

# National-level arbitration update: the hiring ratio case



**Lew  
Drass**

**I will use my space this month to** discuss one of the pending national issues that we are working toward resolving. If you were one of the first former transitional employees (TEs) converted to career status in your current or former installation, you should read this article carefully, as it may concern you. As you read this, you should also understand that if you are affected by this situation, any benefit you may receive from what is explained below is separate from, and *in addition to*, any benefits you will receive in the 2016-2019 National Agreement.

The case is Q11N-4Q-C-13212958. USPS brought this case to the national level on June 7, 2013. The issue as framed by the USPS is “*whether the*

*Postal Service is required, notwithstanding the conversion ratio under Article 7.3.A, to convert a City Carrier Assistant (CCA) to full-time career status under the following circumstances: A residual vacancy exists in an installation that is not under Article 12 withholding, there are no available part-time flexible, full-time unassigned regular, or full-time flexible city letter carriers in the installation, and the installation employs CCAs?”*

**This case really began when the Das award was issued** on Jan. 10, 2013. This is where the employee classification of CCA was born. The Das award required USPS to give TEs an opportunity to become CCAs. The catch was that TEs had to take the postal exam along with the general public and score high enough to be hired consistent with their test results and legal requirements.

The process of seeing that all the former TEs who wanted to become CCAs were permitted to take the postal exam proved to be quite a task. Many TEs had computer problems when trying to register, trouble taking/passing the pre-test, or even finding a reasonable location to take the postal exam.

In response, we negotiated an agreement that was signed on Jan. 29, 2013 (M-01799) with USPS that ensured that TEs would begin to be paid for the time they spent traveling to the testing location and taking the test. Despite this agreement, these problems continued through February and on into March of 2013.

At that time, we had an interest in delaying CCA conversions to career status until our former TEs who wanted to become CCAs were actually hired. We still had thousands of PTFs to convert and a number of full-time carriers who had been denied the opportunity to transfer for a long time due to withholding. On March 19, 2013, President Rolando signed a short-term memorandum of understanding (MOU) Re: Part

Time Flexible Opportunities (M-01808). This MOU was designed to allow PTFs the opportunity to move from one city to another to be converted to full-time status and regular letter carriers to transfer and maintain their full-time status while we waited for the CCA hiring process to be completed. This agreement was set to expire on April 10. However, the CCA hiring process was still not completed by then, so we continued the MOU until May 10, and then a third time until May 24, 2013.

That was it. Those who had been waiting to transfer, and PTFs who wanted to go to a different city so they could convert to full-time status, had an opportunity to do so. We developed grievance starters for the delay in converting CCAs to career status after May 24, 2013, and distributed them to branches through the national business agent offices.

**Affected branches began to file grievances to get CCAs** converted to career status. Once again, USPS brought this issue to the national level on June 7, 2013, and framed the issue as referenced above.

The number of grievances held for this dispute grew to around 400 that summer. Meanwhile, we continued to negotiate with USPS for a process to fill the residual vacancies that existed at the time. On Aug. 30, 2013, the MOU Re: Residual Vacancies – City Letter Carrier Craft (M-01824) was signed. This MOU was designed to balance facilitating transfers and converting PTFs with promoting CCAs to career status and is reprinted in its entirety at the end of this article. M-01824 evolved through time with a series of MOUs (M-01834, M-01856 and M-01876). These MOUs have resulted in 48,700 CCA conversions to career status and a reduction in the number of PTFs around the country from more than 12,000 to 425 since the Das award was issued on Jan. 10, 2013. The number of PTFs has already grown as a result of our new contract.

The MOU Re: Full-time Regular Opportunities – City Letter Carrier Craft is now part of the 2016-2019 National Agreement. Please note that PTF positions created as a result of our new contract are not eligible to transfer in accordance with Paragraph 2 of this MOU. The provisions of Paragraph 2 only apply to the 425 PTFs who were not converted under the Das award. New PTFs created by our new contract are eligible to transfer under Paragraph 3 (just like anyone else).

**All this is great, but what about those 400 grievances** being held for this dispute? We have agreed on terms for a settlement that will apply to each of the grievances held for this dispute. The principles of this settlement are really pretty simple. We have agreed to function as if we had signed the MOU Re: Residual Vacancies – City Letter Carrier Craft (M-01824) on May 24, 2013, instead of on Aug. 30, 2013, when this MOU was actually signed.

