3., or 4., the employee is able to fully perform the duties of the bid-for position, the position held in abeyance will be awarded at the beginning of the next full pay period following the notification of return to full duty.
- 8. When an absent regular, PTF, substitute or RCA rural carrier has so requested in writing, stating the employee's mailing address, a copy of any notice inviting bids from the craft shall be mailed to the employee by the installation head or designee.

Doug A. Tulino Vice President Labor Relations U.S. Postal Service Jeanette Dwyer President National Rural Letter Carriers' Association

Explanation: The changes to MOU 7 address the timing for a carrier's submission of medical certification when he or she bids on a position. Paragraph 5 has been amended to require that the carrier no longer has to provide the medical certification prior to submission of the bid, but can provide the documentation at any time prior to the award of the position.

Further, the following language in paragraph 5 was <u>removed</u>: "Under such circumstances, the employee shall not be permitted to hold any position in abeyance until they have returned to full duty".

Currently, an employee who is unable to provide appropriate medical documentation for a bid-for

Currently, an employee who is unable to provide appropriate medical documentation for a bid-for position, is not allowed to hold any future bid-for positions in abeyance until they return to full duty.

Upon ratification, if the employee is unable to provide appropriate medical certification prior to an award, they will now be able to bid and hold in abeyance a subsequent bid-for position, provided they are able to supply appropriate medical documentation at that time.

In any case, under the provisions of MOU 7, an employee may still only hold one bid-for position in abeyance.

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

Bereavement Leave

NRLCA represented employees may use a total of up to three workdays of annual leave, sick leave or leave without pay, to make arrangements necessitated by the death of a family member or attend the funeral of a family member. Authorization of leave beyond three workdays is subject to the conditions and requirements of Article 10 of the National Agreement, Subsection 510 of the Employee and Labor Relations Manual.

Definition of Family Member. "Family member" is defined as a:

- 1. Son or daughter a biological or adopted child, step-child, daughter-in-law or son-in-law;
- 2. Spouse;
- 3. Parent
- 4. Sibling brother, sister, brother-in-law or sister-in-law; or
- 5. Grandparent.

Use of Sick Leave. For employees opting to use available sick leave, the leave will be charged to sick leave for dependent care, if eligible.

Documentation. Documentation evidencing the death of the employee's family member is required only when the supervisor deems documentation desirable for the protection of the interest of the Postal Service.

Doug A Tulino Longtto Drugos

Doug A. TulinoJeanette DwyerVice PresidentPresidentLabor RelationsNational Rural LetterU.S. Postal ServiceCarriers' Association

Explanation: This new MOU gives rural carriers the express right to use up to three workdays of annual leave, sick leave, or leave without pay for time off relating to the death of a family member (as defined in the MOU). If more than three days are to be used, authorization is required pursuant to the ELM and Article 10 of the National Agreement. Generally, documentation will not be required, but supervisors do have discretion to request such documentation if they believe the interests of the Postal Service are at stake.

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

Payroll Allotments

As soon as administratively practicable, the Postal Service will increase the maximum allotments in the existing program by providing one additional allotment for the use of the NRLCA bargaining unit employees.

Doug A. TulinoJeanette DwyerVice PresidentPresidentLabor RelationsNational Rural LetterU.S. Postal ServiceCarriers' Association

Explanation: This new MOU increases the number of available allotments from two to three.

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

Non-Career Employee Health Benefits

After one year of continuous employment, any eligible non-career rural carrier who wants to pay health premiums to participate in the Federal Employees Health Benefits (FEHB) Program on a pre-tax basis will be required to make an election to do so in accordance with applicable procedures. The total cost of health insurance is the responsibility of the non-career employee except as provided below.

Beginning in Plan Year 2015, the Postal Service will make a bi-weekly contribution to the total premium for any non-career rural carrier who is eligible to participate in the USPS Non-Career Employee Health Benefits Plan (USPS NCEHB Plan) equal to the greater of (a) \$125, or (b) the minimum required by the Patient Protection and Affordable Care Act, and applicable regulations, for self-only plan. Any non-career rural carrier wishing to make their health care contribution on a pre-tax basis will be required to make an election to do so in accordance with applicable procedures. Non-career rural carriers will be eligible for the USPS NCEHB Plan within a reasonable period from the date of hire and entry into a pay status, normally within ninety (90) days, consistent with the requirements established under the Patient Protection and Affordable Care Act.

/Doug Tulino /Jeanette Dwyer

Doug A. Tulino
Vice President
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<u>Jeanette Dwyer</u>
<u>President</u>
<u>National Rural Letter</u>
Carriers' Association

Explanation: The parties signed this MOU–providing health benefits to qualified RCAs–on November 14, 2014. The MOU will be incorporated into the 2015-2018 National Agreement.

