

Memorandum of Understanding
between the
United States Postal Service
and the
National Rural Letter Carriers' Association

Having fully reviewed and considered the May 24, 1991 report of the National Joint Steering Committee (NJSC), the Automation Task Force, through the undersigned, hereby agrees to the following:

1. Option A will be implemented in time to be effective with the September 1991 mail count.
2. The NJSC will review the impact of the automation casing rate of Option A on the rural craft based on the mail counts in 1991, 1992, and 1993.
3. The Automation Task Force will fully explore the possibility of an agreement based on Option C and the feasibility of implementing any such agreement in FY '91 or subsequent years.
4. The NJSC will continue its joint efforts regarding automation implementation, with particular attention to implementation of Delivery Sequencing (ABC) in the rural craft. In this regard, the parties reiterate their commitment to consider the impact on rural carriers as well as the productivity needs of the Postal Service.
5. The temporary moratorium on the three contractual provisions articulated in the October 4, 1990 Memorandum of Understanding will be continued throughout this cooperative process.

/s/ William R. Brown, Jr.
Vice President
National Rural Letter
Carriers' Association

/s/ Sherry A. Cagnoli
Assistant Postmaster General
Labor Relations Department
U.S. Postal Service

OPTION A

Activate a phased in automation casing rate for all mail processed on automated equipment in Sector/Segment order commencing not earlier than the national mail count to be conducted in September 1991. In 1991, the rate would be 20.5 pieces per minute (ppm), in 1992, the rate would be 21.5 ppm and in 1993, the rate would be 22.5 ppm. Commencing with any count of mail conducted in September 1991, each change in the automated rate would be effective with the guarantee year start date and would impact all routes with automated mail. Savings will accrue as routes are presented with Sector/Segment mail and counted.

NOTE: In rural delivery, any article over 5 inches in width is considered a flat, or "mail of all other sizes." Under this option, all arti-

cles up to 6 & 1/8 inches in width that are processed on automated equipment would be credited at the new automation casing rate.

Also comprising this option is a stipulation that, if by January 1994 Advanced Bar Code Delivery Sequencing issues, which the NJSC has been chartered to address, have not been resolved consistent with the June 1990 MOU or the Sector/Segment rate is still applicable to any portion of rural routes, the NJSC will re-examine the Sector/Segment casing rate on automated routes to determine the appropriateness of that rate and its impact on the benefits of the evaluated pay system and the efforts of rural carriers. Further, the NJSC reserves the right to make recommendations regarding any adjustment to that rate to the Automation Task Force for final approval as stipulated in the June 1990 MOU.

Automation Sector Segment Agreement Signed

The sixteen-member Automation Task Force, consisting of the eight members of the National Board of the National Rural Letter Carriers' Association and eight members of the United States Postal Service, met for several hours on June 14, 1991, attempting to fashion some Agreement based on the recommendations submitted to the Task Force by the National Joint Steering Committee. The National Joint Steering Committee had met for many days and finally agreed to give the Task Force three possible options: Option A, Option B, and Option C.

They included recommendations for Option A, but the National Joint Steering Committee was unable to reach a consensus on casing standards that would be included with Option A. The Task Force was also unable to reach any kind of an Agreement on that issue.

The Postal Service wanted Option A and the National Rural Letter Carriers' Association wanted Option C for the gain-sharing part. After contract negotiations were completed on June 19, only six members of the Automation Task Force again met—three from the National Rural Letter Carriers' Association and three from the United States Postal Service—and continued to try and reach an Agreement into late evening.

On June 20, the Postal Service offered a counter-proposal and after polling National Board members by telephone, the majority of the Board voted to accept the counter proposal and keep the MOUs in effect. A copy of that Memorandum of Understanding, signed by Vice President William R. Brown, Jr., is printed on page 389. Also on page 389 are Option A and the Sector Segment Sort Rates, which are a part of that Option. It should be noted that those rates increase each year.

The Agreement is effective immediately and will affect the 1991 Mail Count on routes where Automated Sector Segment Mail is received. A sample chart will be published at a later date that shows the effect on L/K routes and Non-L/K routes. Since Automation will occur in larger offices first, L routes will be impacted sooner because they

are located more often in these areas. If 20% of your mail is automated, the chart will show the impact.

It should be noted that all mail under 6 1/8 inches included in that 20% would be recorded at the new Sector Segment Rate also. In the 1991 mail count, the rate will be 20 1/2 pieces per minute (ppm). In 1992, 21 1/2 ppm, and in 1993, 22 1/2 ppm.

