

June 4, 1997

Mr. William Burrus
Executive Vice President
American Postal Workers Union
AFL-CIO
1300 L Street, NW
Washington, DC 20005-4107

RE: Administrative Dispute Resolution Procedure

Dear Bill:

Pursuant to the above referenced MOU and our recent discussions concerning the implementation thereof, the following guidelines are proposed:

1. The parties at the national level have identified the following issues, when unresolved at the local level, to be referred to the Administrative Dispute Resolution Procedure (ADRP):

- A. Promotions Pay
- B. Lump Sum Payments
- C. Article 6/12 Excessing Memorandum
- D. FLSA pay disputes

The parties may mutually agree to add or delete issues as needed.

2. Disputes must be initiated at the local level within 14 days of the date on which the employee or the union first learned or may reasonably have been expected to have learned of its cause. Disputes initiated at the local level will be discussed between the designated representatives of the local union and local management. If the discussion does not lead to resolution of the issue, the union may forward the dispute to the Area level within 15 days to be discussed between the USPS and union-designated officials. The parties will exchange names and addresses of designees at each level of the procedure.

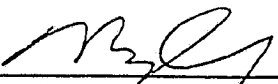
3. If the issue is not resolved at the Area level, the union may forward the dispute to the designated union representative at the national level within 21 days for discussion with the USPS designee.

4. If the issue is unresolved after review by the national parties, the union may appeal to arbitration within 30 days.


5. Either party may withdraw from this procedure by giving the other party 30 day written notice at the national level. In the event that either party should withdraw from this procedure, cases already filed under this agreement will be processed under this procedure.

Please indicate your concurrence with these terms by co-signing this letter.

Sincerely,



Pete Bazylewicz
Manager
Grievance and Arbitration
United States Postal Service



William Burrus
Executive Vice President
American Postal Workers
Union, AFL-CIO

ADMINISTRATIVE DISPUTE RESOLUTION PROCEDURE (ADRP)

Pursuant to the provisions of the 1994 national agreement, the parties have finally reached agreement on the establishment of the Administrative Dispute Resolution Procedure (ADRP). The process is designed to expeditiously resolve complex disputes as identified by the parties. This process will consist of a three (3) step procedure; (1) at the local level, (2) at the regional level and (3) at the national level.

1. The local president or designee will initiate an appeal at Step 2 using the standard Step 2 grievance form identifying at "Line #11" that the dispute is under the ADRP process. The ADRP appeal will be filed with the designated local management official (management at the local and regional/level will announce the names of the designated officials). The time limit for discussion and appeal at each step is governed by Article 15 of the national agreement. The local union president or designee and the management designated representative will meet at a mutually agreed to time to discuss all pending disputes identified under the ADRP procedure. The purpose of discussion at the local level is to determine if there is a dispute over the facts or a general misunderstanding of the issue. Locals are advised to designate locally filed grievances under the ADRP procedure with a unique local number to identify them as separate from pending grievances.

2. If the local parties are unable to resolve the issue, the union may appeal to Step 3 using the standard Step 3 appeals form and noting the ADRP violation. ADRP appeals will be discussed at the Area/Regional level by the union and management designated representatives. The APWU Regional Coordinators will designate the union officials who will serve at the Area/Regional level. When logged in at the Regional level, ADRP grievances will be given a designation of "A" noting coverage under the ADRP procedures. The purpose of discussion at the regional/area level is to determine if a specific office or manager is in compliance with the regional/area interpretation of the specific issue. Disputes over the interpretation of issues under the ADRP should be referred to the national level. If unresolved at the Area/Regional level, the dispute will be appealed to the national level.

3. If unresolved at the national level the union will certify the dispute to arbitration at either the regional or national level.

4. Grievances previously filed on subjects under the ADRP procedure will be removed and forwarded to the ADRP at the step where they are identified (Step 1 & 2 to Step 2 - Step 3 to Area/Regional level - Pending arbitration to national level)

The designated APWU officials to discuss ADRP disputes at the national level are:

Tommy Thompson ----- Article 6/12 Memorandum

Phil Tabbita ----- FLSA - Promotion Pay - Lump Sum Payments

William Burrus 6/23/97



June 10, 1997

LABOR RELATIONS SPECIALISTS (AREA)

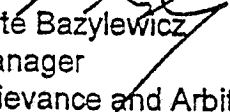
SUBJECT: Administrative Dispute Resolution Procedure (ADRP)

Pursuant to the MOU at page 329 of the USPS-APWU 1994 Agreement regarding Administrative Dispute Resolution Procedures (ADRP), the attached are specific instructions agreed to by the national parties for implementation of this MOU.

Essentially, disputes covered by the ADRP MOU (promotion pay, lump sum payments, Article 6/12 excessing memorandum, and FLSA pay disputes) must be initiated at the local level. If unresolved locally, the union can refer the dispute to the Area level and eventually to the national level. Grievances cannot be filed on these issues. (The underlying rationale for this alternate procedure was to expedite these types of highly technical disputes and avoid bogging down initial level supervisors.)

The areas must ensure that names and addresses of designees are exchanged with the union at the local and area levels. These disputes will be given a grievance number ending in "A," for example, J90C-1J-A. Please provide the name and phone number of the area designees to Rodney Lambson by June 27.

If there are any questions concerning this matter, please contact Rodney at (202) 268-3827.


Pete Bazylewicz
Manager
Grievance and Arbitration

Attachment