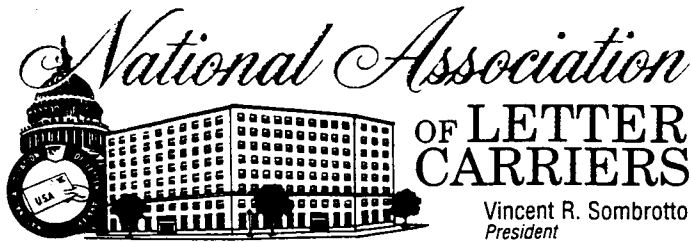


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Philadelphia, PA 19114-3017

Telephone: (215) 824-4826/4827 • Fax: (215) 824-4848

August 6, 2001

MEMORANDUM

TO: All NALC Region 12 Branch Presidents

SUBJECT: Step 4 Settlement - Q94N-4Q-C-99022154 - Q98N-4Q-C-00032161
M-01444 - Piece Count Recording (PCRS)
Project Office Street Time (POST)
Delivery Operations Information System (DOIS)

Attached please find a copy of the recent Step 4 Decision on the above listed issues.

This settlement protects us from the information being the "*sole basis for discipline*" and can only be used in conjunction with other information to determine performance related issues. Also, included in the settlement is the preservation of the fact that "*No Carrier shall be disciplined for failure to meet standards, except in cases of unsatisfactory effort which must be based on documented, unacceptable conduct, that led to the Carrier's failure to meet office standards.*" There is no set pace at which a Carrier must walk and no street standard for walking.

Accordingly, this will resolve any grievances pending in the grievance/arbitration procedure on this subject.

With every good wish, I remain

Sincerely and fraternally,

Timothy C. O'Malley
National Business Agent

TCOM/fh
398-01

Enclosure

cc: Files



M-01444

Mr. Vincent R. Sombrotto
President
National Association of Letter
Carriers, AFL-CIO
100 Indiana Avenue, NW
Washington, DC 20001-2144

Re: Q94N-4Q-C 99022154
Q98N-4Q-C 00032161
Class Action
Washington, DC 20001-2144

Dear Mr. Sombrotto:

On several occasions we met in pre-arbitration discussions regarding the above-referenced grievances.

The issue in these grievances is whether or not the Piece Count Recording System (PCRS), Projected Office Street Time (POST), or the Delivery Operations Information System (DOIS) violate the National Agreement.

After reviewing this matter, we mutually agreed to settle these grievances as follows:

Daily piece counts (PCRS) recorded in accordance with the above-referenced systems (POST or DOIS) will not constitute the sole basis for discipline. However, daily counts recorded in accordance with these procedures may be used by the parties in conjunction with other management records and procedures to support or refute any performance-related discipline. This does not change the principle that, pursuant to Section 242.332 of the M-39, "No carrier shall be disciplined for failure to meet standards, except in cases of unsatisfactory effort which must be based on documented, unacceptable conduct that led to the carrier's failure to meet office standards." Furthermore, the pre-arbitration settlement H1N-1N-D 31781, dated October 22, 1985, provides that "there is no set pace at which a carrier must walk and no street standard for walking."

This settlement is made without prejudice to the parties' rights under Article 19 or Article 34 of the National Agreement.

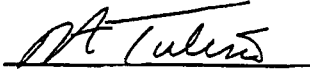
It is additionally understood that the current city letter carrier route adjustment process is outlined in Subchapter 141 and Chapter 2 of the M-39 Handbook. All those functionalities in DOIS, which relate to the route inspection and adjustment process, must be in compliance with these two parts of the M-39 as long as they are in effect.

It is understood that no function performed by POST or DOIS, now or in the future, may violate the National Agreement.

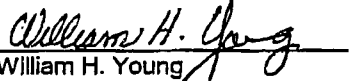
Please sign and return the enclosed copy of this decision as your acknowledgment of your agreement to settle these grievances.

Time limits were extended by mutual consent.

Sincerely,



Doug A. Tulino
Manager
Labor Relations Policies
and Programs



William H. Young
Executive Vice President
National Association of Letter
Carriers, AFL-CIO

Date: 7-30-2001