An attempt was made by some of the Board Members, based on the advice of Bill Gordon, our Financial Expert and Automation Test Study Advisor, to trade the new standards and the 6 1/8 inch letter for elimination of the L route. Based on Option C, which was to include gain-sharing, the Postal Service showed little interest, as did some Board Members, and therefore, Option A was accepted instead of Option C.

Option C, through gain-sharing, could have provided something to rural carriers in exchange for the losses they would incur by an increase in standards. It provided an opportunity to lessen the impact on L routes. The Agreement is signed by Vice President William R. Brown, Jr., because the President declined to sign it.

The Automation Task Force will fully explore the possibility of an agreement based on Option C and the feasibility of implementing any such agreement for FY '91 or subsequent years as stated in the signed agreement.

In your Officers' Bulletin, No. 5-91, of June 7, 1991, the letter from Allen Kane indicated a possible impact on the mail count. Quoting from that letter: "Both manager and carriers should also consider the percent of automated mail a route receives. In the event the Postal Service and the NRLCA agree to a new time allowance for automated mail prior to June 28, this factor should also be considered when determining if a route should be scheduled for a count."

Rural carriers need to be aware of that possible impact in determining whether or not to request a count of the route.

Memorandum**USPS-NRLCA Automation Agreement Implementation Procedures**

On June 20, the U.S. Postal Service and the National Rural Letter Carriers' Association signed a Memorandum of Understanding introducing automated mail casing rates for all mail processed in Sector/Segment order. Commencing with the 1991 National Mail Count (September 3 through September 30) these new rates will be applied to all letter mail processed in Sector/Segment order and be reflected in evaluations beginning with the new guarantee year commencing November 2, 1991.

The following represents specific implementation procedures associated with this agreement and the new casing rates for rural letter carrier mail processed in Sector/Segment order on automated equipment.

- At least thirty days prior to activation of a Sector/Segment sort scheme a rural letter carrier representative and postal manager at the unit level must jointly review the ZIP + 4 coding of rural routes to ensure compliance with coding conventions (see Management Instruction DM-940-89-03 dated 07/07/89) and the establishment of an accurate base for scheme development. It is anticipated that this representative be a member of the local QWL/EI work team, their selectee or a shop steward and be provided training to better understand the coding process so that they may brief and assist individual carriers in their review.

- All involved rural carriers must be afforded the opportunity to be actively involved in the development of Sector/Segment sort schemes and also be provided an opportunity to verify the completed scheme.

- While several processes may be used to construct Sector/Segment sort schemes, the final scheme must be jointly verified and mail processed using this scheme no later than 30 days prior to a scheduled mail count.

- If for any reason management elects to terminate the automated processing of a zones mail, 30 days advance notice must be given. When notified, Form 4003 will be prepared to appropriately adjust time allowances and processed to coincide with the scheduled effective date.

- End of run reports or other suitable documentation from the automated equipment used to process a zones' mail must be kept on file at either the delivery or distribution unit to substantiate the continuing processing of a zones' mail on automated equipment.

- In the event a review indicates a zone is no longer being processed on automated equipment, or a pattern of random automated processing is revealed, an amended Form 4241 will be prepared to nullify the original 4241 from the mail count under which automated casing rates were established. The amended 4241 will be processed retroactive to the beginning of the guarantee year.

- Under no circumstances will rural carriers be required to change from a one-bundle to a two-bundle casing system solely as a prerequisite to Sector/Segment implementation.

- In those locations processing Sector/Segment mail using sort schemes developed prior to this agreement, rural carriers must be provided an opportunity to verify ZIP + 4 coding to ensure compliance with coding conventions and be given the opportunity to verify the sort scheme accuracy. Future schemes shall be developed in accordance with these implementation instructions.

Commencing with the September 1991 National Mail Count, the following casing rates will be applied to all letter mail processed on automated equipment in Sector/Segment order for rural routes. These rates are applicable for all letter mail up to 6 1/8 inches in width processed in Sector/Segment order on automated equipment.

- In 1991, all letter mail processed on automated equipment in Sector/Segment order will be processed at a rate of 20.5 pieces per minute.

- In 1992, all letter mail processed on automated equipment in Sector/Segment order will be processed at a rate of 21.5 pieces per minute.

- In 1993, all letter mail processed on automated equipment in Sector/Segment order will be processed at a rate of 22.5 pieces per minute.

