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### NATIONAL ASSOCIATION OF POSTAL SUPERVISORS

# **NAPS/USPS Consultative Meeting Minutes**

January 14, 2014 @ 8:45 AM - USPS HQ

#### In attendance

#### **US Postal Service**

John Cavallo, Labor Relations
Bruce Nicholson, Labor Relations
Jenny Utterback, Organizational Effectiveness
Linda Malone, Manager, Processing Operations
Nefty Pluguez, USPS APWU Contract Representative
Rod Bernier, Complement Staffing and Field Policy

## **National Association of Postal Supervisors**

Louis M. Atkins, President
James Killackey, Exec. Vice President
Brian J. Wagner, Secretary/Treasurer (telecom)
Larry Ewing, Chairman (telecom)

#### **Agenda**

 NAPS is receiving increasing reports from the field of the use of non-career employees (PSE's and CCA's) as 204-B supervisors on a continuing basis. Our members are concerned about the use of non-career employees as supervisors and managers of career employees as CCA's and PSE's have minimal knowledge of postal operations and are not trained to complete all the functions of an operational supervisor.

Beyond the issues that non-career employees serving in management assignment cannot be compensated at the level of the position, as higher level pay for non-career employees cannot be entered into TACS, we believe the larger issue is that critical management positions should be covered by qualified, competent and trained managers and supervisors who can help the Postal Service realize their goals and objectives for FY 14.

NAPS stated that EAS T-Time should be used in situations, when EAS want to work rather than non-careers as 204B's. NAPS would also like to see EAS vacancies posted when an office is not going to be impacted. What is USPS HQ's position on the continued use of non-career employees in management assignments? If the non-career PSE's and CCA's are covering a vacant EAS position, why aren't these positions that require coverage being posted for career employees to apply?

USPS Response: USPS HQ does not condone the use of non-career employees as 204B's, but if supervisory coverage is needed and there is no other career bargaining employee wanting to 204B, local management may not have any other option but to use non-career employees. There are no USPS regulations that prohibit non-career employees working as 204B's. Local management is not barred from using T-Time to cover additional supervisory hours, either.

NAPS has brought up the issue before about supervisors working too many hours at the same time local management won't use T-Time. There is a conflict. There is no supervisor T-Time desired list and USPS won't mandate one be created. Due to the circumstances in the office, it is a local decision to use non-career employees as 204B's.

As for vacant EAS assignments, local NAPS officers should talk with local management about the issue on getting EAS vacancies posted and filled and getting District and Area offices to agree. Local dialogue and reasoning is needed to determine if local EAS postings is needed to fill supervisor needs and eliminate the need to have non-careers working in EAS vacant positions.

2. NAPS would like an update on the current restructuring in P&D. This includes; facilities on the closure list, the number of EAS still impacted and the current status of postings.

USPS Response: General RIF Notices are being sent out January 14, 2014 to approximately 1600 EAS. Specific RIF notices will be mailed out on February 12. The final RIF separation date is April 18. The USPS objective is to get people placed before the RIF deadline. As for the public facility closure list, it has not changed. The list is on USPS.com. There is no final list of closures as the USPS is still doing network analysis. USPS is being sensitive to those facilities that may be closed in the near future as not to post EAS positions that would later be eliminated and place EAS in "harm's way." USPS is doing general EAS postings opened to all EAS, except in some limited areas due to an area of competition having impacted EAS.

3. NAPS would like a briefing on the rationale of testing a pilot program to outsource processing and transportation of Non-Machineable Outsides (NMO's) outside of the NDC network.

USPS Response. The Non-Machineable Outsides (NMO's) is a pilot program. USPS provided NAPS with a presentation as to how the pilot is to work. The objective for the USPS is to leverage the network of a 3<sup>rd</sup> party logistics company. The concept is to hand-off NMO parcels to a logistic provider who can deliver to one of the 17,000 USPS offices for final delivery of the USPS last mile.

The USPS is analyzing the cost through a six month pilot that started in December 2013 and goes through April 2014. USPS will analyze whether it is more cost effective to handle NMO's internally or have a 3<sup>rd</sup> party logistics company process these parcels. Currently, NMO's parcels are manually processed by the USPS. The pilot will give NMO's to a logistic provider who will process them with automated equipment.

The USPS is analyzing whether it is more cost effective to have the USPS handle the "middle mile" of NMO's or hand them off to a third party logistics company. If the pilot deems profitable the USPS envisions NMO's being received over the retail counter, then sent to the 3<sup>rd</sup> party logistics provider for processing to be delivered to one of the 17,000 post office for the last mile delivery. USPS stated that if it elects to implement the pilot NMO program permanently, it will bid out the work. There is no guarantee that UPS will automatically get the bid.

NAPS followed up on the USPS NMO presentation by asking the USPS various questions.

