

**MEMORANDUM OF AGREEMENT
BETWEEN THE
UNITED STATES POSTAL SERVICE
AND THE
NATIONAL ASSOCIATION OF LETTER CARRIERS, (AFL-CIO)**

Re: Modified Interim Alternate Route Adjustment Process – 2009

In accordance with the Memorandum of Understanding Re: *Alternate Route Evaluation Process*, the parties agree to the following:

The National Association of Letter Carriers, AFL-CIO (NALC) and United States Postal Service (USPS) recognize the importance of maintaining routes in proper adjustment throughout the year. The parties agree that in a stable and consistent mail volume environment, a historical review of data over a longer period would be preferred and the parties will continue to pursue a permanent process which encompasses the regular carrier's office and street time.

The parties further agree that certain conditions may require that the review period be of a shorter and more recent duration for the evaluation to be representative of the current mail volume environment.

The current environment has resulted in a significant and continued decline in mail volume over recent months. Therefore, the parties agree to the following Modified Interim Alternate Route Adjustment Process to be used on all city delivery letter routes for 2009.

If mail volume continues to decline during the life of the current National Agreement, the parties agree to evaluate and adjust city delivery routes through a new jointly developed expedited evaluation and adjustment process, unless the parties mutually agree to use the Modified Interim Alternate Route Adjustment Process outlined in this Memorandum of Understanding. Additionally, if annual mail volume increases during the remaining term of the National Agreement, city delivery routes will be evaluated and adjusted in accordance with the expedited process agreed to pursuant to this paragraph.

Modified Interim Alternate Route Adjustment Process

1. The parties will appoint a joint NALC/USPS route evaluation team(s) in each District who will be used to implement the methodology outlined below (with the NALC team member compensated on a no loss, no gain basis). In Districts with more than one team, a lead team will be established. The evaluation team(s) will be responsible for data analysis, route evaluation and adjustment, and oversight of jointly conducted carrier consultations. The NALC representative on the evaluation team(s) will be appointed by the National NALC President while the USPS representative will be selected by the District Manager.
2. The District Evaluation and Adjustment Teams will use the following review periods to evaluate/adjust the routes in delivery units that were not evaluated/adjusted under the October 22, 2008, Interim Alternate Route Adjustment Process, unless the District Evaluation and Adjustment Team mutually agrees to select a different period.

Evaluation Period	Analysis Start Date	Implementation Period
March – April	May 1	June 1 – July 31
April – May	June 1	July 1 – August 31

- 3. The District Evaluation and Adjustment Teams will use the following review periods to revisit the evaluations/adjustments in delivery units that were evaluated/adjusted under the October 22, 2008, Interim Alternate Route Adjustment Process, unless the District Evaluation and Adjustment Team mutually agrees to select a different period.

2009 Interim Adjustments Implemented	Evaluation Period	Analysis Start Date	Implementation Period
On or Before January 31	March	May 1	June 1 – July 31
Between January 31 & February 28	April	May 1	June 1 – July 31
After February 28 *	May	June 1	July 1 – August 31

* Sites implemented in May 2009 under the October 22, 2008 Interim Alternate Route Adjustment Process can use September data for the initial follow-up review and follow the schedule outlined below for analysis and implementation.

- 4. The District Evaluation and Adjustment Teams will use the following review periods to revisit the evaluations and adjustments conducted pursuant to paragraphs 2 and 3 directly above, unless the District Evaluation and Adjustment Team mutually agrees to select a different period.

Evaluation Period	Analysis Start Date	Implementation Period
September	October 1	November 1 – January 31 *
October	November 1	January 1 – February 28
November	December 1	January 1 – February 28

No adjustments will be implemented between November 15 and January 1.

DATA ANALYSIS

Data Integrity

Data integrity issues will be addressed prior to any analysis and adjustments. Such issues include, but are not limited to, amended clock rings, work hour transfers, and designation of work hour codes.