If M-01824 had been signed on May 24, 2013, there would have been a 21-day national posting of all residual vacan-

*(continued on next page)*

# National-level arbitration update: the hiring ratio case (continued)

cies in the country from June 1 to June 21, 2013. The first day of the third pay period from June 21, 2013, is July 27, 2013. Additionally, under the terms of M-01824, career letter carrier transfers would have been taken before CCA conversions were made. Therefore, any of the residual vacancies at issue that were filled with a letter carrier transfer will be excluded from this settlement. For instance, if a grievance involved one residual vacancy and it was filled with a letter carrier transfer, there is no remedy due. On the other hand, if a grievance involved 10 residual vacancies and two of them were filled with letter carrier transfers, there may be up to eight letter carriers affected by this settlement.

With that understanding, this settlement applies to more than 1,000 letter carriers who meet the following criteria:

- There is a grievance from your city being held for this dispute.
- You were one of the first CCAs converted to full-time career status in your city as a result of a residual vacancy that existed prior to Aug. 30, 2013.
- You are still working in the City Delivery Letter Carrier Craft.

If you meet all of the criteria referenced above, you may be a letter carrier who is affected. Here is what that means:

Each affected letter carrier will have their conversion to full-time career status made retroactive to July 27, 2013. The impact these retroactive conversions will have will vary for each person, based on when you were actually converted to full-time career status. The majority affected were converted to full-time career status on Nov. 2, 2013. However, there are also many who did not get converted until sometime in 2014. The remedy due stretches from whenever you were converted back to July 27, 2013, and includes:

- Seniority credit back to July 27, 2013 (unless you went into management, another craft or left USPS and came back to the city letter carrier craft).
- The difference in pay back to July 27, 2013, applied to all hours worked.
- Credit for step increases back to July 27, 2013. (This will result in all of you reaching top pay sooner. Some of you will move to the next step in the pay scale. For others, it will cause your next step increase to come sooner.)
- Pay for up to eight hours for any day you worked less than eight hours back to July 27, 2013.
- 25 percent premium pay for every Sunday you worked back to July 27, 2013.
- Retirement credit back to July 27, 2013.
- Minimum contributions from USPS to your TSP account back to July 27, 2013.
- Four hours of sick leave added to your balance each pay period back to July 27, 2013.
- Annual leave hours added to your balance each pay period back to July 27, 2013. (There is a trade-off here.)

- Paid holidays back to July 27, 2013.

Those affected letter carriers who were originally converted to full-time career status after Jan. 1, 2014, will enjoy an additional benefit that is quite significant.

On Jan. 1, 2014, the law changed regarding the amount federal employees are required to contribute toward their retirement. Letter carriers converted to career status after Jan. 1, 2014, pay 4.4 percent of their basic salary (excluding overtime) toward their retirement contribution. Letter carriers converted to career status before Jan. 1, 2014, pay 3.1 percent of their basic salary (excluding overtime) toward their retirement contribution. This will result in a raise of 1.3 percent for those of you who have their conversion to career status changed from sometime in 2014 to July 27, 2013. This raise will continue throughout your career unless the law changes again.

There are two negative aspects for those affected by this settlement. They are:

1. Most of you will receive a letter that says you will have to pay back some of the money from the terminal annual leave check you received when you converted from CCA to career status. The amount you will owe will vary based on the timing of your five-day break and conversion to career status. The good news is that whatever you owe as a result of this situation should be offset by the holiday pay you are owed. The end result should be that you are credited with annual leave hours that are worth more money than they were when you were paid for them at no out-of-pocket cost to you.
2. USPS Shared Services has to rebuild your employment history from the present back to July 27, 2013. This means that every PS Form 50 generated for you since that time has to be adjusted going backward for you to receive all of the benefits listed above. It turns out that USPS Shared Services has a limit of adjusting six Form 50s in any one pay period. Unfortunately, the process for most of you cannot be completed in one period due to the amount of time that has transpired. The result of this is that you will be paid less than you should be per hour for a few pay periods. Most of you have between 12 and 18 Form 50s to correct, so the reduction in pay may persist for two to three pay periods. You may also see your leave balances reduced during this employment history rebuilding period. Once your Form 50s are corrected back to July 27, 2013, your pay and leave balances will correct themselves. At that point, some of you will enjoy a step increase (raise) while others will return to where you are now. Management will then make any necessary pay adjustments as a result of this settlement via PS Forms 2240. Once the process is completed, you will receive a pay adjustment for every nickel you are owed from the temporary reduction in pay plus everything you are due as a result of all the benefits referenced above at one time as a pay adjustment in your paycheck.

# National-level arbitration update: the hiring ratio case (continued)

## Memorandum of Understanding (MOU) Re: Residual Vacancies – City Letter Carrier Craft (M-01824)

The following is in lieu of a normal Contract Talk section of this month's Postal Record and should be read in conjunction with my column from the previous pages.