All qualified RCAs are now eligible for two types of health insurance through the USPS: 1. "Traditional" Federal Employees Health Benefit Plan (FEHBP) or 2. New USPS Health Benefits (USPSHB) Plan.

The following non-career employees are eligible for the <u>traditional FEHBP health insurance coverage</u>:

Substitute Rural Carriers and Rural Carrier Associates who meet the following criteria:

- 1. Have completed 1 year of continuous employment, disregarding breaks in service of 5 days or less.
 - 2. Have a predetermined tour of duty.
- 3. Have sufficient earnings to cover mandatory withholdings and premium deductions (both employer and employee contributions).

Eligibility for the New USPS Health Benefits (USPSHB) Plan

To be eligible for USPSHB Plan enrollment you must meet these requirements:

- 1. Be a rural carrier non-career employee
- 2. Have sufficient earnings to cover mandatory withholdings and premium deductions.

For 2016, your share of the premium every pay period will be:

Self Only: \$35 Self Plus One: \$195 Self and Family: \$355

This MOU represents the first time that qualified RCAs have access to health insurance subsidized by the employer.

You may enroll or increase your coverage tier during the following opportunities:

- 1. The annual Open Season
- 2. Within 60 days of when you are newly hired or newly eligible for the USPSHB Plan
- 3. Within 60 days of a Qualifying Life Event

If you are enrolled and paying your premiums on a pre-tax basis, you can reduce or cancel your coverage during Open Season or when you experience a Qualifying Life Event.

In addition to the above, there will be a one-time opportunity, "Open Season" for RCAs to enroll in the USPSHB plan within a reasonable period after contract ratification.

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

The parties agree that until such time as the revised Evaluated Compensation System is implemented, carriers on rural routes that have assigned Employer provided vehicles and receive delivery point sequence (DPS) flats may, at their option, case and strap out DPS flats with other mail in accordance with Handbook PO-603, Section 15, Schedules.

Casing of DPS flats at the carrier's option will not affect or modify mail count procedures or the application of the DPS flats time standard. Additionally, management may require these carriers to take DPS flats directly to the street without casing in certain situations, such as, leaving so late as to cause significant delays in the customer's anticipated delivery window; being unable to return to the office in order to meet the primary dispatch; or exceeding, on a consistent basis, the overall weekly evaluation of the route.

Doug A. TulinoJeanette DwyerVice PresidentPresidentLabor RelationsNational Rural LetterU.S. Postal ServiceCarriers' Association

Explanation: This new MOU gives carriers with employer-provided vehicles the right to case and strap out DPS flats. Management has discretion to require carriers to take DPS flats to the street under the same circumstances that exist for DPS letters. The MOU is in effect until the implementation of the revised Evaluated Compensation System.

ADDITIONAL AGREEMENTS under the 2015-2018 National Agreement

SEASONAL ROUTE TASK FORCE

The parties agree to establish a task force to review all aspects of seasonal deliveries and make appropriate recommendations regarding any proposed changes.

MAIL COUNT TASK FORCE

The parties agree to establish a task force to discuss alternatives to the current mail count procedures.

NEW EMPLOYER-PROVIDED DELIVERY VEHICLES

It is the intent of the Postal Service to completely replace the long-life vehicles (LLV) currently assigned to rural routes.

All other memoranda of understanding are continued in the successor Agreement.

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

The parties recognize the importance of successfully implementing the continued expansion of Sunday/holiday parcel delivery service, which began testing in October, 2013. The parties agree that rural carrier leave replacements will be assigned, as appropriate, to complete Sunday/holiday parcel deliveries.

In order to have sufficient rural carrier leave replacements available to complete Sunday/holiday parcel delivery, a Sunday/Holiday Parcel Delivery Work List will be established for part-time flexible rural carriers (PTF), substitute rural carriers, rural carrier associates (RCA) and rural carrier relief employees. Assistant rural carriers (ARC) will not be included on the Sunday/Holiday Parcel Delivery Work List as these employees are hired specifically to work on Sundays and holidays. This list will be established within two weeks of the effective date of this memorandum of understanding (MOU). Future lists will be established during the same time periods as the relief day work list (Article 8.5.A), and each new list shall supersede the previous list.

There will be no Sunday/Holiday Parcel Delivery Work List utilized upon collapse of the hub concept during peak season. Management will utilize ARCs first; then utilize leave replacements within their own offices and then may borrow leave replacements, as needed, to complete Sunday/holiday parcel delivery during the hub collapse.

