LABOR-MANAGEMENT RELATIONS AGREEMENT

Effective February 7, 1998
Amended May 25, 2007

between

American Federation Of Government Employees
Local 108, Arkansas

and

USDA Rural Development
Arkansas
# NEGOTIATED AGREEMENT
ARKANSAS RURAL DEVELOPMENT AND AFGE 108

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**MEMORANDUM OF UNDERSTANDING**
- Exhibit A 46

**THE FEDERAL SERVICE LABOR-MANAGEMENT RELATIONS STATUTE (TITLE VIII)**
- Exhibit B 47

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PREAMBLE

Pursuant to the policy set forth by Title 5 U.S. Code regarding federal labor-management relations, the following articles of this basic agreement, together with any and all supplemental agreements and/or amendments which may be agreed to at later dates, constitute a total agreement by and between the United States Department of Agriculture, Rural Development, Little Rock, Arkansas, hereinafter referred to as the EMPLOYER and the American Federation of Government Employees, Local 108, hereinafter referred to as the UNION for the employees in the unit described below, hereinafter referred to as the EMPLOYEES.
ARTICLE 1 - GENERAL PROVISIONS

1.1 RECOGNITION: The employer recognizes that the Union is the exclusive representative of all employees in the unit described in Article 1.2. The Union recognizes its responsibility to represent the interests of all unit employees with respect to grievances, personnel policies, practices, and procedures, or other matters affecting their general working conditions, subject to the express limitations set forth herein.

1.2 UNIT: All professional and non-professional employees, full and part time, of Rural Development under the direction of the State Director of Arkansas except management officials, temporary employees, employees engaged in Federal personnel work in other than a purely clerical capacity and supervisors and guards, as defined in the Civil Service Reform Act of 1978.

1.3 DEFINITIONS:

(a) AMENDMENTS: Modifications to the basic Agreement to delete, or to change portions, sections, or articles of the Agreement.

(b) ADVERSE ACTION: Removal, suspensions of more than fourteen (14) days, reduction in grade, reduction in pay, or furlough for thirty (30) days or less.

(c) AGENCY: Rural Development, U.S. Department of Agriculture.

(d) AUTHORITY: The Federal Labor Relations Authority as established by the Civil Service Reform Act of 1978.

(e) CAREER ENHANCEMENT: A systematic management effort to develop career opportunities for employees below grade GS-9 who are in a position or occupational series not enabling them to realize their full work potential.

(f) DISCIPLINARY ACTION: Suspensions of fourteen (14) days or less and letters of caution, warning or reprimand.

(g) EMERGENCY SITUATION: The phrase "emergency situation" means a temporary condition posing a threat to human life or property.

(h) EMPLOYEES: Employees of the bargaining unit as described in Article 1.2.

(i) EMPLOYER: Rural Development, U.S. Department of Agriculture, Arkansas.
(j) **GRIEVANCE:** Any complaint:

(1) by any employee concerning any matter relating to the employment of the employee; or

(2) by any labor organization concerning any matter relating to the employment of any employee; or

(3) by any employee, labor organization, or agency concerning:

   (i) The effect or interpretation, or claim of breach, of a collective bargaining agreement; or

   (ii) any claimed violation, misinterpretation, or misapplication of any law, rule, or regulation affecting conditions of employment.

(k) **IMPASSE:** The failure or inability of the representatives of the Employer and the Union to reach agreement during the bargaining process.

(l) **IMPACT BARGAINING:** The obligation of the Employer and the Union to negotiate procedures and appropriate arrangements for bargaining unit employees adversely affected by the exercising of management’s rights.

(m) **MANAGEMENT OFFICIAL:** An individual employed by the Agency in a position the duties and responsibilities of which require or authorize the individual to formulate, determine, or influence the policies of the Agency.

(n) **COLLECTIVE BARGAINING:** Collective bargaining means the performance of the mutual obligation of representatives of the Employer and the Union to meet at reasonable times and to consult and bargain in a good-faith effort to reach agreement with respect to the conditions of employment affecting such employees and to execute, if requested by either party, a written document incorporating any collective bargaining agreement reached.

(o) **SUPERVISOR:** An individual employed by the Employer having authority in the interest of the Employer to hire, direct, assign, promote, reward, transfer, furlough, lay off, recall, suspend, discipline, or remove employees to adjust their grievances, or to effectively recommend such action, if the exercise of the authority is not merely routine or clerical in nature but requires the consistent exercise of independent judgment.
SUPPLEMENTS: Additional articles negotiated during the term of the basic Agreement.

UNION: The American Federation of Government Employees, Local 108.

UNION REPRESENTATIVE: Elected or appointed officials of the American Federation of Government Employees Local 108, including stewards, and other designated representatives, including but not limited to, staff members of the National headquarters of the American Federation of Government Employees.

ARTICLE 2 - PROVISIONS OF LAW AND REGULATIONS

2.1 LAWS AND REGULATIONS: In the administration of all matters covered by the Agreement, officials and employees are governed by existing or future laws and regulations of outside authorities including policies set forth in the Federal Operating Manual, Department of Agriculture Personnel Manual (DPM); by published agency policies and regulations in existence at the time the agreement was approved; and by subsequent published agency policies and regulations required by law or by the regulations of outside authorities or authorized by the terms of a controlling agreement at a higher agency level.

ARTICLE 3 - NEGOTIATIONS

3.1 SCOPE OF NEGOTIATIONS: Subjects appropriate for negotiation between the parties are personnel policies and practices and other matters relating to or affecting working conditions of employees within the unit. The Employer agrees to negotiate with the Union on any new policy or change in established policy prior to implementation. If the change itself is not subject to negotiations, its impact upon employees and procedures for implementing the change will be negotiated. The Employer agrees to give adequate notice to the Union and an opportunity to negotiate any new policy or change in established policy which is proposed during the life of the agreement. Negotiation of procedures to implement decisions which are management rights and impact bargaining on those decisions will also be handled in accordance with this section.
3.2 NEGOTIABILITY QUESTION: The Union has the right to proceed on a negotiability question to the Federal Labor Relations Authority in accordance with Section 7105 (a)(2) (E) of Title 5 U.S. Code and the regulations of the authority and Section 7117 (a), (b), and (c) of Title 5 U.S. code.

3.3 EXISTING MUTUALLY ACCEPTABLE WORKING CONDITIONS: Present personnel policies and practices affecting the conditions of the employment of unit employees which are within the authority of the Employer and which are not specifically mentioned in this agreement will remain in effect during the term of the agreement; however, the Employer retains the right to stop or eliminate personnel policies and practices which are contrary to law or regulations of higher authority, or which emergency situations cause to be detrimental or to hamper in any manner the operation of the Employer. Except in emergency situations, the Employer will offer to negotiate the impact of such changes on unit employees prior to implementing the changes.

3.4 BOUNDARIES IN NEGOTIATIONS: In regard to negotiations, Article 2.1, Article 3.1, and Article 4.1 of this Agreement set forth the general boundaries and indicate prerogatives that must be retained by the Employer in order to fulfill its responsibilities for efficient management. However, these limitations on negotiations do not prevent the Union from submitting its views to officials of the Executive Branch, the Congress, or other appropriate authority, or from having its views considered in the formulation of laws, directives, and regulations which affect Federal personnel management.

Both parties to this Agreement have the responsibility of conducting negotiations and other dealings in good faith and in such manner as will further the public interest. Names of the members and alternates on each negotiating committee will be exchanged by the parties seven days prior to the beginning of negotiations. Any changes regarding committee membership will be submitted to the other party as soon as possible, but prior to the beginning day’s negotiation in that particular negotiation session. Bargaining unit employees negotiating during regular duty hours on behalf of the Union will be on official duty time.

When the Employer believes that a matter is non-negotiable, it will immediately advise the Union. The Union has the right to appeal to the Authority in accordance with the Authority’s regulation.

All agreements or amendments and supplements to this collective bargaining agreement are subject to USDA agency head review and approval.

ARTICLE 4 - RIGHTS OF EMPLOYER, UNION AND EMPLOYEES

4.1 MANAGEMENT RIGHTS: Nothing in this agreement shall affect the authority of any management official:
(a) To determine the mission, budget, organization, number of employees, and internal security practices of this agency;

(b) In accordance with applicable laws:

(1) to hire, assign, direct, layoff, and retain employees in the agency, or to suspend, remove, reduce in grade or pay, or take other disciplinary action against such employees;

(2) to assign work, to make determinations with respect to contracting out, and to determine the personnel by which agency operations shall be conducted;

(3) with respect to filling positions, to make selections for appointments from:

(i) among properly ranked and certified candidates for promotion; or

(ii) any other appropriate source;

(4) to take whatever actions may be necessary to carry out the agency mission during emergencies.

(c) Nothing in this section shall preclude the agency and the Union from negotiating;

(1) at the election of the agency, on the numbers, types and grades of employees or positions assigned to any organizational subdivision, work project, or tour of duty, or on the technology, methods, and means of performing work;

(2) procedures which management officials of the agency will observe in exercising any authority under this article;

(3) appropriate arrangements for employees adversely affected by the exercise of any authority under this article by such management officials.

4.2 **RIGHTS OF THE UNION:** The Union shall have the right to present its views to the Employer on matters of concern either orally or in writing, and to negotiate with respect to personnel policies and practices and matters affecting working conditions pertaining to employees covered by this agreement. An exclusive representative of an appropriate unit in an agency shall be given the opportunity to be represented at:

(a) Any formal discussion between one or more representatives of the agency and one or more employees in the unit or their
representative concerning any grievance or any personnel policy or practice or other general condition of employment; or

(b) Any examination of an employee in the unit by a representative of the agency in connection with an investigation if:

(1) The employee reasonably believes that the examination may result in disciplinary action against the employee; and

(2) The employee requests representation.

Any agency and any exclusive representative in the unit in the agency, through appropriate representatives, shall meet and negotiate in good faith for the purpose of arriving at a collective bargaining agreement.

4.3 RIGHTS OF THE EMPLOYEES: Each Employee shall have the right to form, join, or assist labor organization, or to refrain from any such activity, freely and without fear of penalty or reprisal, and each employee shall be protected in the exercise of such right. Except as otherwise provided under this agreement such rights include:

(a) The right to act for a labor organization in the capacity of a representative and the right, in that capacity, to present the views of the labor organization to heads of Agencies and other officials of the executive branch of Government, the Congress, or other appropriate authorities. These activities will not take place on official duty time.

(b) The right to engage in collective bargaining with respect to conditions of employment through representatives chosen by employees under this agreement.

The Employer and the Union agree that there will be no interference, restraint, coercion or discrimination against employees for exercising rights granted by law, rule or regulation of this collective bargaining agreement.