Volume for the Selected Period by Route

- o Cased Letters
- o Cased Flats

Office Evaluation

The District Evaluation and Adjustment Team will select from the lesser of the following for the data analysis review period when determining the evaluated office time on each route:

1. The regular carrier's actual average total office time (which includes any auxiliary assistance and anomaly adjustments), for the data analysis review period, or
2. The estimated standard for the route using the average cased volume (which includes any anomaly adjustments) on the route for the data analysis review period. The adjusted estimated standard is the sum of the following:
 - the average cased letters divided by 18, plus
 - the average cased flats divided by 8, plus
 - the average cased letters and flats divided by 70, plus
 - the fixed office time (while the minimum FOT of 33/43 is normally used, the team should review the route's base FOT and the carrier's input to ensure that the FOT selected is representative of the route). If necessary, the team can request that specific elements of fixed office time be observed and recorded.

The District Evaluation and Adjustment Team will consider feedback from the carrier's initial consultation regarding the route's office time, and regarding the above components used for the data analysis review period, to ensure that the office time selected is representative of the route.

Street Evaluation

The District Evaluation and Adjustment Team will consider the following when determining the evaluated street time on each route:

- A) The regular carrier's actual average total street time (which includes any auxiliary assistance and anomaly adjustments), for the data analysis review period.
- B) A valid base street time and a representative PS Form 3999 for the route.
- C) Feedback from the carrier initial consultation regarding the route's street time, and regarding the above data, to ensure that the street time selected is representative of the route.

Replacement Carriers

All actual office and street time data used will be based on the performance of the regular carrier as described above. On vacant routes or routes where the data for the regular carrier is not available for the analysis period, the parties may use the data from a mutually agreed to replacement carrier.

Consultations

Joint consultations will be conducted with each carrier to obtain his/her input regarding the evaluation and proposed adjustments. No adjustment will be finalized until after the carrier consultations have taken place.

Adjustments

The teams will be guided by sections 243.21.b, 243.22, & 243.23 of Handbook M-39 when adjusting routes.

A current 3999 will be used by the District Team to determine the street value of territory transferred.

The associated office time for the territory transferred will be jointly determined using any of the methods in the M-39 section 243.316.b.

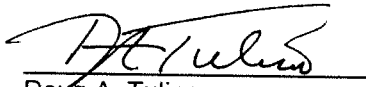
In any unit where the team determines that the number of routes will be reduced, preference should be given to selecting auxiliary routes, vacant routes, and then routes held by junior carriers, provided such selections are efficient and effective. Additionally, carrier seniority should be considered when excessive route changes are anticipated, provided such consideration does not adversely affect the efficiency or effectiveness of the adjustments.

When available, Carrier Optimal Routing (COR) will be jointly used by the District Evaluation and Adjustment Team as a tool for route optimization and adjustment.

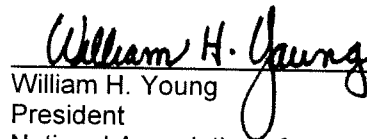
Miscellaneous

This agreement is without prejudice to the position of either party in this or any other matter. The procedures described in this agreement will be utilized solely for the purpose of implementing the Modified Interim Alternate Route Adjustment Process, and may be cited only for purposes of enforcing the terms of the agreement. Termination of this agreement pursuant to the paragraph below shall not affect completion of the Modified Interim Alternate Route Adjustment Process or invalidate any adjustments made as a result of that process.

Either party may terminate this agreement if 1) the Postal Service implements a route adjustment process other than as provided by this agreement, pursuant to Section 271 of Handbook M-39, or by mutual agreement; 2) the Memorandum of Understanding Re: *Assignment of City Delivery* is terminated pursuant to the last paragraph of that MOU; 3) either party fails in good faith to live up to its obligations under the Memorandum of Understanding Re: *Assignment of City Delivery* or 4) the Memorandum of Understanding Re: *Assignment of City Delivery* is invalidated, in whole or in part, by a decision of an arbitrator, a court, the National Labor Relations Board or by any other forum.



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William H. Young
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Date: 4-7-09