

# FROM THE DESK OF

CLIFF GUFFEY  
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TO: **Regional Coordinators  
National Business Agents**

DATE: **May 18, 2007**

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- Your information
- Take action
- Your files
- Approve
- What is status?
- Please advise
- Please return
- Do you have files

- Acknowledge and reply
- Comment
- Revise
- Call me
- As per your request
- Investigate and recommend
- Sign
- Other

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Attached you will find the Pre-Arbitration Settlement concerning Contract Postal Units. This case was scheduled for arbitration on May 16 and May 17, 2007, but was settled in pre-arbitration. The main issue in dispute was whether there is a violation of the National Agreement when contracts are let for a Contract Postal Unit (CPU) to contractors who own the property/facility. The Postal Service took the position that Handbook AS-707F, *Contracting for Contract Postal Units* is not a handbook covered under Article 19 and is not directly related to wages, hours or working conditions. Postal Service also took the position that the contractor did not have to own the property/facility in order to be awarded a CPU award. The APWU disagreed. However, the day of the hearing, the Postal Service conceded. If there are any questions, please don't hesitate to give me a call. Thanks