

## ASM Limits On Subcontracting

Implications of Arbitrator Das' Award in H0C-NA-C 19007  
Restoration of pre-1992 ASM Provisions

Critical Elements of ASM Provisions for Maintenance  
Subcontracting Grievances

1

---

---

---

---

---

---

---

---

---

---

---

---

## ASM Limits on Subcontracting

What Did Arbitrator Das Do?

- In 1992 USPS announced changes throughout subchapter 530
- APWU challenged several of the changes
- In 2001 this case was arbitrated over only a few of the challenged provisions

2

---

---

---

---

---

---

---

---

---

---

---

---

## What Did Das Do?

Four Challenges to ASM Changes

- Elimination of *Maintenance Echelons*
- Changing Definition of *Non-Maintenance Capable Offices*
- Deleting Reference to *MS-39*
- Changing Limits on *Subcontracting*

3

---

---

---

---

---

---

---

---

---

---

---

---

## What Did Das Do?

### The Details of These Changes

- . Elimination of Maintenance Echelons
- . 531.23 Maintenance Echelons
  - . First echelon – Operator or user service
  - . Second echelon – Reactive maintenance during use
  - . Third echelon – Maintenance “window” / Down time maintenance at the equipment or in the shop
  - . Fourth echelon – Complex repairs or overhaul performed off-site
- . Das rejected APWU challenge

4

---

---

---

---

---

---

---

---

---

---

## What Did Das Do?

### The Details of These Changes

- . Changing Definition of Non-Maintenance Capable Office – 531.52
- . Formerly identified as office without *custodial maintenance staff*
- . Changed to simply *very small maintenance staff*
- . APWU chief concern was apparent elimination of requirement to follow national standards
- . Das sustained APWU challenge

5

---

---

---

---

---

---

---

---

---

---

## What Did Das Do?

### The Details of These Changes

- . Deleting Reference to MS-39
- . 533.521 listed Handbooks MS-10, MS-39 and MS-47 as describing methods for custodial work
- . MS-39 described cleaning and servicing various types of light fixtures
- . APWU objected that something needed to replace MS-39 if it was eliminated
- . Das rejected APWU challenge

6

---

---

---

---

---

---

---

---

---

---



## What Did Das Do?

### The Details of These Changes

- Changing Limits on Subcontracting
  - 535.262 *Tenant Space*
    - Precluded subcontracting custodial maintenance of tenant space if Maintenance Craft employees were already performing the work
    - Change completely eliminated this protection
    - APWU objected this eroded job protection
  - Das sustained APWU challenge

10

---

---

---

---

---

---

---

---

---

---

---

---

## Changing Limits on Subcontracting

### The Importance of Das' Findings

- 535.262 *Tenant Space*
  - Least significant result of Das' award
    - Few remaining grievances on subcontracting custodial maintenance of tenant space
    - Multi-use buildings presently without Postal custodial maintenance will remain lost (unless grieved prior)
    - Those multi-use buildings with Postal custodial maintenance presently performing this work **must be** protected by application of restored provisions

11

---

---

---

---

---

---

---

---

---

---

---

---

## Changing Limits on Subcontracting

### The Importance of Das' Findings

- 535.262 *Tenant Space*
  - Contracts may be authorized for cleaning buildings or portions of buildings occupied by nonpostal tenants and not used for proprietary postal functions, **provided such space is not being cleaned by field service custodial maintenance employees.** This includes . . .
  - Where we presently have this work,  
We keep this work

12

---

---

---

---

---

---

---

---

---

---

---

---





## Changing Limits on Subcontracting

### The Importance of Das' Findings

#### 535.111 *Postal Equipment*

- Most significant result of Das' award
- USPS borrowing of *economically advantageous* standard radically changed protection
- Maintenance of *postal* equipment includes clear preference for *postal* maintenance employees
- Standard for subcontracting *plant* equipment maintenance includes *encouragement* for subcontracting
- 1992 expansion of *Postal Equipment* definition adds to the importance of the award

16

---

---

---

---

---

---

---

---

---

---

---

---

## Changing Limits on Subcontracting

### The Importance of Das' Findings

#### 535.111 *Postal Equipment*

Maintenance of postal equipment should be performed by Postal Service personnel **whenever possible**.