All employees are entitled to assistance and representation by the union without regard to labor organization membership. Nothing in this agreement shall require an employee to become or to remain a member of a labor organization or to pay money to the organization except pursuant to a voluntary, written authorization by a member for payment of dues through payroll deductions.

Each employee or group of employees, regardless of Union membership, shall have the right to bring matters of personal concern to the attention of appropriate officials in accordance with applicable law, rules, regulations, or established employer policy or this collective bargaining agreement.
ARTICLE 5 - UNION AND EMPLOYEE REPRESENTATION

5.1 Union Stewards: The Employer will recognize one steward per area, one for the State office and additional stewards not to exceed 15 stewards appointed by the Union. Assignments will be made, as much as possible, consistent with adequate representation, to minimize official time spent on Union business.

Each steward will represent employees regularly assigned to the specific area the Union has designated; however, the employer recognizes that there may be instances or circumstances that necessitate temporary designation of a steward who is not an employee’s regular steward. The Union will make every effort to limit these situations.

The Union will notify the Employer of any changes in steward appointments and will submit a complete list of stewards each January to the Employer.

Stewards will receive and investigate (but not solicit) complaints or grievances during duty hours, being expected to be judicious in the time spent on such matters.

The Employer will recognize the representatives of the Union, and shall be kept advised in writing by the Union or the names and titles of its officers, stewards, and National representatives.

5.2 Union Representation: The Union shall be given the opportunity to be represented at formal discussions between management and bargaining unit employees or employee representatives concerning grievances, personnel policies and practices, or other matters affecting general working conditions of employees in the unit.

5.3 Non-Rural Development Employees: Employer agrees that national representatives of Union will be admitted to the Rural Development office to meet with the Employer or Union officials during working hours for purposes other than solicitation of membership dues or other internal business of the Union. It is agreed that the Union will notify the Employer prior to these visits.

5.4 Employee’s Correspondence: When the Union is designated as the representative of an employee in any complaint, grievance, adverse action or allegation of discrimination, management will address all correspondence to the employee; concurrently, a copy of the correspondence will be sent to the designated Union representative. Employer will make every effort to ensure that all correspondence to the employee and his/her Union representative will be sealed in an envelope marked “to be opened by addressee only”.
ARTICLE 6 - GRIEVANCES

6.1 PURPOSE: The purpose of this Article is to provide a mutually acceptable method for the prompt and equitable settlement of grievances filed by bargaining unit employee(s), the Union or the Employer.

The Employer and the Union recognize the importance of settling disagreements and disputes promptly, fairly, and in an orderly manner that will maintain the self-respect of the employee and maintain the efficiency of the Employer. To accomplish this the parties will attempt to settle grievances expeditiously and at the lowest level possible. Employees and their representatives will be unimpeded and free from restraint, interference, coercion, discrimination or reprisal, consistent with Title 5 U.S. Code and this collective bargaining agreement in seeking adjustments of grievances.

6.2 SCOPE:

(a) “Grievance” means any complaint

(1) by an employee concerning any matter relating to the employment of the employee;

(2) by any labor organization concerning any matter relating to the employment of any employee; or

(3) by any employee, labor organization, or agency concerning

   (i) the effect or interpretation, or a claim of breach, of a collective bargaining agreement; or

   (ii) any claimed violation, misinterpretation, or misapplication of any law, rule, or regulation affecting conditions of employment.

(b) The following matters are excluded from the scope of this procedure:

(1) A violation relating to prohibited political activities;

(2) Retirement, life insurance, or health benefits insurance;

(3) A suspension or removal for national security reasons;

(4) Any examination, certification or appointment;

(5) Classification of position which does not result in reduction in grade or pay for the employee;

(6) Separation of probationary employees;
(7) Reduction In Force of competitive service employees; and

(8) EEO.

6.3 INITIATION: A grievance maybe initiated by employee(s) covered by this agreement and/or their Union Representative, the Union or the Employer. This procedure shall be the exclusive procedure utilized in adjusting such grievances. The Union, the employee (himself/herself) or a Union approved individual shall be the only employee representative.

An employee(s) may present a grievance on his/her own behalf without a Union representative. In such situations, the Union shall have the right to have a representative be present during the grievance proceedings. The adjustment must be consistent with the terms of the Agreement.

6.4 THRESHOLD ISSUES: The Employer or the Union may raise questions of grievability or arbitrability of a grievance. All dispute of grievability or arbitrability will be referred to as the threshold issue to arbitration. The arbitrator will resolve these issues.

6.5 PROCEDURES:

Step 1: Employee(s) who believe they have a grievance will present it in writing to their immediate supervisor or the management official/supervisor who took or failed to take an action which gave rise to the grievance within 30 days after the incident or event or the date the employee first became aware of the matter. Within 10 days from receipt of the grievance, or the date of the meeting held, whichever is later, the immediate supervisor/management official will issue a decision in writing to the employee either granting, modifying, or denying the relief sought. The decision will notify the employee of the name and location of the next grievance step official with whom to proceed if necessary.

Step 2: The employee may grieve in writing to the next level supervisor/management official within 15 days after the Step 1 decision was or should have been issued. Upon request the supervisor/management official will meet with the grievant(s) and/or representative within 10 days to discuss the grievance. Within 10 days from the receipt of the grievance or the date of the meeting held, whichever is later, the supervisor/management official will issue a decision in writing. The decision will notify the employee of the right to file the grievance with the State Director if the State Director was not the management official at Step 2 and the employee is not satisfied with the Step 2 decision.

Step 3: (If necessary): The employee may grieve the decision of the Step 2 supervisor/management official to the State Director for resolution. Upon request the State Director or designee will meet with the grievant(s) and/or Union Representative within 10 days to discuss the grievance. Within 15 days from the receipt of the grievance, or the date of the meeting held, whichever is later, the State Director will issue a decision in writing.
6.6 **REFERRAL TO ARBITRATION:** If the grievance is not satisfactorily settled at Step 2 or 3, the Union may refer the matter to Arbitration.

6.7 **TIME LIMITS:** Failure of the Employer to observe the time limits stated in his/her grievance procedure shall, at the election of the grievant, advance the grievance to the next step including Arbitration. Failure of the Union or Employee to observe the time limits will constitute termination of the grievance. All time limits in this Article may be extended by mutual agreement.

6.8 **SERVICE OF DECISIONS:** Grievance decisions will be served directly upon the employee either by mail or in person with a copy to the Union representative. Employer will make every reasonable effort to ensure that all envelopes are marked “to be opened by addressee only”. Proof of service shall be: (1) a return post office receipt executed by the person served; or (2) a written acknowledgment from the person served when hand delivered.

6.9 **EMPLOYER-UNION GRIEVANCES:** Issues between the Union and the Employer will be raised in writing in a Complaint within 15 days of the incident giving rise to the issue or the date the grieving party became aware of it. The issue will be discussed informally within 15 days between the Union and the Employer. An answer in writing will be issued within 10 days of the Complaint or the meeting, whichever is later.

**ARTICLE 7 - ARBITRATION**

7.1 **CONDITIONS FOR INVOKING ARBITRATION:** Arbitration may only be invoked by the Employer or the Union under the following conditions:

(a) The Union may invoke arbitration within 30 calendar days after issuance of the Employer’s final decision under Article 6.

(b) The Union or the Employer may invoke arbitration within 30 calendar days after either party has determined that a satisfactory settlement cannot be reached in resolving disagreements under Article 6.

7.2 **SELECTING AN ARBITRATOR:** The party invoking arbitration will request the Federal Mediation and Conciliation Service to furnish the parties a list of five (5) impartial persons qualified to act as arbitrators. An information copy of the request will be sent to the other party. The Employer and the Union shall agree, within ten (10) working days after receipt of the list, upon one of the listed arbitrators. If they cannot agree, they will each strike one name from the list and shall repeat the procedure. The remaining individual shall be the duly selected arbitrator. The arbitrator’s decision shall be binding on the parties, unless either party files exceptions to an award with the Federal Labor Relations Authority under regulation prescribed by the Authority.
Either party may seek judicial review of the arbitrator's decision on matters which could have been appealed to the Merit Systems Protection Board within thirty (30) days of the issuance of the decision. Such review will be sought in the United States Court of Appeals for the Federal Circuit in accordance with the provisions of Section 7703 of Title 5 U.S. Code. The fees and expenses of the arbitrator and other necessary expenses shall be borne equally by the parties. If either party desires its own copy of a transcript of an arbitration hearing, the party is solely responsible for paying for its own copy of the transcript.

7.3 **SCOPE OF ARBITRATOR’S AUTHORITY:** As necessary to reach a decision, the arbitrator shall have the authority to interpret and define this agreement, agency instructions, the Federal and Department Operating/Personnel Manuals (FOM and DPM), and applicable laws. The arbitrator shall have no authority to add to, subtract from, alter, or modify any terms of the agreement, agency instructions, the FOM and DPM, and applicable laws. The arbitrator shall have authority to determine the question of arbitrability.

7.4 **TIME LIMIT:** The arbitrator will be required to render a decision and remedy to the Employer and the Union as quickly as possible, but in any event no later than thirty (30) days after the conclusion of the hearing unless the parties otherwise agree.

**ARTICLE 8 - BASIC WORKWEEK - HOURS OF WORK – OVERTIME**

MOU dated 12/06/06 (Attachment 5) supplements this Article

8.1 **BASIC WORKWEEK:** The basic workweek shall be forty (40) hours, consisting of eight (8) hours in each of the days, Monday through Friday, unless an employee is working under provisions of Section 8.2 and Section 8.3.

8.2 **FLEXIBLE WORK SCHEDULES (FWS):** Each employee is eligible for Maxiflex or Flextour schedule as described in RD Instruction 2051-F dated June 28, 2000, and revised April 29, 2004.

8.3 **COMPRESSED WORK SCHEDULE:** All Employees are allowed to participate if the following criteria can be met:

(a) Service to the Public cannot be diminished,

(b) Productivity must not decrease, and

(c) Costs of operations must not increase.
An office cannot be closed as a result of employees Non Work Day (NWD) without prior approval from the State Director. Participation is voluntary in offices authorized to use CWS.

Two types of CWS’s are authorized: the 5/4/9 Compress plan and the 4/10 workweek.

(a) **FIVE-FOUR-NINE SCHEDULE (Compressed)** - This is a fixed non-flexible schedule, which means that it does not vary from day to day. The arrival and departure times are according to a set schedule requested by the employee and approved by Management in advance. The schedule includes nine (9) workdays in each pay period. Eight (8) of the workdays are nine (9) hours in length and one (1) workday is eight (8) hours long. A lunch period must be scheduled mid-day and be at least 30 minutes in length. Once the schedule has been approved, the length of the lunch period is fixed and must be the same length each workday. The pay period will also include five (5) non-workdays. A 5/4/9 schedule may not include any combination of half-days or workdays of less than eight (8) hours.