To establish the initial Sunday/Holiday Parcel Delivery Work List, the NRLCA District Representative or designee, and a Postal Service representative designated by the District Manager Human Resources, will create a listing of all available part-time flexible rural carriers, substitute rural carriers, rural carrier associates (RCA), and rural carrier relief employees assigned to the hub location, including stations, branches, and any remotely managed post office(s); associated 'spoke' offices; and nearby rural delivery post offices, as determined by the parties' representatives. Each available leave replacement on this listing will then indicate his/her desire to work or not work on Sundays and holidays, accordingly. Once the signing period is complete, the list will be separated and alphabetized, by last name, regardless of seniority, classification or the assigned office. One list will include all volunteer leave replacements as identified above, and the second list, non-volunteer leave replacements. The initial list should be amended as new RCAs are appointed and/or PTFs, substitute rural carriers, RCAs, or rural carrier relief employees are separated or converted to regular rural carrier. If necessary the parties' representatives may reconvene in advance of a Sunday/Holiday Parcel Delivery Work List posting to ensure all leave replacements are properly annotated.

Newly hired RCAs will be afforded the opportunity to place their name on the Sunday/Holiday Parcel Delivery Work List as volunteers within sixty (60) days of hire. If these rural carri-

ers choose not to sign the volunteer list at this time, they will be placed on the non-volunteer list.

When it is necessary to schedule rural carrier leave replacements for Sunday/holiday parcel delivery, management will first utilize any ARCs assigned to the hub location or associated 'spoke' offices. If there are no ARCs assigned to these locations or an insufficient number of ARCs, management at the hub location will then select leave replacements from the volunteer list on a rotating basis. If there is an insufficient number of leave replacements on the volunteer list, management will schedule leave replacements from the non-volunteer list, also on a rotating basis.

Rural carrier associates serving vacant regular routes or serving regular routes during the extended absence of the regular carriers, including the first ninety (90) days before becoming a Designation 74-0, will not be scheduled for Sunday/holiday parcel delivery unless all leave replacements from both the volunteer and non-volunteer lists are scheduled. Leave replacements on both the volunteer and non-volunteer Sunday/Holiday Parcel Delivery Work Lists will be bypassed in the rotation if the leave replacement has approved leave or an approved non-scheduled day adjacent to Sunday or the holiday. However, the leave replacement on the Sunday/Holiday Parcel Delivery Work List may notify management in writing that he or she does not wish to be bypassed in this circumstance, provided notice is given at the time the leave is requested. In addition, management may bypass leave replacements for Sunday/holiday parcel delivery if such assigned work hours would result in the leave replacement exceeding 40 hours at the end of the work week.

This agreement is reached without prejudice to the position of either party in this or any other matter and does not set precedence in the same or similar issues in the future. Either party may terminate this agreement by providing 30 days written notice to the other party.

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

Jeanette Dwyer
President
National Rural Letter
Carriers' Association

Explanation: This new MOU establishes provisions for creating a Sunday/Holiday Parcel Delivery Work List to ensure there are sufficient rural carrier leave replacements available to complete Sunday/holiday parcel delivery. This list will be established within two weeks of the effective date of this memorandum of understanding (MOU). Future lists will be established during the same time periods as the relief day work list (Article 8.5.A), and each new list shall supersede the previous list. The Sunday/Holiday Parcel Delivery Work List will be established for part-time flexible rural carriers (PTF), substitute rural carriers, rural carrier associates (RCA) and rural carrier relief employees. The new assistant rural carrier (ARC) employees will not be included on the Sunday/Holiday Parcel Delivery Work List, as these employees are hired specifically to work on Sundays and holidays and will be utilized on those days prior to other leave replacements.

NOTES

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Ratification Meeting Dates

he National Officers will conduct ratification meetings on the tentative three-year contract between the NRLCA and the USPS in March. Listed below are the meeting dates, states, and assigned officers. Members should watch for their official notification in the mail for more details.

3/5	3/6	3/12	3/13	3/19	3/20
GA	AL	ОН	MI	WY	СО
TN	KY	PR	FL	MS	LA
	MD				
VA	WV	ME	NH	ID	MT
МО	KS	NE	IA	IL	IN
AZ	CA	OR	WA	DE	NJ
SC	NC	WI	MN	ND	SD
PA	NY	MA	VT	NV	UT
OK	AR	NM	TX	RI	CT
	GA TN VA MO AZ SC PA	GA AL TN KY MD VA WV MO KS AZ CA SC NC PA NY	GA AL OH TN KY PR MD VA WV ME MO KS NE AZ CA OR SC NC WI PA NY MA	GA AL OH MI TN KY PR FL MD VA WV ME NH MO KS NE IA AZ CA OR WA SC NC WI MN PA NY MA VT	GA AL OH MI WY TN KY PR FL MS MD VA WV ME NH ID MO KS NE IA IL AZ CA OR WA DE SC NC WI MN ND PA NY MA VT NV