

**MEMORANDUM OF UNDERSTANDING
BETWEEN THE
DEPARTMENT OF LABOR
AND THE
NATIONAL COUNCIL OF FIELD LABOR LOCALS, AFGE, AFL-CIO**

Introduction:

This is a Memorandum of Understanding (MOU) entered into by the U.S. Department of Labor (DOL) and the National Council of Field Labor Locals (NCFLL), AFGE, AFL-CIO, in accordance with applicable provisions of the Master DOL Agreement.

Subject:

This MOU concerns the procedures and appropriate arrangements for NCFLL bargaining employees (BUE) as it pertains to the OASAM Regional Finance Office consolidation.

Definitions:

Displaced employee –A displaced employee is any bargaining unit employee of any OASAM Finance Office, who has been or will be transferred to a different position within the U.S. Department of Labor subsequent to May 23, 2008 as a result of the Finance Consolidation Project. The locations and numbers of displaced employees are as follows:

- Boston – 1
- New York – 3
- Philadelphia – 3
- Dallas - 1

Impacted employee – An impacted employee is any bargaining employee of any OASAM Finance Office as of May 23, 2008.

Terms of the Agreement:

1. The National Council of Field Labor Locals (NCFLL) understands that management has a legal right to reorganize the Finance Offices of the Office of the Assistant Secretary for Administration and Management (OASAM) and seeks, through this MOU, to negotiate procedures and appropriate arrangements that will serve to protect the rights and preserve the interests of impacted OASAM employees. The NCFLL does not agree that the Department should consolidate the Regional Finance Offices of the OASAM into Atlanta, Chicago and San Francisco.

2. The Department and the NCFLL are committed to limiting the impact experienced by OASAM Finance Office employees during the consolidation. The parties mutually recognize the value of retaining experienced and professional staff.
3. In accordance with Article 5, Section 3, impacted employees shall have the right to bring matters of personal concern to Management. Impacted employees also have the right to raise concerns with NCFLL. Management will work with all parties as appropriate to resolve concerns regarding the Finance Reorganization.
4. The Department recognizes its obligations to provide notice to the appropriate Union officials with regard to formal discussions regarding this consolidation. Management will provide advance notice to the appropriate NCFLL points of contact. Regional OASAM management officials will be reminded of their obligation to provide notice to the NCFLL, as described above. The NCFLL officers will be informed when this reminder takes place.
5. The Department guarantees that displaced employees have been offered a position in OASAM within their commuting area. The positions offered provide pay, grade and promotion opportunities equal to their present positions.
6. In accordance with DPR 430 and Article 43, Section 7 of our collective bargaining agreement, the rating official must appraise employees' performance relative to the elements and standards performed. The performance rating of record must take into consideration factors outside the employee's control impacting the results achieved. At the employees' request, the supervisor will explain whether and how factors outside the employee's control were taken into consideration.
7. Employees who make significant contributions to the success of the consolidation will be considered for a special act or service award, instant good job award, performance award, or time off award.
8. Displaced employees being reassigned to new positions will receive their FY08 annual performance evaluation on or before October 30th, consistent with the normal performance cycle. The rating will be based on existing performance standards with full credit being given to work performed in FY08. Performance standards for new positions will not become effective until FY09.
9. Overtime will be administered in accordance with Article 26 of the parties' collective bargaining agreement and applicable laws and regulations. Management will solicit from qualified volunteers before mandatory overtime is assigned.
10. In the absence of a compelling need, management shall honor all previously approved leave requests for affected employees. Management will adhere to the

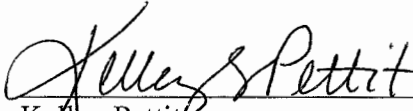
terms of Article 36 of our collective bargaining agreement when acting on all requests for annual leave.