(b) **ESTABLISHING & CHANGING WORK SCHEDULES:**

(1) Employees may request to participate in, make changes to, or cancel their participation in compressed work schedules up to four (4) times per year. Temporary adjustments necessary in accordance with this Article are not considered a change for this purpose.

(2) **HOLIDAYS** - When a holiday falls on an employees non-workday, the workday immediately preceding the employees non-workday is the legal holiday. (Example: a legal holiday falls on a Monday which is the employee’s compressed “day-off”, the employees “in lieu of” holiday is the preceding Friday; a legal holiday falls on a Friday which is the employees compressed “day-off”, the employees “in lieu of” holiday is the preceding Thursday.)

(3) **LEAVE** - Leave hours taken for entire day must agree with the employee’s scheduled work hours for that day; for example, 9 hours of leave must be taken for a scheduled 9 hours workday.

(4) **CWS NON-WORKDAY CONFLICTS** - When an employee’s presence is required at the office on the employee’s scheduled non-workday, the employee’s work schedule shall be adjusted to provide one of the following:
(i) An alternate day off, if it can be scheduled within the same pay period; or

(ii) Pay entitlement as determined under the overtime provisions of FOM/DPM manual, chapters 550 and 610.

(5) TRAVEL/TRAINING

(i) When an employee’s non-workday conflicts with training or travel activities, the employee is required to select one of the following work schedules;

(A) Choose an alternate day off, if it can be scheduled within the same pay period.

(B) Revert to the standard work schedule of ten eight (8) hour days for the pay period.

(C) Adhere to the work schedule of the training or travel site, if the training or travel is for the entire pay period.

(ii) When an employee’s scheduled training/travel will be in excess of three (3) days, then the employee’s CWS shall be changed to the traditional eight (8) hour day work schedule for the complete pay period.

(6) CWS OVERTIME

(i) Must be requested and approved before being worked.

(ii) Overtime will be those hours over:

(A) Eight hours on a scheduled eight (8) hour workday.

(B) Nine hours on a scheduled nine (9) hour workday.

(C) Eighty hours in a pay period.

8.4 OVERTIME: Assignment of overtime is a management function. Overtime is not a right by reason of employment. Overtime work is authorized to meet agency needs. Employees will be expected to work overtime if requested; however, if an employee requests to be excused from working overtime on a specific occasion, the supervisor will make an effort to accommodate the employee’s request to be excused.
Consistent with this paragraph, the Employer will assign overtime except emergency situations, among employees who have similar skills, abilities, and grade levels and are in the same organizational location. Time and attendance records showing the overtime distribution will be maintained. In no case will overtime work be assigned to any employee as a reward or punishment.

8.5 REST PERIODS: Employees shall be allowed two (2) paid rest periods; one rest period during the middle of the first time period, and one rest period during the middle of the second time period of each basic work day. Those rest periods will be limited to fifteen (15) minutes each. The approximate times of the rest period will be at the discretion of the Employer. Unless the work situation will not permit, these rest periods will be staggered so that all employees are not on rest periods at the same time, to enable the Employer to maintain continuous service to the public.

ARTICLE 9 - LEAVE

9.1 ANNUAL LEAVE AND VACATIONS: Ordinarily, and to the extent permitted by business needs, an employee whose request to use earned annual leave has been approved will be permitted to take that leave as scheduled. However, a supervisor may postpone approved leave due to the unexpected needs of the Employer. Earned, scheduled and approved annual leave shall not be denied if denial will result in forfeiture of the leave, provided leave was applied for and approved in writing before the end of the first pay period in November.

To the maximum extent possible, the leave schedule shall allow at least one period of eighty (80) hours vacation purposes.

9.2 VOLUNTARY LEAVE TRANSFER PROGRAM

(a) PURPOSE: The parties to this Agreement each recognize the benefit and essentially of a leave program which adequately assists employees during medical emergencies/crises. The purpose of this Section is to set forth procedures to be utilized in conjunction with the provisions of pertinent RD regulations covering the 5-Year Voluntary leave Transfer Program.

(b) MEDICAL EMERGENCY: For the purpose of this Program, a medical emergency is a medical condition of an employee or family member resulting from circumstances beyond his/her own control and in which the employee is facing serious economic consequences or substantial loss of income because of the unavailability of paid leave.

(c) ELIGIBILITY:
(1) In making a determination as to whether a “medical emergency” is likely to result in a substantial loss of income, the employer shall not consider factors other than whether the absence from duty without paid leave is (or is expected to be) at least 24 hours for full time employees and 30% of the average number of hours for a part-time employee or an employee with an uncommon tour of duty.

(2) If the employer requires an additional certification from more than one source to verify an emergency, the employer will pay for all related medical expenses associated with obtaining certifications from additional sources including, but not limited to, the following:

(i) Mileage reimbursement at the rate in effect at the time as provided by RD travel regulations and negotiated agreements.

(ii) M&IE, including lodging, at the rate in effect at the time as provided by RD travel regulations and negotiated agreements.

(iii) Administrative leave for the employee in obtaining the required additional certifications for himself/herself or family member.

(iv) Long distance telephone expenses.

(3) Employees are not required to request advance annual or leave without pay before requesting to become a leave recipient.

(d) PROCEDURES:

(1) The application by a leave recipient must provide the applicant's name, position title, organizational title, series, grade or pay level, social security number, office address and phone number, and the address and phone number (if available) where the leave recipient can be reached during the medical emergency, and the leave recipient’s timekeeper’s name and phone number.

(2) The signature of the recipient’s supervisor indicates concurrence in the request.

(3) Within ten days after the date the application was received - excluding Saturdays, Sundays, and Legal Public Holidays - the employer shall notify the leave recipient or the personal
representative who made application on behalf of the leave recipient, that

(i) The application has been approved or disapproved; and

(ii) If approved, other employees of the employer may request the transfer of annual leave to the account of the leave recipient.

(e) **DISPOSITION OF APPLICATION TO BE A RECIPIENT:**

Employees who complete Item 18 of Form AD-1046 will be assisted by the Employer, which may include publishing information contained in item 18, in finding leave donors.

(f) **APPLICATION TO BE A DONOR:** The specific number of hours of leave to be transferred must be shown by the employee requesting to be a donor on Form AD-1043.

(g) **USE OF TRANSFERRED LEAVE:** [reserved]

(h) **LIMITATIONS:**

(1) The maximum amount of annual leave and sick leave that may be accrued by an employee while in a transferred leave status is 40 hours each.

(2) In any one leave year a leave donor may donate no more than a total of one-half of the amount of annual leave he/she would be entitled to accrue during the leave year in which the donation is made.

(3) In the case of a leave donor who is projected to have annual leave that otherwise would be subject to forfeiture at the end of the leave year, the maximum amount of annual leave that may be donated during the leave year shall be the lesser of:

   (i) One-half of the amount of annual leave he/she would be entitled to accrue during the leave year in which the donation is made; or

   (ii) The number of hours remaining in the leave year (as of the date of the transfer) for which the leave donor is scheduled to work and receive pay.

(4) Donors, however, can request on Form AD-1043 to donate more than that shown above. When such a request is
received, the employer will so advise the leave recipient or his/her personal representative of the extra availability of leave being offered for donation and will provide the leave recipient an opportunity to submit a written request for a waiver of the amount-restriction. Waivers shall be granted under unusual circumstances, such as:

(i) When the donated leave does not exceed the number of hours required to keep the recipient in a pay status for the remainder of the medical emergency and there is an insufficient amount of leave available from other donors.

(ii) The request for the waiver should indicate the balance of donated leave on hand at that point in time.

(iii) Requests for waivers must be made to the Administrative Programs Director and will be reviewed and approved/disapproved within 10 days of receipt of the request for waiver.

(i) LEAVE TRANSFER FROM AND TO ANOTHER FEDERAL AGENCY

(1) The transfer of annual leave from a leave donor of another Federal Agency/Department must be accepted when:

(i) The amount of annual leave donated by Rural Development leave donors does not meet a leave recipient’s needs as requested and approved.

(ii) A family member from another Agency/Department requests to donate annual leave to a leave recipient; or

(iii) In the judgment of the recipient’s Agency personnel officer or designee, acceptance of leave transferred from another Agency/Department would further the purpose of the voluntary leave transfer program.

(2) Before accepting the transfer of annual leave from a leave donor of another Agency/Department, the recipient’s Agency personnel office must, in addition to determining that the requirements in Section 2066.25(c) of RD Instruction 2066-A have been met, verify the donor’s request to transfer annual leave to the specified Rural Development leave recipient.

(3) Before a transfer of annual leave may be made from a Rural Development donor to a leave recipient in another
Agency/Department, the Administrative Programs Director, or designee, must notify the leave recipient’s employing Agency in writing of the amount of annual leave to be credited to the recipient’s annual leave account, and debit the donor’s annual leave account.

(j) **CONFIDENTIALITY:** By selecting Option 3 of Item 18 on Form AD-1046, the employee authorized the Employer to publicize his/her name, case number and circumstances. This does not, though, mitigate the confidentiality restrictions shown below.

(1) Any person involved in the processing of a leave transfer must protect the confidentiality of all related communications with the leave recipient and all other parties to the leave transfer, and the right of the individuals to privacy. Persons with access to information related to the leave transfer must not disclose that information to anyone except those who have a need to know and those with expressed written permission of the applicant or recipient for the release of specific information. Individuals granted access must be advised of the requirements of both RD Instruction 2066-A and this Agreement.

(k) **PROHIBITION OR COERCION:**

(1) An employee may not directly or indirectly intimidate, threaten, or coerce or attempt to intimidate, threaten, or coerce, any other employee for the purpose of interfering with any right such employee may have with respect to donating, receiving, or using annual leave under this program.

(2) The term “intimidate, threaten, or coerce” includes promising to confer or conferring any benefit (such as an appointment or promotion or compensation) or effecting or threatening to effect any reprisal (such as deprivation of appointment, promotion, or compensation).

**ARTICLE 10 -TRAVEL**

10.1 **GENERAL:** The Employer will pay the travel expenses incurred by employees while using official time under the terms of this Agreement and in the performance of job-related duties. Expenses incurred will be reimbursed by the Employer in accordance with this Agreement and RD Instruction 2036-A, dated August 20, 1997, and other relate policy agreements, applicable laws, rules, and travel...
regulations. (The Union will make every reasonable effort to keep travel expenses for
administration of this Agreement to a minimum.)