- How does the USPS plan to save money when it will take identified NMO's to the Plant and then to the NDC to receive two handles at the NDC; first segregating the NMO and second moving it to an outbound dock? The USPS stated that is what they are evaluating during the NMO pilot program. NAPS stated that with one more handling the NMO could stay in the USPS distribution and transportation system.
- How will the NDC identify the NMO's for UPS? Will it be done by looking at the double barcode (UPS and USPS) and segregate them that way? USPS responded that it can actually process some NMO's if their dimensions are the size for USPS to process in its systems, therefore not all double bar coded mail will ultimately go to UPS.
- How can this NMO work, if some go to UPS and some will not? USPS responded that this is an issue that will be studied during the NMO pilot.

- How will this NMO program really impact transportation and result in savings? USPS stated
  that if the USPS is sending five trailers to a destination it may be able to eliminate one of the
  trips.
- NAPS does not think funneling NMO's to UPS will save on transportation. NAPS is also concerned about how much will be paid to UPS and that the remaining revenue will not be profitable to the USPS. Since UPS is a profit generating company, NAPS does not see that there will be any revenue left after we pay UPS. How can this NMO program be profitable for the USPS? USPS responded this is the reason for the pilot to determine if there will be savings. Once the NMO pilot is completed, if it works the USPS will place a request for proposal for logistic companies to bid for the work.

NAPS stated that it was not optimistic about the NMO pilot and its' benefits and will be watching it closely.

- 4. NAPS would like to be provided with information on achievement of goals and targets from the scorecard for PQ1/2014 to share with our members.
  - USPS Response: The NPA administrators stated Quarter 1 NPA information is not available at this time. In addition, as NAPS was previously informed, the USPS Board of Governors (BOG) still has to review the specific corporate targets. USPS NPA administrators estimate that Quarter 1 NPA figures should be available early February 2014.
- 5. At the Processing facility in Manasota FL, there are currently 18 EAS vacancies. It does not appear that the facility is slated for closure. At the present time, they are staffing the Plant with anyone that wants to go there and are paying them per diem and putting them up in hotels which is costing an extra \$5K per month per vacancy. This is not a cost effective method to staff this facility. NAPS is requesting the USPS post these 18 vacant EAS positions and eliminate the additional cost to the USPS and provide stability in management.
  - USPS Response: This particular facility is still on the list for possible closure. If the USPS filled those positions today, the USPS could be putting these EAS employees in "harm's way". The USPS is trying to protect these EAS employees as their office is under review for an AMP. Unfortunately, the USPS has no timeframe as to if the office will actually be closed, because much of the USPS' action on plant closings is contingent on legislation.
- 6. NAPS received correspondence from the USPS that advising that EAS employees who received a rating of 3 or below for FY 2013 would receive an adjective rating of Contributor. Members are going to the PES and are not seeing their ratings. How and when will this Contributor rating be implemented?
  - USPS Response: USPS is working on how the adjective rating will be implemented, but a final process has not been finalized. The USPS anticipates that after higher level PES reviews end on January 24, 2014, EAS should be able to review their final rating on February 18, 2014, which would include the adjective rating.

7. We have had an issue brought to our attention where an USPS HQ employee, working in the Facilities Service Office in the Western Area has been advised by her manager that the member will not have any Personal Leave requests approved. The member has an accepted FMLA condition that provides for her to be able to have treatment for a condition. Requests for Personal Leave have averaged about 4 days per month with less than four hours utilized.

The member who works in the Western Area has been forced to utilize full days of leave for her FMLA related care and the Facilities Service Office where the member is employed has not allowing her to use partial day leave for her medical treatment.

While NAPS is aware of the provisions in Title 39 that does not allow for an individual issues from the field to be a subject at a Consultative meeting, from a policy perspective, should a postal official be allowed to advise an employee that they will unilaterally not approve requests for Personal Leave and then require the use of full day leave to accommodate a medical appointment that only requires two hours out of the workplace?

USPS Response: USPS provided NAPS with the ELM references as to how personal leave is handled. References were ELM 519.7 Nonbargaining Unit Personal Absence; 519.72 Policy; 519.731 Full-Day Absences; 519.732 Partial-Day Absences; and 519.752 Administration.

Basically, personal leave approval and disapproval is a local issue. If a manager does not approve an EAS employee's personal leave request, the manager should state why. The employee does have a right to question the disapproval, but the issue ends at the local level, as in accordance with the ELM, approving personal leave is a the manager's discretion.

# Agenda Follow-up

As a follow up to a previous consultative agenda item, the USPS provided an update on the USPS initiative to review district staffing. The USPS has elected to select two Districts per postal Area to review and analyze. The USPS has not selected the respective Districts yet. However, when selected, USPS will provide NAPS with the names of those Districts in the event NAPS would receive calls from members about the review, NAPS will be aware it is one of the Districts selected.