#### *Exceptions:*

- Where **capable** personnel are **not available**, or
  - When a piece of equipment is a prototype or experimental model or unusually complex, so that a commercial firm is the **only practical source** of required maintenance expertise.
- USPS must be pressured to show how one of these exceptions **precludes** Maintenance Craft performance of the work

17

---

---

---

---

---

---

---

---

---

---

---

---

## Changing Limits on Subcontracting

### The Importance of Das' Findings

#### Das' Award Reinforces APWU Argument

- Article 32, Section 1.A. establishes the *general limitation* on all subcontracting decisions
- ASM 535 establishes the *specific limitations* on decisions to subcontract maintenance work
- ASM 535 provisions "reflect the Postal Service's application of [the Article 32] general principle in various maintenance contexts."

- Every Maintenance Craft subcontracting grievance must use both Article 32 and the ASM

18

---

---

---

---

---

---

---

---

---

---

---

---

## Changing Limits on Subcontracting

### The Importance of Das' Findings

- *Postal* equipment vs. *Plant* equipment
- Understanding the difference is critical
  - Subcontracting maintenance of *postal* equipment is precluded
  - Subcontracting maintenance of *plant* equipment is encouraged

19

---

---

---

---

---

---

---

---

---

---

---

---

## Postal Equipment Subcontracting

### *Postal* Equipment vs. *Plant* Equipment

- **535 Maintenance Service Contracts**
- **535.1 General**
- **535.11 Use**
- **535.111 *Postal* Equipment**  
Maintenance of postal equipment should be performed by Postal Service personnel whenever possible. *Exceptions:*
  - a. Where capable personnel are not available, or
  - b. When a piece of equipment is a prototype or experimental model or unusually complex, so that a commercial firm is the only practical source of required maintenance expertise.
- As restored by Das' award

20

---

---

---

---

---

---

---

---

---

---

---

---

## Postal Equipment Subcontracting

### *Postal* Equipment vs. *Plant* Equipment

- **535 Maintenance Service Contracts**
- **535.1 General**
- **535.11 Use**
- **535.112 Facility and Plant Equipment**  
Contract service is *encouraged* for Postal Service-operated facility and plant equipment maintenance, when *economically advantageous*.
- Unchanged, pre-1992 to present

21

---

---

---

---

---

---

---

---

---

---

---

---

## Postal Equipment Subcontracting

*Postal Equipment vs. Plant Equipment*

### 531.21 Definitions

The following definitions apply:

- a. Building and building equipment — the building's physical structure, utilities, and environmental systems.

...



22

---

---

---

---

---

---

---

---

---

---

---

---

## Postal Equipment Subcontracting

*Postal Equipment vs. Plant Equipment*

### 531.21 Definitions

The following definitions apply:

...

- b. Postal equipment — a broad range of equipment used either directly or indirectly in moving the mail and for providing customer services (includes scales, stamp vending machines, collection boxes, letter and flat sorting and canceling machines, containers; and fixed mechanization, such as, but not limited to, conveyors, parcel sorters, and sack sorters).

23

---

---

---

---

---

---

---

---

---

---

---

---

## Postal Equipment Subcontracting

*Postal Equipment vs. Plant Equipment*

### 534 Postal Equipment Maintenance

#### 534.1 Types of Equipment

##### 534.11 Mail Processing Equipment

This consists of all mechanization and automation used to convey, face, cancel, sort, or otherwise process for delivery all classes of letter and bulk mail. Examples: optical character readers, facer-cancelers, parcel and sack-sorting machines, bulk belt and portable powered conveyors, canceling machines, and flat-sorting machines.