10.2 **VEHICLE ACCIDENT:** When accidents occur involving a government-
furnished vehicle, the operator of that vehicle (if medically qualified and physically and
mentally able) should give aid to any persons injured in the accident, if appropriate, and
if able, will give warning to other motorists of anything resulting from the accident that,
to the operator’s knowledge, can have an effect on public safety. The Employer will
consider furnishing medically-certified first aid training for employees who execute
commitments to use government-furnished vehicles and also to employees in offices
that have an assigned government-furnished vehicle.

10.3 **TRAVEL DELAYS:** If an employee has a delay in official travel due to
vehicle breakdown, the employee will, as soon as possible, contact his/her official duty
station for instructions. Additional per diem will be authorized, if necessary.

10.4 **RELOCATION:** Employees scheduled to relocate will be afforded an
opportunity to be briefed by appropriate officials of the Budget & Travel section at the
State Office in regards to matters relevant to the relocation and associated expenses.
Should telephone communications prove inadequate, the employee will be allowed to
meet with appropriate specialists, providing a legitimate need exists. The employee will
make a written request to meet with appropriate specialists. The employer will then
arrange for the meeting and notify the employee of the arrangements made. Should the
Employer determine that the meeting is not justified, the Employer will provide timely,
written notice, and written justification, as to why the employee will not be allowed to
meet with appropriate specialists. The notice will include a statement to the effect that
the employee has the right to grieve the decision. A copy of the written notice and
justification will be provided to AFGE Local 108.

10.5 **CREDIT CARD USE:** Employees utilizing a Government issued credit
card will be responsible for paying all valid bills when due. To achieve expediency in
this area, travel vouchers will be promptly prepared, approved, and submitted to NFC
for payment.

10.6 **VOUCHER PROCESSING:** Approving Officials are responsible for
approving and assuring prompt transmission to NFC for payment. If corrections or
revisions must be made to the voucher prior to transmission to NFC for payment, the
employee shall be notified as soon as possible to that inordinate delays will be avoided.

10.7 **TWELVE HOUR RULE:** Employees on temporary duty and in travel
status for more than 12 hours are entitled to not less than three-quarters day of M&IE.
Beginning with actual departure time, three-quarters daily M&IE rate is allowed. This
will be the time the employee leaves and returns to his/her official duty station (or
his/her residence if the employee does not stop at their ODS). See RD AN #3306,
dated January 16, 1997 and FTR 301-7.7.
Example: Jim’s official duty station is Little Rock, his house is located in Conway, and the temporary duty point (TDY) is Hot Springs. Jim departs from Conway at 6:00 a.m. and drives directly to his temporary point in Hot Springs. He returns home at 6:00 p.m. that same day. Under the 12-hour rule, Jim will be authorized three-quarters day for meals and incidental expenses (M&IE).

10.8 MILEAGE PAYMENTS:

(a) Mileage will be paid for official travel to a temporary duty point which begins and ends at the employee’s regular official duty station unless it is more cost advantageous to take public transportation.

(b) When travel is to a temporary duty station, or when work is performed enroute from residence to official duty station (ODS), mileage will be paid for the distance in excess of the normal commuting distance between the employee’s residence and official duty station

(c) No mileage shall be paid between an employee's residence and official duty station on the day of departure and the day of return for travel which includes at least one (1) night’s lodging.

(d) Employees will be paid round-trip mileage from their residence to temporary duty site(s) on days when the employee does not report to her/his regular duty station. When the temporary duty site is in the same *vicinity of the employee's duty station mileage will only be paid for that in excess of the employee's normal daily commute.

(e) When an employee departs from her/his residence and travels within the *vicinity of her/his regular duty station (even though no stop is made at the regular duty station) to a temporary duty site, the employee will be paid mileage in excess of her/his normal commute.

*Vicinity: Generally speaking corporate city limits of the town that the official duty station is located in and travel should be by the most direct route.

ARTICLE 11 - TELEPHONE USE

11.1 GENERAL: The conduct of official business, including emergency calls and calls in the interest of the Government, may be made on the Employer’s telephones
and long distance facilities. The following criteria must be met in determining when a call is in the interest of the Government:

(a) It does not adversely affect the performance of official duties.
(b) It is of reasonable duration and frequency.
(c) It could not have reasonably been made at another time.

11.2 EXAMPLES: Some examples of use that may be authorized are:

(a) Official Use (chargeable to Rural Development):

(1) A brief daily call within local commuting area to spouse, dependent or minor children or to providers of care for dependents or minor children to see how they are.

(2) Brief calls to appropriate family members or providers of medical care to notify them when the employee is injured on the job.

(3) Brief calls within local commuting area to locations which must be reached during the employee’s work hours such as government agencies, providers of medical care, and residential/vehicle repairers.

(4) Brief calls within local commuting area or when in travel status to appropriate family members to notify them of work schedule changes and to make alternate transportation or dependent care arrangements.

(5) A brief daily call to the employee’s residence (or location of appropriate family member) while in travel status for more than one night. If not practicable to use a Government telephone line, reimbursement will be claimed on the Travel Voucher, consistent with Department of Agriculture regulations.

(6) Union activities as delineated by Article 12, sections 12.1, 12.2, 12.3 and 2.6.

(7) Official Facsimile for submitting applications: Fax machine can be used for transmitting applications for employment as stated in USDA Merit Promotion Plan dated July 14, 1999, MOA dated February 22, 2001 and Supplemental MOA dated June 22, 2005.
11.3 **PERSONAL USE**: Personal Use (chargeable to the caller and not to Rural Development): any call consistent with the criteria of 11.1, but not with those of 11.2.

Employees and the Union should be particularly sensitive to the use of Government telephone facilities. If possible, such calls should be made during lunch, break times, or other off-duty periods.

11.4 **LOCAL COMMUTING AREA**: For purposes of this article only, the term “local commuting area” is defined as the area from which an employee travels daily to work.

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**ARTICLE 12 - OFFICIAL TIME, TRAVEL AND PER DIEM FOR UNION REPRESENTATIVES**

12.1 **AUTHORIZED OFFICIAL TIME**: Union officers and officials, including stewards, shall be permitted reasonable time during working hours without loss of leave or pay to represent employees in accordance with this agreement. Use of official time will not be limited to the confines of the office of the employee but will allow the representative to travel in accordance with the needs of the individual case.

(a) Therefore, all negotiations and preparations shall be conducted on official duty time. This shall include time to prepare and present matters to the Federal Mediation and Conciliation Service and the Federal Service Impasses Panel.

(b) Reasonable time for receiving, investigating, preparing and presenting a complaint, grievance or appeal must necessarily depend on the facts and circumstances of each case – e.g., number and nature of allegations, number and complexity of supporting specifics, the volume of supporting evidence, availability of documents and witnesses and similar considerations.

(c) Reasonable time for preparations of information reports required under 5 USC 7120(c), including financial reports and trusteeship reports, shall be accorded to Union officials. The amount of time granted will be that necessary to gather data and complete reports. Management and Union will accept mutual responsibility to properly record time on the Time and Attendance Reports.

12.2 **EMPLOYEES**: An employee who wished to leave the employee’s work area to contact a steward or other Union representative concerning the employee’s complaint or grievance must first obtain permission of the immediate supervisor and
must advise the supervisor upon return to duty. The employee will be granted a reasonable amount of official time for this purpose.

When the work area of the steward is different from the employee the initial contact will normally be made by telephone. Normally permission will be granted to employees requesting to leave their work area for the above purpose. Supervisors will make every reasonable effort to grant permission consistent with work requirements. If the supervisor determines that impairment or serious delay will be involved, the supervisor will inform the employee of the reasons for the supervisor’s determination and the supervisor will grant permission for the absence at the earliest possible time.

12.3 STEWARDS: Each steward is required to obtain permission from the steward’s supervisor prior to leaving the steward’s work area for any representation activity, and the steward must advise the supervisor upon return to the steward’s work area. Each steward will check in and check out with the supervisor and also notify the timekeeper, whenever possible. In the absence of the supervisor or acting supervisor the steward will notify and obtain approval from the next level supervisor. The steward will advise the timekeeper of the specific amount of time involved and the proper code. When workload does not permit the absence of the steward at that time the supervisor will arrange for the steward’s absence as soon as practical. The steward will also obtain permission and approval from the supervisor of the employee being contacted. At all times the conduct of Union business shall not interfere with the orderly and efficient conduct of Agency business.

12.4 TRAVEL EXPENSES: The Employer agrees to pay the travel expenses incurred by employees while using official time under the terms of this agreement. Any travel expenses incurred by such employees will be reimbursed by the Employer in accordance with applicable laws, rules and travel regulations. The Union will make every reasonable effort to keep travel expenses to a minimum.

12.5 OFFICIAL TIME FOR UNION TRAINING: The Employer agrees that Union representatives who are Rural Development employees shall be granted official time, not to exceed 56 hours per person annually, for union related training. Prior approval of the programs to be attended must be given by the Employer. If additional training hours are required, the Union will request and the Employer may approve on a case by case basis. A maximum of 640 hours annually will be allowed for this training.

12.6 CONFERRING WITH MANAGEMENT: Union officials, stewards and negotiators will be allowed a reasonable amount of official time to meet and confer with management officials.

12.7 INTERNAL UNION BUSINESS: Internal Union business, such as attending Union membership meetings, will be conducted during the non-duty hours of the employees involved. Upon request and subject to normal security limitations, the Union shall be granted authority to conduct no less than three (3) membership drives of five (5) days each, not to exceed fifteen (15) days duration, each year, before and after duty hours and at break periods and lunch periods.
ARTICLE 13 - OFFICIAL FACILITIES AND SERVICE

13.1 SPACE: The Employer will make available to the Union conference rooms or other non-duty areas over which the Employer has control for the purposes of handling membership drives or after-hours meetings.

13.2 BULLETIN BOARDS: Space on official bulletin boards shall be made available to the Union for posting of official Union bulletins subject to the following conditions. Bulletin boards must be kept free of material which advertises a commercial product or firm; attacks or reflects adversely on the integrity of any government official or employee; condemns or criticizes the policies of any government agency; or implies official sponsorship or endorsement of the Union by the Employer.

This space shall be one-fourth of the space on each current bulletin board and shall be in the lower left-hand corner of the bulletin board. There shall be no unofficial bulletin boards.

In accordance with the above rules, bulletin board space will be made available in all local offices, area offices and in the State Office of the Employer.

13.3 LIST OF EMPLOYEES: Semiannually, the Employer will furnish to the Union a list of the names, grades, and organizational locations of all personnel in the Unit. This list will be furnished without charge to the Union.

