



Mr. James McCarthy
Director, Clerk Division
American Postal Workers Union
AFL-CIO
1300 L Street, NW
Washington DC 20005-4128

Re: TE to the detriment of PTF Cases @ RECs

Dear Jim:

You have met on various occasions with Rodney Lambson of my staff to discuss the above captioned grievance.

The issue in this grievance is whether the Postal Service used Transitional Employees (TE) to the detriment of Part Time Flexible (PTF) Employees in Remote Encoding Centers (REC) sites thereby violating the National Agreement.

It is agreed to settle this grievance and any other pending grievances with the same or similar issue as follows:

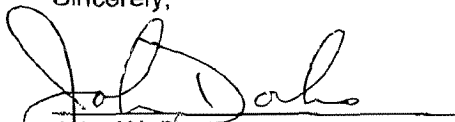
1. The APWU national office shall provide the Postal Service with the name, SSN, pay location, finance number and office of every affected PTF to be compensated pursuant to this settlement by December 31, 2005.
2. The amount of total compensation shall not exceed \$500,000 in the aggregate.
3. The Postal Service shall henceforth apply Article 7.1.C.2 to REC sites. Article 7.1.C.2 states:

Over the course of a pay period, the Employer will make a reasonable effort to ensure that qualified and available part-time flexible employees are utilized at straight-time rate prior to assigning such work to transitional employees working in the same work location on the same tour.

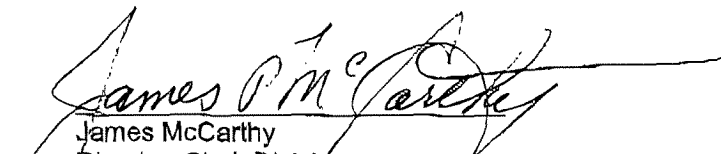
4. The Postal Service will cease and desist from violating Article 7.1.C.2 in REC sites.
5. The APWU will withdraw any and all grievances with the same or similar issue.
6. This agreement is non-precedential and may not be cited by either party any forum whatsoever except in the enforcement and/or adjudication of this settlement.

Please sign the enclosed copy of this decision as your acknowledgement of agreement to settle and close this case.

Sincerely,


John W. Dockins
Manager
Contract Administration (APWU)

475 L'ENFANT PLAZA SW
WASHINGTON DC 20260-4100
www.usps.com


James McCarthy
Director, Clerk Division
American Postal Workers Union AFL-CIO
Date: 12/21/05