24

---

---

---

---

---

---

---

---

---

---

---

---



**Postal Equipment Subcontracting**


*Postal Equipment vs. Plant Equipment*

**534 Postal Equipment Maintenance**

**534.1 Types of Equipment**

**534.12 Customer Service Equipment**

This consists of equipment such as stamp and commodity vending machines, scales, bill changers, self-service postal center equipment, and money order machines.



25

---

---

---

---

---

---

---

---

---

---

---

---

**Postal Equipment Subcontracting**


*Postal Equipment vs. Plant Equipment*

**534 Postal Equipment Maintenance**

**534.1 Types of Equipment**

**534.13 Delivery Service Equipment**

This consists of equipment such as label imprinters for central markup, label makers, letter boxes, and centralized forwarding systems.



26

---

---

---

---

---

---

---

---

---

---

---

---

**Postal Equipment Subcontracting**

*Postal Equipment vs. Plant Equipment*

**534 Postal Equipment Maintenance**

**534.1 Types of Equipment**

**534.14 Support Equipment**

This consists of equipment such as Postal Source Data System (PSDS) equipment, electronic time clocks, and maintenance working equipment such as fork-lift trucks, vertical-lift equipment, powered shop equipment, and containers.

27

---

---

---

---

---

---

---

---

---

---

---

---



## Postal Equipment Subcontracting

What Work is Included in  
*Postal* Equipment Maintenance

### 532.2 Equipment Modifications

- 532.22 Installation
  - Approved modifications are installed on field equipment by Postal Service personnel **when feasible**. When personnel, time, special equipment, or cost limitations **preclude** using Postal Service personnel, contract services may be used . . .
- Note the parallel between the language of this provision and 535.111

31

## Postal Equipment Subcontracting

What Work is Included in  
*Postal* Equipment Maintenance

### 534 Postal Equipment Maintenance

- 534.1 Types of Equipment
- 534.2 Repair Parts – Overhaul and Rebuild
  - 534.21 Sources
  - 534.22 Repair and Rebuild of Assemblies
  - 534.23 Equipment Overhaul
  - 532.231 Major Equipment
  - 532.232 Other Equipment

32

## Postal Equipment Subcontracting

The Sum of the Parts

- Postal maintenance employees have broad responsibilities
- Types of equipment are extensive and varied
- USPS has established a specific preference for performance of this work by its own employees

33



## Postal Equipment Subcontracting

### The Sum of the Parts

#### The Effect of the Das Award

- Reemphasis on the *significant protection* afforded Maintenance Craft employees against subcontracting *postal equipment* maintenance
- Reinforcement of the difference between the lesser standard of *economically advantageous* and the more stringent, now restored standards of pre-1992 ASM
- Reemphasis on the relationship between Article 32 and the ASM

37

---

---

---

---

---

---

---

---

---

---

---

---

---

---

## Plant Equipment Subcontracting

### What Das Did Not Do

- ASM provisions for subcontracting *plant equipment* maintenance were not changed or challenged in 1992
- Das' award has no effect on these provisions
- It is neither harder nor easier now for USPS to subcontract this work

38

---

---

---

---

---

---

---

---

---

---

---

---

---

---

## Plant Equipment Subcontracting

### What You Must Know About the ASM And Plant Equipment Subcontracting

- 531.3 Maintenance Categories
  - 531.31 Preventive and Predictive Maintenance
  - 531.32 Corrective Maintenance
- These apply to *plant* equipment maintenance as well as to *postal* equipment maintenance

39

---

---

---

---

---

---

---

---

---

---

---

---

---

---



## Plant Equipment Subcontracting

### What You Must Know About the ASM And Plant Equipment Subcontracting

- 532.2 Equipment Modifications

- 532.21 Conditions
  - 532.211 Plant Equipment
  - 532.214 Headquarters Developed Modifications

- These terms also apply to the performance of Maintenance Craft employees on *plant equipment*

40

---

---

---

---

---

---

---

---

---

---

---

---

---

## Plant Equipment Subcontracting

### What You Must Know About the ASM And Plant Equipment Subcontracting

- 532.2 Equipment Modifications

- 532.22 Installation
  - Approved modifications are installed on field equipment by Postal Service personnel **when feasible**. When personnel, time, special equipment, or cost limitations **preclude** using Postal Service personnel, contract services may be used . . .