13.4 TELEPHONES: The Union may use official Employer telephones for the purpose of representing employees. Use of the telephones for internal business is prohibited.

13.5 DISTRIBUTION OF UNION LITERATURE: Twice each month, the Union will be permitted to distribute literature and the local’s newsletter through the internal mail distribution system of the Employer. This right will be subject to the following conditions:

(a) Distribution will not include magazines or newspapers.

(b) The literature will not: advertise a commercial firm or product; attack or reflect adversely on the integrity of any Government official or employee; condemn or criticize the policies of any Government agency; or imply official sponsorship or endorsement of the Union by the Employer.

(c) The Union must provide sufficient copies for distribution. The Employer will neither duplicate material for the Union nor pay the duplication of Union literature.
(d) This right does not extend to the use of metered mail or official letterhead stationary by Union representatives or employees.

(e) A copy of all material will be submitted to the Employer prior to distribution. If the Employer believes any of the above conditions have been violated, the Employer will confer with the Union on how to resolve this situation. Union literature questioned by the Employer will not be distributed until the parties agree the literature has met the above conditions.

13.6 NOTIFICATION OF NON-COMPETITIVE ACTIONS: The Employer will furnish the Union President or designee a copy of each job announcement at the time of issuance for competitive positions. If a bargaining unit position is filled through non-competitive procedures the Employer will notify the Union President or designee the position being filled, the individuals name and the non-competitive procedure used.

ARTICLE 14 - SAFETY

14.1 GENERAL: The Employer and the Union have a common interest in promoting safe working habits and safe working conditions. The Employer has an obligation to provide safe working conditions. All employees are responsible for prompt, reporting of unsafe conditions. The Employer and the Union recognize that observing safe work practices and wearing of prescribed protective equipment is primarily the responsibility of each employee. The Employer will ensure that the poster titled “Occupational Safety and Health Protection for USDA Employees” is displayed in each office with appropriate contact persons identified. The Employer and the Union will cooperate in encouraging employees to work in a safe manner and to report promptly any unsafe or unhealthy conditions to appropriate supervisors. Employer agrees, in the event an employee sustains a job related injury, disease, or illness, to provide advice and assistance from the State Office Human Resources Section to the employee in completing and submitting a claim. The Employer will notify the Union when an employee files a claim with the Office of Worker Compensation Programs.

14.2 SAFETY INSPECTIONS: Each office of the employer will receive an annual safety inspection. In each Area, the Steward designated by the Union as representative of the employees in that Area will be afforded an opportunity to accompany the Rural Development official making the annual safety inspection of the Area Office and the Area’s local offices.

The Steward designated by the Union as representative of the employees in the State Office will be afforded an opportunity to accompany the Rural Development official making the annual safety inspection of all offices in the State Office. The State Director will forward a copy of the inspection reports prepared to Local 108. All safety
inspections will be conducted in accordance with this Agreement and applicable laws, rules and regulations.

14.3 **SMOKING POLICY:** This policy is designated primarily to protect the non-smoking worker’s and public building visitor’s right to not be exposed, involuntarily, to secondhand tobacco smoke at the Federal work site.

(a) A designated smoking area will be established at each Local and Area office and State office flow in accordance with GSA Regulation, 41 CFR Part 101-20. These and the non-smoking areas will be clearly designated and posted in clear view.

(b) Counseling and rehabilitation will be provided to smokers who would like to quit smoking in accordance with the employee assistance program.

(c) In compliance with Article 14 of the Labor-Management Relations Agreement all designated smoking areas will have proper ventilation.

(d) Employees performance appraisals will be based solely on performance of elements and standards with no consideration given to the fact that the employee is a smoker or non-smoker.

**ARTICLE 15 - DISCIPLINARY AND ADVERSE ACTIONS**

15.1 **GENERAL:** Adverse and disciplinary actions will be taken by the Employer for such cause as will promote the efficiency of the service.

15.2 **NOTICES OF PROPOSED ADVERSE ACTIONS:** If an adverse action against an employee is proposed, the employee will receive an original and one copy of the notice of proposed adverse action. A notation on the second copy will inform the employee of the name of the Union President, address and telephone number, and of the employee’s right to be represented by the Union or any other person of the employee’s choosing. If an employee chooses to be represented in an adverse action procedure, his/her representative will have the right to be present at all conferences at which the employee answers the reasons in the notice of proposed adverse action.

15.3 **DISCIPLINARY ACTIONS:** When an employee is subject to a disciplinary action (for example, a letter of caution or letter of reprimand), the letter will inform the employee of the name of the Union President, address and telephone number and the employee’s right to be represented by the Union in a grievance over the disciplinary action. Letters of caution and/or reprimand will be removed from Official Personnel Folders after two (2) years.
ARTICLE 16 - EQUAL EMPLOYMENT OPPORTUNITY 
AND CAREER ENHANCEMENT

16.1 GENERAL: The Employer and the Union agree that no individual will be a victim of discrimination because of race, color, creed, religion, sex, national origin, handicap, marital status, or age. Discrimination complaints will be processed solely through the complaint system established by applicable laws and regulations.

16.2 EEO COMMITTEE: Employer’s Equal Employment Opportunity Advisory Committee (EEOAC) will be established in accordance with RD Instruction 2045-X. The Union may have one representative on the EEOAC.

16.3 CAREER ENHANCEMENT: The Employer will implement the Career Enhancement program prescribed by the Agency. As the Employer has need, the program will attempt to make maximum use of the skills and potential of employees currently in the Employer’s workforce. The program will be limited to the occupational series designated by the Administrator of the Agency.

ARTICLE 17 - MERIT PROMOTION PLAN

MOA dated 12/05/06 (Attachments 1 & 2) supplements this Article

17.1 PURPOSE AND POLICY:

(a) The parties agree that the purpose of the provisions contained herein is to ensure that vacancies in unit positions will be filled on the basis of merit, fitness and qualifications and without regard to political, religious, or labor organization affiliation or non-affiliation, marital status, race, color, sex, national origin, non-disqualifying handicap or age. This Article encompasses broad requirements pertaining to the implementation of USDA Merit Promotion Plan for Merit Promotion Program for Rural Development and Federal Operating Manual (FOM) 335 for positions within the bargaining unit.

(b) It is agreed that the Employer will make every reasonable effort to utilize the skills and talents of its employees in order to achieve the resulting benefits of higher morale and reduced turnover, and to move toward attaining a mix of employees representative of all segments of society.
17.2 FILLING VACANCIES:

(a) Competitively: All vacancies in the unit which are to be filled competitively and training requiring competitive procedures will be announced. Vacancy announcements will be immediately posted upon receipt on the official bulletin board in the State Office, each area office and each local office. Vacancy announcements will be open for a period of twenty (20) calendar days. The announcement will contain brief description of the position and of the basic eligibility requirements. Supervisors will be responsible for proper notification of eligible employees who will be absent from their duty station beyond the closing date of the announcement. If an insufficient number of best qualified applicants are certified to the selecting official the Employer retains the right to reannounce the vacancy. The Employer has the right to choose from among best qualified employees, including Unit and outside employees.

(b) The Employer also has the right to fill a position noncompetitively in accordance with applicable laws, rules and regulation.

(c) If the vacancy announcement is cancelled, a notice of cancellation will be posted in the same areas as the original announcement appeared.

(d) Management recognizes the benefit of promoting from within Arkansas Rural Development whenever appropriate. Accordingly, Management will give fair consideration to Arkansas Rural Development applicants.

17.3 INFORMING UNION: A copy of each vacancy announcement of bargaining unit positions will be forwarded to the President of the Union concurrently with distribution of the announcement. The Employer will notify the President of the Union of who was selected for promotion or competitive placement.

17.4 MERIT PROMOTION PANEL:

(a) For announcements which have three (3) or more basically qualified applicants, a panel will be convened to rate all merit promotion applicants utilizing a rating schedule developed by subject matter expert(s) for the position being filled. All panel participants will be advised of the confidentiality of the panel ratings and discussions. A facilitator will be designated to ensure compliance with the requirements of the merit promotion procedures and expedite the process. A personnel representative may serve on panel at Management option, either as a facilitator or a panel member, but one may not be a panel member and facilitator simultaneously.
(b) Panel members will be at or above the grade level of the position being filled.

(c) Management agrees that to the extent possible, all Merit Promotion Panels will have ethnic and racial balance and include members of both sexes.

17.5 REFERRAL AND SELECTION:

(a) All certified promotional applicants will be sent to the selecting official in alphabetical order. Certificates will be valid for 30 days unless an extension is granted.

(b) If one candidate is interviewed, all candidates must be interviewed unless the selecting official is the first or second line supervisor having first hand knowledge of the candidates’ experience, knowledge, skills, and abilities relative to the position being filled.

(c) The selecting official may select from among any of the candidates on a promotion certificate. The selecting official may also elect not to fill the position from the promotion certificate.

(d) An employee’s use of approved annual or sick leave should not be considered by the selecting official as a basis for selection/non-selection.

17.6 EXPANDING AREAS OF CONSIDERATION: The employer may expand the area of consideration in a Merit Promotion Plan action involving a position within the Bargaining Unit after the Employer has conducted a search in the minimum area of consideration and:

(a) less than three (3) qualified candidates are certified to the Employer by the evaluation committee; or

(b) the Employer documents valid job-related reasons for not making a selection from the certificate.

17.7 MULTI-LEVEL ANNOUNCEMENTS: When advertising a position at multi-grades, qualification requirements for each grade level will be outlined in the vacancy announcement. The announcement will also require candidates to specify the lowest grade they will accept. Candidates will be grouped separately by grade level for each certificate.

17.8 RIGHT TO REVIEW RECORDS:

(a) By an Employee: An employee will be furnished upon request, with or without representation by the Union, the following information in writing from the employer:
(1) About the plan:

(i) Explanation about any part of the plan;

(ii) Details of supporting regulations;

(iii) Qualifications required for a position; and

(iv) Details of the evaluation process.

(2) About specific vacancy for which the employee applied:

(i) Whether the employee was considered for promotion and if so, whether the employee was found eligible on the basis of minimum qualifications requirements for the position;

(ii) Whether the employee was grouped among the best qualified;

(iii) Who was selected;

(3) In what areas, if any, the employee should improve to increase chances for future promotion;

(4) All merit promotion data relating to the applicant including what points were awarded to the applicant in each category and the best qualified cutoff score.

(b) Notwithstanding “a” above, the Union or any employee may request any additional information desired, providing that such additional information will be in accordance with applicable laws, rules and regulations.

17.9 MISCELLANEOUS:

(a) Promotion Records: A file to allow a reconstruction of the action will be kept for two (2) years on each competitive action. Information in the files will be made available as required by laws, regulations or stipulated in the Federal Operating Manual.