- Each change in the automated rate is effective with the start of the guarantee year.

The parties further agree that the NJSC will review the impact of these casing rates on the rural carrier craft based on the 1991, 1992 and 1993 mail counts. If by January 1994, the Advanced Bar Code (ABC) delivery sequencing issues which the NJSC has been chartered to address have not been resolved consistent with the June 1990 MOU, or the Sector/Segment rate is still applicable to any portion of rural routes, the NJSC will review the casing rate and their impact on the benefits of the evaluated pay system and the efforts of rural carriers. This review may lead to the development of recommendations to adjust the rate.

Finally, the temporary moratorium on the three contractual provisions articulated in the October 4, 1990 Memorandum of Understanding will be continued throughout this cooperative process.

To the maximum extent possible, QWL/EI RJSCs and DJSCs should be involved in assisting managers, supervisors and rural letter carriers improve their knowledge and understanding of ZIP + 4 coding, Sector/Segment scheme development as well as corporate automation goals and strategies in general. In addition, a direct line of communication with those individuals responsible for the oversight and processing of automated mail should be established to assist in increasing the awareness of automated processing.

All time spent by individual carriers reviewing automated mail processing data, and/or viewing training films or presentations will either be compensated in accordance with Article 9.2.M., Training Presentations, or the USPS-NRLCA National Agreement or, for those carriers in the QWL/EI process, the time may be accumulated.

The NJSC will continue to address all issues relative to the implementation process as they arise. Questions relative to this process may be directed to Norman Cloher, Charlie Edmiston or Robert West at (202) 268-3015, 3541 and 3551 respectively.

Allen Kane

CONCURRENCE

Arthur Porwick
Co-Chairman, APMG,
Operations Systems &
Performance Department

William R. Brown, Jr
Co-Chairman, V.P.,
National Rural Letter
Carriers' Association

Addendum to Implementation Procedures on Automation Agreement

NOTE: As this edition went to press, further details on implementation procedures for the USPS-NRLCA Automation Agreement were received. They appear below.

A rural carrier representative(s) from the QWL/EI work-team, their selectee, or a shop steward should have been appointed and training begun to provide them with a better understanding of the coding process. This training will assist them in briefing and assisting individual carriers when conducting their review of ZIP + 4 coding.

As promised in the telephone conferences held with all regions and divisions on June 25, the following important dates are provided to assist in automation implementation.

By July 5 a rural carrier representative(s) and postal manager(s) at the unit level must:

- jointly review the ZIP + 4 coding in selected zones
- brief all involved carriers
- review route schemes

As part of the review it is anticipated that you may use CLASS worksheets to show individual carriers how the mail will be presented when Sector/Segment sortation is initiated. The carrier representative and manager should be able to explain proper coding procedures, especially as it relates to odd/even coding where boxes are only placed on one side of the street.

By August 4 you must have:

- completed all individual carrier reviews
- jointly verified the final scheme
- mail being processed using the scheme

It will be necessary to have established a communication link between the office which develops the Sector/Segment schemes and the delivery unit so that notification of sortation problems can be done immediately and corrections made in a timely manner. Fine tuning should be completed as quickly as possible.

The National Mail Count begins on September 3 and concludes on September 30. Letter mail provided in Sector/Segment order as described in the Automation Implementation memorandum will be counted and identified as automated letters. A Postal Bulletin notice is being prepared giving specific instructions on where and how to record data.

On November 2 the automated mail rate will be activated. This is in conjunction with the beginning of the guarantee year and the mail count results.

Again, questions relative to this process may be directed to Norman Cloher, Charlie Edmiston or Robert West at (202) 268-3015, 3541 and 3551, respectively.

Allen Kane

CONCURRENCES

Arthur Porwick
Co-Chairman, APMG,
Operations System &
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THANK YOU FOR PRE-REGISTERING

*Advance Registration for the 1991 NRLCA National Convention
St. Paul, Minnesota—August 6-9, 1991*

Send Form To:

Mr. Allan Rambow
3330 105th St., N.E.
Kandiyohi, Minnesota 56251

**ADVANCE REGISTRATION DEADLINE IS
JULY 20, 1991**

Please list all people (including children) who will be attending the Convention and check the appropriate box.
(PLEASE PRINT OR TYPE)

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	National Delegate	Non-Delegate	Guest	National Delegate	Non-Delegate	Guest	Junior List Age	Guest List Age
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