- This, too, provides significant protection for the performance of *plant equipment* maintenance by Maintenance Craft employees

41

---

---

---

---

---

---

---

---

---

---

---

---

---

## Plant Equipment Subcontracting

### What You Must Know About the ASM And Plant Equipment Subcontracting

- 533.4 Building Maintenance

- 533.41 Postal Service-Owned Buildings

- 533.411 Scope

The Postal Service is responsible for ensuring the cleaning and maintenance of all postal-owned facilities, including maintenance of plant equipment. The postmaster or other installation head has jurisdiction over the facility, grounds, and appurtenances, and is responsible for their operation and maintenance.



42

---

---

---

---

---

---

---

---

---

---

---

---

---

## Plant Equipment Subcontracting

### What You Must Know About the ASM And Plant Equipment Subcontracting

- . 533.4 Building Maintenance
  - . 533.41 Postal Service-Owned Buildings
  - . 533.411 Scope
  - . 533.412 Maintenance Responsibilities

The Postal Service is responsible for:  
a. Accomplishing preventive maintenance, that is, keeping facility, grounds, and plant equipment in operational condition through scheduled inspections, adjustments, lubrication, and repairs.



43

---

---

---

---

---

---

---

---

---

---

---

---

---

---

## Plant Equipment Subcontracting

### What You Must Know About the ASM And Plant Equipment Subcontracting

- . 533.412 Maintenance Responsibilities

The Postal Service is responsible for:  
b. Replacing expendable component parts of building and equipment units (such as switches, starters, flush valves) that can reasonably be expected to wear out repeatedly.



44

---

---

---

---

---

---

---

---

---

---

---

---

---

---

## Plant Equipment Subcontracting

### What You Must Know About the ASM And Plant Equipment Subcontracting

- . 533.412 Maintenance Responsibilities

The Postal Service is responsible for:  
c. Replacing complete plant equipment units when necessary or economically desirable.



45

---

---

---

---

---

---

---

---

---

---

---

---

---

---

## Plant Equipment Subcontracting

### What You Must Know About the ASM And Plant Equipment Subcontracting

#### 533.412 Maintenance Responsibilities

The Postal Service is responsible for:

- d. Providing expendable supplies and materials such as gaskets, seals, filters, electronic components, and supplemental refrigerants.



46

---

---

---

---

---

---

---

---

---

---

---

---

## Plant Equipment Subcontracting

### What You Must Know About the ASM And Plant Equipment Subcontracting

#### 533.412 Maintenance Responsibilities

The Postal Service is responsible for:

- e. Making necessary changes, modifications, repairs, and improvements to facilities (see Handbook F-66 series on investment policies and procedures).



47

---

---

---

---

---

---

---

---

---

---

---

---

## Plant Equipment Subcontracting

### What You Must Know About the ASM And Plant Equipment Subcontracting

#### 533.412 Maintenance Responsibilities

The Postal Service is responsible for:

- f. Maintaining suitable working conditions for all interior and exterior areas for the type of work being performed.

Each of these areas of responsibility is reinforced by the provisions of Handbook MS-1 and USPS Standard Position Descriptions for each occupational group

The Union contends, except as otherwise provided, all this work belongs to Maintenance Craft employees

48

---

---

---

---

---

---

---

---

---

---

---

---

## Plant Equipment Subcontracting

### What You Must Know About the ASM And Plant Equipment Subcontracting

#### 535.112 Facility and Plant Equipment

Contract service is *encouraged* for Postal Service-operated facility and plant equipment maintenance, ***when economically advantageous.***

While not the preclusive language of 535.111, it requires the Postal Service to establish that subcontracting *plant equipment* maintenance is ***economically advantageous*** in order to justify the decision

---

---

---

---

---

---

---

---

---

---

---

---

---

---

---