(b) Effective Date and Release to Position: An employee who has been selected for a competitive promotion will have his/her promotion effective no later than one complete pay period following selection unless circumstances require otherwise (e.g. within-grade increase; relocation; urgent needs of the Employer).
(c) Consideration: Selection, and all procedures leading to selection, must be made without consideration for any non-merit reasons such as race, color, religion, sex, national origin, political affiliation, marital status, non-disqualifying physical handicap, age, or membership/non-membership in a labor organization. Consideration for any of these reasons is a serious disciplinary offense. Each manager and supervisor has the obligation to ensure all candidates receive full consideration and should take no action which would either discourage or give the appearance of discouraging potential candidates from applying for a position. Supervisors and selecting officials will avoid practices that give employees the impression that a person was preselected for a job or that a selection was based on favoritism.

ARTICLE 18 - POSITION DESCRIPTION AND CLASSIFICATION

18.1 POSITION DESCRIPTION: The Employer will provide each employee a copy of the employee’s position description, including revisions which may occur.

18.2 CLASSIFICATION APPEALS: When an employee alleges, in writing, that the employee’s position is not properly classified, the employee will be furnished information on available appeal rights. The employee may be represented by the Union in discussing the matter with management or in presenting an appeal.

ARTICLE 19 - TRAINING

19.1 TRAINING AND DEVELOPMENT: It is the policy of the Rural Development that all employees will be given the opportunity to receive appropriate training to better enable them to effectively perform their assigned duties in an effective manner in accordance with RD Instruction 2057-A. Training opportunities will be made known to all employees.

19.2 RECORDS: The Employer will record official training received in the Official Personnel Folder of the employee. This does not relieve the employee of individual responsibility to maintain the personnel folder current and complete to fully reflect total employment experience, training, and education.

19.3 EXPENSES: For employees who are to take training courses for official purposes, Rural Development may pay costs of salary, tuition, travel, per diem, books,
registration fees, and laboratory fees during the period of training to the extent funds are available.

**ARTICLE 20 - EMPLOYEE RECOGNITION/AWARDS PROGRAM**

**MOU dated 09/12/06 (Attachment 4) supplements this Article**

20.1 **GENERAL:** The Employer and the Union agree that award programs, such as suggestion, incentive and performance awards, are beneficial to the Employer and Employees. These discretionary awards programs shall be conducted in accordance with applicable laws, rules and regulations with every employee having an equal opportunity to benefit from these programs. These programs will be made known to all employees.

It is an appropriate matter for the Labor-Management Relations Committee or Partnership Council to periodically evaluate and review the Rural Development Arkansas Employee Recognition/Awards Program and make recommendations to ensure effectiveness and understanding of the Awards Program.

Employee Recognition Program will be administered in accordance with Rural Development Instruction 2063-B dated 07/26/06 and MOU dated 09/12/06.

**ARTICLE 21 - LABOR-MANAGEMENT RELATIONS COMMITTEE**

21.1 **GENERAL:** The Employee and Union agree to establish a joint Labor-Management Committee consisting of three (3) members each. The purpose of this Committee shall be to discuss and resolve questions concerning areas, such as the administration of this Collective Bargaining Agreement, dispute resolution and programs such as R-I-F, Employee Recognition/Awards Program, EEO, Contracting out and Training. This Committee shall meet quarterly or more often when the Employer and the Union agree a meeting of this committee is necessary. Prior to these meetings the parties shall jointly exchange an agenda of major topics to be addressed; however, other subjects may be discussed. The parties understand that this committee or the Partnership Council does not change or replace the traditional roles in Labor-Management relations, i.e. notification, negotiations and appeal processes.

The Arkansas Partnership Council was established in accordance with Executive Order 1287 dated October 1, 1993, and the Arkansas Partnership Council Agreement
dated November 17, 1994. The Arkansas Partnership Council functions in accordance with the terms and intent of the Executive Order and Arkansas Partnership Council Agreement.

ARTICLE 22 - PERFORMANCE APPRAISAL SYSTEM

MOU dated 08/25/05 (Attachment 3) supplements this Article

22.1 PURPOSE: The parties to this Agreement each recognize that continual and consistent job performance of the Agency’s employees is essential to the efficient operation of the Agency and is necessary for the achievement of the goals and programs for which it is responsible. The purpose of this article is to set forth procedure to be utilized by supervisors in informing employees of their performance and in aiding employees to reach an optimum level of performance. The Agency employee performance appraisal system will be in accordance with appropriate regulations and, as supplemented by this Agreement, shall be utilized in evaluating employee performance.

22.2 DEVELOPMENT OF ELEMENTS & STANDARDS: Responsibilities

(a) Performance standards shall be consistent with the duties and responsibilities actually assigned to employees and will be consistent with his/her position description. After performance appraisals have been given, if an employee believes any standard does not meet the above criteria, he/she may grieve the application of that standard to him/her through the negotiated grievance procedure.

(b) Performance Plans for bargaining unit employees must contain at least three but no more than seven elements in their Performance Plan, one of which must be critical.

22.3 PERFORMANCE APPRAISAL

(a) The appraisal given employees shall be objective and shall be prepared in accordance with the following:

(1) The supervisor will discuss the employee’s job performance with the employee at least once midway through the appraisal period.
(2) If deficiencies have been identified in the employee’s performance, the employee shall be notified when the problem is perceived. The supervisor will recommend specific ways including training, if needed, for the employee to improve.

(3) Work performed as "other duties as assigned" shall not be used for performance appraisals.

(c) Career Ladder

(1) If the employee is not to receive a career ladder promotion, based on performance, the supervisor will notify the employee in writing, 45 days before the employee is eligible for the promotion.

(i) An explanation of those aspects of performance in which the employee’s performance falls below an acceptable level, with specific examples;

(ii) Specific advice as to what the employee must do to bring his/her performance up to an acceptable level;

(d) Within Grade Increase

(1) Prior to the date an employee is eligible for a within grade increase, the supervisor will review the work of the employee. When and if a supervisor deems that the employee’s work is not deemed to be at an acceptable level the supervisor will provide to the employee, in writing, at least sixty (60) calendar days before the employee is eligible for the within grade increase, the following:

(i) An explanation of those aspects of performance in which the Employee’s service falls below an acceptable level, with specific examples of deficiencies in each area of performance;

(ii) Specific written recommendations as to what the employee must do to bring his or her performance up to the acceptable level;

(iii) A statement that his/her performance may be determined as being at an unacceptable level unless improvement to an acceptable level is shown;

(iv) A statement that he/she has a period of forty-five (45) calendar days in which to bring his/her performance
up to an acceptable level or that he/she will be denied his or her within grade increase.

(2) At least 15 days before the original WGI due date, if the supervisor determines that the employee is performing at an acceptable level, the within grade increase will be processed, when due. The notice given as provided above will be removed from all files. If the employee’s performance has not improved the supervisor will notify the employee in writing that the within grade increase will be withheld. The notice will include reasons for the action and will also inform the employee of his/her right to request reconsideration. The supervisor will then periodically (at least every 60 days) review the employee’s performance to determine if the WGI is in order at that time.

(e) Unacceptable Performance - If the supervisor determines that the employee’s performance is unacceptable, the supervisor will discuss the matter as soon as possible with the employee. The supervisor shall identify the specific problem areas and suggest methods of improvement. The supervisor will provide whatever assistance is necessary to the employee and will continually keep the employee apprised of the progress which is being made. Prior to initiating a removal proposal, the employer will give reasonable consideration to identifying vacancies for reassignment and/or change to lower grade for which the employee could be expected to perform at the fully successful level with a minimum of training.

(1) In the event the supervisor determines that the employee’s performance continues to be unacceptable the supervisor will provide written notice to the employee informing the employee:

(i) of the specific instances of unacceptable performance by the employee;

(ii) of the critical elements of the employee’s position involved in each instance of unacceptable performance;

(iii) that the employee has not less than a 60-day period to bring performance to a satisfactory level;

(iv) how the supervisor will assist the employee in that effort;

(v) what the employee must do to bring performance to a satisfactory level during the period and what the
required level of performance will be, and how the level of performance will be measured and evaluated, in detail, including an explanation of all sampling methods and/or statistical measurements that will be employed, if appropriate;

(vi) that the employee’s performance will be reevaluated at the end of the period.

(2) After the performance improvement period, if it is determined that the employee should be removed or reduced in grade, the employee is entitled a 30 days advance written letter which:

(i) Specifies the instances of unacceptable performance by the employee on which the reduction in grade or removal is based;

(ii) Specifies the critical elements of the employee’s position involved in each instance of unacceptable performance;

(iii) The right to be represented by an attorney or other representative of his/her choice; and

(iv) A reasonable time (at least 15 calendar days) to answer orally and/or in writing.

(3) Should the proposal to remove or reduce in grade be sustained, the employee will receive a written decision.

ARTICLE 23 - REDUCTION IN FORCE

23.1 GENERAL: This article governs:

(a) a transfer of function (TOF), and

(b) the release of a competing Employee by furlough for more than thirty (30) days; by separation; by demotion; or by reassignment requiring displacement, because of lack of work; shortage of funds; insufficient personnel ceiling; reorganization, the exercise of re-employment rights or restoration rights; or reclassification of an Employee’s position due to erosion of duties when such action will take effect after an agency has formally announced a reduction in
force (RIF) in the Employee’s competitive area and when the RIF will take effect within one hundred eighty (180) days. The RIF/TOF will be in accordance with statutory requirements, Government-wide rules and regulations and this Agreement. Management will also utilize its authorities to the extent feasible to take action to minimize the need to RIF in accordance with law, regulation and this Agreement. The Employer will make every reasonable effort to minimize hardship or bargaining unit Employees who are adversely affected.

23.2 NOTIFICATION:

(a) Preliminary Notification to the Union: When it is anticipated that a TOF or RIF affecting bargaining unit Employee will be necessary, the Employer will notify the Union in writing at least 30 calendar days, where possible, and in any case will notify the Union prior to any notification to bargaining unit employees. This notification will include the following information;

(1) Type of action to be taken.
(2) The reasons for the RIF or TOF.
(3) The competitive areas.
(4) The competitive levels of affected positions.
(5) The approximate numbers, types, and grades of positions in the bargaining unit to be affected.
(6) The expected or approximate date of such action/step.
(7) A copy of any economic impact study or any other study made in conjunction with the action.
(8) Positions that have been identified as essential and must be retained.
(9) Specific function to be transferred and identification of employees assigned to this function.
(10) The manner in which Employer anticipates exercising its description under 5 CFR 351, if known.
(11) The employer will provide the union, upon request, with information in accordance with 5 USC 7114(b)4.
(12) Information obtained about possible resignations, retirement, and other separation actions, and determinations made as to the extent to which the work force is likely to be reduced through normal attrition without personal identifiers.