11. Management will provide the necessary training to impacted employees to enable them to perform the functions of their jobs. When requested by the impacted employee, an Individual Development Plan (IDP) will be developed consistent with the Department's Continuous Learning Policy.
12. Management will provide on-the-job training and mentoring for those displaced employees who are assigned new duties in the remaining finance offices. Bargaining unit employees who serve as mentors will not be required to provide written assessment of bargaining unit employees' performance, nor will the performance of mentoring duties have a negative impact on mentors' performance evaluations. Input from bargaining unit mentors will not be used in performance appraisals of employees.
13. Management intends to allow employees to maintain their existing work schedules. If Management identifies a need to alter an employee's work schedule it will be done in accordance with Article 25, Section 3 of the our collective bargaining agreement.
14. All potential space issues concerning the Finance Offices consolidation will be handled in accordance with Article 10 of the our collective bargaining agreement.
15. Management will provide the NCFLL officers advance copies of relevant contact information for the new servicing Finance Offices.
16. Voluntary Early Retirement Authority will remain in effect for all eligible impacted employees until September 30, 2008. Voluntary Separation Incentive Payments will be available to all eligible displaced employees who separate on or before August 31, 2008.
17. By separate communication, all displaced employees in Boston, New York, Philadelphia, and Dallas will be provided a list of vacant positions and contact names and numbers of those who can provide specific information regarding the non-competitive reassignment process and Permanent Change of Station (PCS) benefits. This information will be provided to displaced employees no later than Monday, July 28, 2008.
18. Management recognizes it is in the interest of the Department to retain well-qualified, experienced staff within OASAM's new finance structure. When a displaced employee declares in writing that he/she wishes to relocate and the request is approved, the employee will receive PCS, to include a housing trip and temporary quarters allowance in accordance with DLMS 7, Chapter 2. The employee must be willing to report to the new duty station by October 01, 2008.

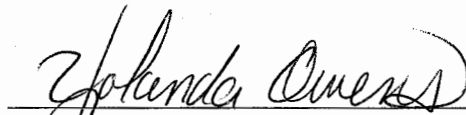
Additionally, the employee will be provided with the maximum miscellaneous costs associated with PCS permitted by law for costs necessitated by relocation.

19. Management will provide a written list of career transition services to all impacted employees that will include contact information for each service. Employees will be allowed time to avail themselves of career transition services while on duty during the initial year of the consolidation.
20. This consolidation will not require any directed reassignments for affected employees.
21. Management will place this MOU on RegionNet and will provide digital copies to all impacted OASAM employees within 5 work days of signature. This distribution method applies only to this MOU.

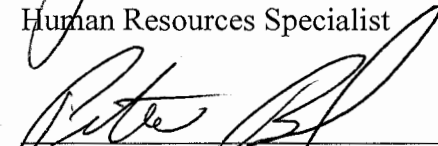
FOR THE DEPARTMENT




Kelley Pettit
Regional Administrator
OASAM



Yolanda Owens
Human Resources Specialist

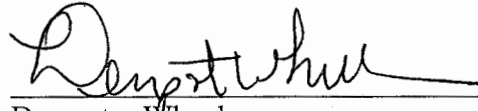


Peter Beil
Regional Labor Relations Officer

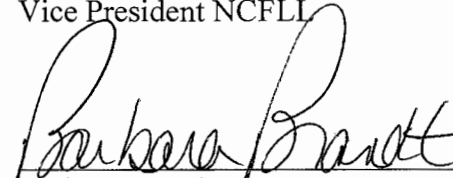


David MacTaggart
Regional Finance Officer

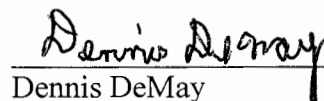
FOR THE NCFLR



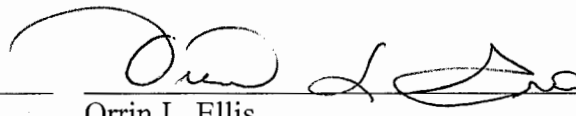
Dempster Wheeler
Vice President NCFLR



Barbara Brandt
Vice President NCFLR



Dennis DeMay
Vice President NCFLR



Orrin L. Ellis
NCFLR Representative

July 29, 2008