

**MEMORANDUM OF UNDERSTANDING  
BETWEEN THE  
UNITED STATES POSTAL SERVICE  
AND THE  
AMERICAN POSTAL WORKERS UNION**

This MOU addresses the situation whereby a Motor Vehicle Craft Postal Support Employee (PSE) who had been granted a salary exception was subsequently converted to career status within the same craft but to a lower level and received a starting salary rate in accordance with the June 6, 2014, MOU, "Re: Resolution of Postal Support Employee (PSE) Salary Exception Issues," and the April 3, 2015 addendum.

The parties agree that:

1. Level 8 PSEs with a salary exception converted to a career Level 7 position within the Motor Vehicle Craft will be placed in the first step of the Level 7 position but will receive the salary associated to the step closest to (but not less than) the rate they were receiving as Level 8 PSEs. Salary adjustments will be retroactive to the date of the conversion to Level 7.
2. Limited to those installations where the situation described above exists, any Level 7 Motor Vehicle Craft career employee in the same craft and level who is senior to the newly converted PSE, but is receiving a lower salary rate, will receive a salary rate not less than the rate established for the PSE who was newly converted to full time career and was granted a special salary rate exception. In installations where more than one salary exception has been granted, the highest PSE salary exception will apply. Salary adjustments will be retroactive to the conversion date of the junior employee who is receiving a higher rate of pay.
3. Level 8 PSEs with a salary exception that were converted to career status and were required to take the Level 7 salary rate, will receive the salary rate of the step closest to (but not less than) the rate they were receiving as Level 8 PSEs consistent with this MOU.
4. To preserve the principle of step progression the PSEs being placed in a salary rate closest to the rate they were receiving as PSEs and those career employees receiving the special salary rate in Items 1, 2 and 3 above will not receive a step increase until such time as the normal step progression catches up to their special salary rate.
5. Any Letter of Demand that was issued as a result of a PSE receiving a higher rate of pay based on his/her salary exception when converted to career as described in the opening paragraph will be rescinded and any grievances related to the Letter of Demand will be closed.
6. The parties agree any issues resulting from this settlement will be addressed by the Director, Motor Vehicle Division and the Manager, Contract Administration (APWU) or their designee(s) at the National level.
7. The parties agree that case Q10V-4Q-C 16106897 (APWU HQT/20160071) has been resolved by the terms of this MOU, and therefore the parties agree to

administratively close this case. Any cases held pending the outcome of this case will be reviewed at the regional level and closed unless a held case contains issues not resolved by this MOU. Those issues alone may continue to be processed through the grievance-arbitration procedure, based on the local fact circumstances.



Rickey R. Dean  
Manager, Contract Administration (APWU)  
United States Postal Service

3/10/2017

Date



Michael O. Foster  
Director, Motor Vehicle Division  
American Postal Workers Union, AFL-CIO

3/10/2017

Date