(b) When RIF is caused by circumstances not reasonably foreseeable, the Agency may request approval from OPM for a shortened notice period of less than 60 days. This shortened period must cover at least 30 full days before the effective date of release. The Union will be provided a copy of the request to OPM, which specifies:

(1) The specific RIF.

(2) The number of days by which the period will be shortened.

(3) The reasons for the request.

(4) Any other material requested by OPM.

A copy of OPM’s response will be provided to the Union upon receipt by Management.

(c) Notice to Employees: The employer will notify an employee sixty (60) calendar days prior to the effective date of a RIF and provide the Union a copy. The specific notices will include the following information:

(1) A general statement of reasons the RIF is being conducted.

(2) A statement of the specific action to be taken, demotion, furlough or reassignment.

(3) The effective date of the action.

(4) The employee’s competitive area, competitive level, subgroup, service date, and three most recent annual performance ratings of record received during the last four (4) year period prior to the date of issuance of RIF notice.

(5) The place where the employee may inspect the regulations and records pertinent to his/her case.

(6) If applicable, the reasons for retaining a lower standing employee.

(7) If applicable, a statement that employees are being separated under liquidation procedures without regard to
standing within the subgroup, and the date the liquidation will be complete.

(8) The employee’s appeal or grievance rights, time limits and appropriate procedures.

(9) If applicable, the employee’s rights, entitlements, and responsibilities with respect to the out-placement programs.

(10) Notice to the employee of the right to re-employment placement and all programs and benefits available from OPM.

(11) Information on applying for unemployment compensation.

(12) Information on the employee’s eligibility to continue health and life insurance benefits after RIF separation.

(13) Notice to the employee of the entitlement to a copy of OPM’s retention regulations in 5 CFR Part 351.

(14) Employee’s entitlement to grade, and/or pay retention.

23.3 NEGOTIATIONS: Upon receipt of preliminary written notification of an anticipated RIF or TOF affecting the bargaining unit employees, the Union may, request and complete negotiations concerning the impact and implementation to be used in the RIF.

23.4 EARLY RETIREMENT: The Employer agrees to request implementation of the early retirement provisions of Title 5 U.S. Code in order to minimize the impact of the RIF.

23.5 PERSONNEL FILES: The Union and the Employer will jointly encourage each employee to see that the employee’s electronic official personnel file (e-OPF) and OF-612 are up-to-date as soon as the RIF or transfer of function is announced. The Employer will add to the e-OPF appropriate changes or amendments requested by the employee. The Agency may waive non-mandatory qualifications requirements in accordance with appropriate regulations for otherwise eligible employees. Employees will be allowed official time to review and update e-OPF.

23.6 DOCUMENTS: Retention registers and other transfer of function documents will be made available to affected employee(s) and/or employee representative. Upon request, the affected employee(s) and/or employee representative will be given the opportunity to review retention registers listing other employees that may be entitled to displace the employee and those the employee may be entitled to displace, and review registers for positions for which the employee is qualified and related records to the extent that these apply to the employee’s situation.
23.7 MULTIPLE SKILLS: Employees possessing skills in more than one area will be considered for positions in such areas which are similar enough in duties, qualification requirements, pay schedules, and working conditions to prevent undue interruption. (i.e. employee would need only to be able to perform at fully successful within 90 days to satisfy the undue interruption requirement.)

23.8 PRIORITY CONSIDERATION: All employees demoted or separated without personal cause, misconduct or inefficiency, will receive priority consideration for repromotion/rehire in their competitive area before seeking other applicants.

23.9 EXISTING VACANCIES: The Employer will utilize existing vacancies to place qualified displaced bargaining unit employees to maximum extent possible before seeking other applicants.

23.10 REEMPLOYMENT PROGRAMS: The Employer will maintain a Displaced Employee Program consistent with OPM Regulations. The Employer will also provide a program of outplacement assistance. The primary aim of the program will be to assist in finding continuing Federal employment for affected employees. The Employer will establish and maintain a Reemployment Priority List for eligible employees. The Employer’s program will go beyond entering affected employee names on various reemployment and priority placement lists. This effort will include employee counseling and contacts with other Federal agencies, State employment sources, as well as employers in the private sector. Employees being separated because of RIF will be given 30 hours time off without charge to leave to participate in job interviews with other Federal or private sector employers.

Reasonable amounts of time off without charge to leave also will be made available to employees seeking career counseling or Employee Assistance Program Services. Reasonable being defined to take into consideration all related factors such as the commuting distance, set appointment on first come first seen basis, etc., this is not an all inclusive listing. Employees will be allowed to use Government equipment and official time to prepare resumes and job applications.

23.11 REPROMOTION: When the position previously held by an employee demoted through RIF becomes vacant and is being filled, the demoted employee will be considered for repromotion noncompetitively to the position provided the employee has continued to work at an acceptable level. If more than one employee meets the above criteria, the employee with the highest retention standing when the RIF is affected will be considered first.

23.12 TRAINING: It shall be the responsibility of the Employer to develop and execute a plan for the maximum feasible retraining of adversely affected bargaining unit Employees in the positions to which they will be assigned.

23.13 UNION REPRESENTATION UNDER TOF AND RIF: Union representatives who are Employees of the Employer will be entitled to reasonable official time to assist Employees adversely affected by RIF actions in accordance with
article 5, section 5.2 of this agreement and as mutually agreed by the parties. Such
time will include but is not limited to:

(1) Preparation time for and necessary official time for Union
representative attend each meeting or briefing conducted by the
Employer in connection with RIF/TOF.

(2) Official time to review retention records and other RIF/TOF records.

23.14 RELOCATION: Employees who are relocated by the Employer to a
different geographic area after having been notified of their involuntary separation
incident to RIF/TOF actions covered by this article will be authorized relocation
expenses and a reasonable amount of relocation leave for pre-moving and post-moving
arrangements (including a house hunting trip when appropriate) in accordance with laws
and applicable regulations.

23.15 USE OF PERFORMANCE APPRAISALS IN RIF/TOF: Annual
performance appraisals will be frozen as of the date the specific RIF notices are issued
in accordance with Government-wide rules and regulations.

(1) An employee’s entitlement to additional service credit for
performance shall be based on the employee’s three most recent
performance ratings of record received during the four year period
prior to the date of the issuance of the reduction-in-force.

Employees who receive an improved rating following an opportunity
to demonstrate acceptable performance as provide for in 5CFR 432
shall have the improved rating considered as the current annual
performance rating of record if the improved rating is received prior
to the issuance of the RIF notice.

(2) An Employee's assignment rights will be determined in accordance
with Government-wide rules and regulations.

(3) An employee who has received at least one but fewer than three
previous ratings of record during the four year period shall receive
credit for performance on the basis of the value of the actual
rating(s) of record divided by the number of actual ratings received.

(4) Should a performance appraisal rating be pending in
grievance/arbitration proceedings at the time an Employee’s
retention standing is determined for RIF purposes, such rating is
ultimately changed by the Employer or as a result of a
determination by a third party, the Employer will reconstruct the
credit for performance due to the Employee as a result of the
modified rating to determine what impact, if any, the change would
have had on the Employee’s retention standing. If the Employer
discovers an error in such determination, it will correct the error and
adjust any erroneous RIF action retroactive to the effective date as provided in CFR 351.506(c).

ARTICLE 24 - CONTRACTING OUT

24.1 GENERAL: The parties acknowledge that the right to contract out is a management right under 5 USC 7106. The Employer acknowledges its obligation to adhere to all applicable laws and regulations, and Agency policy in contracting out for work or services.

24.2 NEGOTIATIONS: The Union shall have the right to negotiate on the impact of a decision to contract out bargaining unit work, in accordance with ARTICLE 3 Negotiations of the agreement.

24.3 NOTIFICATION: When the Agency anticipates contracting out work being performed by bargaining unit employees and an adverse impact will result, the Union will be notified prior to the request for proposals or the invitation for bids. The notice will include:

(a) Information concerning the employees who may be adversely affected;

(b) Copy of bid specifications; and

(c) Copy of contract specifications.

24.4 PLACEMENT: The Employer will make a reasonable effort to place employees adversely affected by a decision to contract bargaining unit work, in accordance with the Reduction-In-Force article of this agreement.

ARTICLE 25 - DISTRIBUTION

25.1 COPIES: After review and approval of this agreement, in its entirety, by the Office of Human Capital Management, U.S. Department of Agriculture, the Employer will provide all employees in the unit with a copy of the negotiated agreement and any supplements and amendments thereto and the Union fifty (50) copies of the negotiated agreement and any supplements and amendments thereto.
ARTICLE 26 - DUES DEDUCTIONS

26.1 ALLOTMENT: Voluntary allotment by employees, for the payment of dues to the Union, shall be authorized and processed in accordance with applicable regulations in accordance with the June 22, 1979, Memorandum of Understanding between the U.S. Department of Agriculture and American Federation of Government Employees covering dues deductions. A copy of this Memorandum of Understanding is attached hereto as Exhibit A.

26.2 REVOCATION OF DUES: A member may voluntarily revoke his or her allotment for payment of dues by completing a Standard Form 1188, “Revocations of Voluntary Authorization for Allotment of Compensation for Payment of Employee Organization Dues,” and submitting it to the Employer.

The Employer will process a Standard Form 1188 in accordance with the Memorandum of Understanding between the U.S. Department of Agriculture and the American Federation of Government Employees.

ARTICLE 27 - PUBLICITY

27.1 ORIENTATION: New employees, as part of the orientation process, will be advised of their right to join, or not to join, the Union and will be furnished a copy of the existing agreement.

ARTICLE 28 - DURATION OF THE AGREEMENT

28.1 EFFECTIVE DATE AND TERM: The effective date of this agreement and all supplements and amendments shall be the date of approval by the Director of Personnel, Office of the Secretary of Agriculture, or on the 31st day after the agreement is executed, whichever occurs first. It shall remain in effect for three (3) years. The Agreement will be automatically extended upon the expiration of the initial period for one year, and from year to year thereafter, unless either party gives written notice to the other of its desire to effect changes in the agreement at least sixty (60) calendar days and to more than 105 calendar days prior to anniversary date. The notice must be acknowledged within ten (10) days of receipt, and negotiations for an amended agreement shall begin at least twenty (20) days prior to the anniversary date. This Agreement shall remain in effect until a new Agreement becomes effective.

28.2 AMENDMENTS: The Parties may effect amendments or may add provisions to this agreement at times other than provided for above if such action is
necessary to reflect legal or government wide rules or regulations for which a compelling need exists.