As promised, the Memorandum of Understanding (MOU) Re: Residual Vacancies – City Letter Carrier Craft (M-01824) is reprinted in its entirety. Please take note that this MOU (M-01824) is no longer in effect. The purpose of printing this expired agreement is to try to help you better understand the terms of settlement for national level case number Q11N-4Q-C-13212958.

Once again, USPS brought this case to the national level on June 7, 2013. The issue as framed by the USPS is “*whether the Postal Service is required, notwithstanding the conversion ratio under Article 7.3.A, to convert a City Carrier Assistant (CCA) to full-time career status under the following circumstances: A residual vacancy exists in an installation that is not under Article 12 withholding, there are no available part-time flexible, full-time unassigned regular, or full-time flexible city letter carriers in the installation, and the installation employs CCAs?*”

M-01824 was in effect from Aug. 30, 2013, to March 31, 2014, and stated:

### Re: Residual Vacancies - City Letter Carrier Craft

The parties agree to use the following procedures during the term of this agreement to facilitate filling residual full-time regular city letter carrier duty assignments (referenced in Article 7.3.A of the 2011 collective bargaining agreement):

Residual city letter carrier assignments covered by this agreement (which are not subject to a proper withholding order pursuant to Article 12 of the collective bargaining agreement) will be filled in the following order:

1. Within 28 days of an assignment becoming residual (or for current residual vacancies no later than the first day of the third full pay period after the effective date of this agreement) the assignment will be filled by: a) assignment of an unassigned full-time regular or full-time flexible city letter carrier in the same installation and then, b) conversion to full-time status of a part-time flexible city letter carrier in the same installation as the residual vacancy, pursuant to Article 41.2.B.6(b) of the National Agreement.

2. Residual vacancies that cannot be filled through step 1 will be posted in eReassign for a 21 day period during the next available posting cycle (in installations with no available part-time flexible or unassigned/full-time flexible employees the residual vacancies will be posted in eReassign for a 21 day period during the first available posting cycle after the effective date of this agreement). Application for these vacancies will be accepted only from career city letter carriers. Consideration will be given based on the order the applications are received and will include reassignment requests already pending in eReassign as of the date of this agreement. Requests from part-time flexible city letter carriers will be acted upon without regard to normal transfer considerations.

3. Residual vacancies that remain after step 2 will be filled by acceptance and placement of voluntary reassignment (transfer) requests from other crafts from within the installation or through eReassign, and conversion of city carrier assistants to full-time career status in the same installation as the residual vacancies. Reassignments from other crafts will be made consistent with the terms of the Memorandum of Understanding, Re: Transfers. The number of reassignments granted to employees from other crafts is limited to the one in four or one in six rule as defined in the Memorandum of Understanding, Re: Transfers, as applicable. Conversion of city carrier assistants to full-time career status will take place no later than the first day of the third full pay period after either the close of the posting cycle or, when an employee is being considered for transfer, the date the employee or employer rejects the offer/request.

Part-time flexible city letter carriers who elect reassignment to another installation through this agreement will receive retreat rights back to their original installation. Retreat rights will be offered to the first residual vacancy in the original installation that occurs when there are no part-time flexible city letter carriers on the rolls of the original installation. City letter carriers who exercise retreat rights will have their craft seniority restored, augmented by time worked in the other facility, upon return to the original installation. Failure to accept retreat rights ends the opportunity to retreat back to the original installation.

During the term of this agreement no reassignments in the city letter carrier craft will be made within or between installations or from other crafts, unless the reassignment is made based on a mutual exchange, through the Article 12 involuntary reassignment process, or pursuant to this agreement.

City letter carriers accepting a voluntary reassignment under this agreement will begin a new period of craft seniority in the gaining installation.

Employees moving between installations pursuant to the terms of this agreement are solely responsible for any and all costs related to relocation.

The union will be provided a list of all residual vacancies posted in eReassign each posting cycle....”

**The balance of converting PTFs to full-time status, accepting career transfers, and converting CCAs to career status to fill residual vacancies that was first established with M-01824 evolved through time with a series of MOUs entitled Re: Full-time Regular Opportunities – City Letter Carrier Craft (M-01834, M-01856 and M-01876). The latest MOU on this issue is entitled Re: Residual Vacancies – City Letter Carrier Craft and is now part of the 2016-2019 National Agreement.**

**I want to take this opportunity to apologize for the inconvenience and/or hardship the temporary reduction may cause you, but I feel good in reporting that the final outcome will be a great benefit to every letter carrier who is affected by these settlements.**

I also wish all of you and your families a happy Thanksgiving!