28.3 SUPPLEMENTAL AGREEMENTS: Supplemental agreements or memorandum of understanding pertaining to personnel practices, policies, and working conditions may be entered into when the employer initiates changes. A copy of such agreements or memorandum will be distributed by the Employer to all unit employees within 30 days after approval.

In witness thereof the parties hereto have caused this basic Labor-Management Relations Agreement to be executed on this 7th day of January, 1998.

For USDA Rural Development
Little Rock, Arkansas

/s/ John C. Edwards
State Director

For AFGE Local 108
USDA Rural Development in Arkansas

/s/ Bette A Vaughn
President, Local 108

Amended

The parties hereto have amended this basic Labor-Management Relations Agreement on this 1st day of May, 2007.

For USDA Rural Development
Little Rock, Arkansas

Roy G. Smith 5/25/07
State Director

For AFGE Local 108
USDA Rural Development in Arkansas

Barbara A. Owens
President, Local 108
MEMORANDUM OF UNDERSTANDING
BETWEEN
DEPARTMENT OF AGRICULTURE AND THE AMERICAN
FEDERATION OF GOVERNMENT EMPLOYEES

(There is not an e-version of this Exhibit)
The Federal Service Labor-Management Relations Statute

(There is not an e-version of this Exhibit, but it may be found at http://www.flra.gov/statutes/fslmrs/fslmrs.html)
MEMORANDUM OF UNDERSTANDING
BETWEEN
DEPARTMENT OF AGRICULTURE
ARKANSAS – RURAL DEVELOPMENT
AND THE
AMERICAN
FEDERATION OF GOVERNMENT EMPLOYEES

Merit Promotion (Common Policy) – February 22, 2001 . . . . . . . . . . . . . . Attachment 1
Merit Promotion Supplement – June 22, 2005 . . . . . . . . . . . . . . . . . . . . . . . . . Attachment 2
Employee Recognition – RD Instruction 2063-B – September 12, 2006 . Attachment 4
Hours of Duty – RD Instruction 2051-F - December 6, 2006 . . . . . . . . Attachment 5
The attached Memorandum of Agreement (MOA) is the result of joint negotiations between AFGE Local 108 and management representatives of the Farm Service Agency and Rural Development in Arkansas.

It is agreed that the MOA will apply to all Arkansas Federal employees of these two agencies and will be implemented as part of the USA Merit Promotion Plan.

The MOA is to be filed in your Common Policy Manual, along with the current policies and MOA's on Performance Management and Employee Recognition.

Signed by:

/s/ John C. Edwards          /s/ Michael L. Dunaway
JOHN C. EDWARDS          MICHAEL L. DUNAWAY
State Director          State Executive Director
USDA, Rural Development  USDA, Farm Service Agency
MEMORANDUM OF AGREEMENT

This Memorandum of Agreement (MOA) is between the AFGE Local 108 and USDA Rural Development and USDA Farm Service Agency, Arkansas.

This agreement applies to the implementation of the USDA Merit Promotion Plan.

It is agreed that the terms of the current Arkansas Labor-Management Relations Agreements will supercede any conflicting terms in the USDA Merit Promotion Plan except FSA LMRA Article 17.4(a) will be amended to read, For announcements which have five (5) or more basically qualified applicants, a panel will be convened...

It is further agreed that AFGE Local 108 and USDA Rural Development and Farm Service Agency, Arkansas, will implement the USDA Merit Promotion Plan as written except for the following provisions.

**Paragraph 9.B. 2** Minimum Area of Consideration will read “Any single Agency, Service or Bureau, State/Field Office- Statewide.”

**Paragraph 9. C. 1.** Will be changed to read; “Vacancy announcements will be open for a minimum of 20 calendar days. Announcements with the area of consideration limited to CTAP/ICTAP candidates may be open for 5 calendar days.” Employees will receive vacancy announcements by the opening date of the announcement.

**Paragraph 9. C. 2.** Will be changed to read “Nationwide/Government wide will be posted for a minimum of 30 calendar days.”

**Paragraph 9. C. 3.** Will be changed to read “Close of business in Field Offices will be determined by the appropriate official in each office with clock time included on the vacancy announcement.”

**Paragraph 10. A. 2.** Will be changed to read “Non-competitive referral candidates are not required to submit KSA supplemental statements although they are strongly encouraged to do so in order to assist the selecting official to evaluate all appropriate candidates.”
Paragraph 10. E. Will be changed to read "Voluntary applications outside and or within the Agency will not be accepted unless so stated on the vacancy announcement. The vacancy announcement will outline the method of considering candidates when applications are accepted.

Paragraph 12. The first four paragraphs will be replaced to read "A Merit Promotion Panel will be used to rate and rank candidates when there are 5 or more qualified applicants for FSA positions and 3 or more qualified applicants for Rural Development positions.


Paragraph 13.1. Will be changed to read, “This is an alternate approach for determining well qualified candidates when less than 5 applications for FSA positions or less than 3 applications for Rural Development positions, are received from basically qualified candidates who must compete.

Paragraph 15 C. 2. Will be changed to read “The Merit Promotion Plan procedures or Labor Relations Management Agreement (LRMA) were not followed”

Attachment 1, Supervisor Responsibility, 3. Add at the end of the paragraph “or negotiated grievance procedures.”

Signed by members.

/s/ Bette Vaughn    /s/ Russ P. Harvell
BETTE VAUGHN                      RUSS HARVELL

/s/ Sherry Stevens    /s/ Sherry Boerner
SHERRY STEVENS                      SHERRY BOERNER

/s/ Teresa Bonaduce    /s/ Dianna Shook
TERESA BONADUCE                      DIANNA SHOOK

/s/ Shirley Moore    /s/ Cherry Smith
SHIRLEY MOORE                      CHERRY SMITH
SUPPLEMENTAL MEMORANDUM OF AGREEMENT

June 22, 2005

This Supplemental Memorandum of Agreement (MOA) is between the AFGE Local 108 and USDA Rural Development, Arkansas. This agreement applies to the USDA Merit Promotion Plan.

Paragraph 9.C.5. Will be changed to read: Each vacancy announcement will state the facsimile number where the application may be faxed.

Paragraph 10. A. Add additional bulleted item: Application pages which can be faxed are:

- OF-612 or resume’
- KSA (limited to 2 pages per KSA)
- Supervisory Supplemental Statement (not mandatory)
- Performance appraisal (only page with signatures, electronic signatures acceptable)
- Any other information as specified in vacancy announcement

Paragraph 10. C. Will be changed to read: Applications submitted by facsimile or other electronic means as specified in the announcement will be accepted. It is the employee’s responsibility to assure only high quality, legible documents are faxed. Management will ensure that fax machine is located in a secure area that is only accessible by HR employees. Management will immediately notify employees upon receipt of non-legible documents.

RD Instructions and Memos govern the personal use of Government office equipment. This use cannot result in the loss of employee productivity or interfere with official duties.

Article 11 of Labor-Management Relations Agreement dated January 7, 1998 is changed to include:

ARTICLE 11.2 (a)(7): OFFICIAL FACSIMILE FOR SUBMITTING APPLICATIONS: Fax machine can be used for transmitting application for employment as stated in moa dated July 14, 1999 and Supplemental MOA dated July 22, 2005.

Signed by all members:

/s/ Russ P. Harvell
RUSS HARVELL

/s/ Barbara Owens
BARBARA OWENS

/s/ Steve Mosher
STEVE MOSHER

/s/ Sherry Stevens
SHERRY STEVENS

/s/ Bette Vaughn
BETTE VAUGHN

/s/ Lawrence McCulloch
LAWRENCE McCULLOUGH

/s/ Benjamin Reynolds
BENJAMIN REYNOLDS

/s/ Cathy Harris
CATHY HARRIS

/s/ Cherry Smith
CHERRY SMITH
MEMORANDUM OF AGREEMENT  
Rural Development Instruction 2060-A  
Performance Management  
August 24, 2005


It is further agreed that AFGE Local 108 and USDA Rural Development Arkansas, will implement this Instruction as written except for the following provisions:

1. Performance Plans for bargaining unit employees must contain at least three but no more than seven elements in their Performance Plan, one of which must be critical.

   In the joint development of performance plans, bargaining unit employees may use elements listed in the Performance Appraisal Handbook:
   • Personal Contacts-EO/CR
   • Marketing for Non-Supervisory Employees
   • Customer Service
   • Execution of Duties
   • Public Information Activities

   Personal Contacts-EO/CR is a mandatory/critical element. One additional element may be developed by the supervisor and employee for unique situations or jobs. See Attachment A for suggested elements based on job titles.

2. Performance Plans, reviews and ratings will be conducted in accordance with Article 22 of the Labor Management Relations Agreement dated January 7, 1998.

3. Any adverse actions as a result of the performance management process must be handled in accordance with Article 15 of the Labor Management Relations Agreement dated January 7, 1998, for USDA-RD.

4. AFGE Local 108, reserves the right to negotiate Performance Management Programs, RD Instruction 2060-A, 2060.11, Linkage of Rating of Record to Other Personnel Actions, Item (d) Reduction in Force (RIF).

5. This agreement will be filed with RD Instruction 2060-A and the Performance Appraisal Handbook, A Guide for Managers/Supervisors and Employees, October 1, 2005.
6. The following elements in the Performance Appraisal Handbook should be changed as shown below:

**Page 29 - Public Information Activities.**

Promotes and demonstrates a cooperative and courteous attitude in working with representatives of the business community, other Government agencies, other agricultural and private sector lenders, applicants, borrowers, and co-workers. Attends public meetings when appropriate to explain or discuss Agency local programs and policies. Utilizes news media, “as directed”, to inform the public and potential applicants of available programs. Responds to adverse publicity in a manner, which improves public understanding of Agency programs and policies.

**Page 30 - Marketing for Non-supervisory Employees.**

Assists in the development and implementation of Rural Development’s marketing program for the service area, “as assigned”. Develops and maintains relationships with community officials, organizations, and individuals to assist in marketing Rural Development programs and services.

7. To maximize efficient use of Funds, Performance Ratings can be processed prior to September 1.

Signed by all members:

/s/ Russ P. Harvell  
RUSS P. HARVELL

/s/ Sherry Stevens  
SHERRY STEVENS

/s/ Bette Vaughn  
BETTE VAUGHN

/s/ Ben Reynolds  
BENJAMIN REYNOLDS

/s/ Steve Mosher  
STEVE MOSHER

/s/ Barbara Owens  
BARBARA OWENS

/s/ Cherry Smith  
CHERRY SMITH

/s/ Lawrence McCullough  
LAWRENCE McCULLOUGH

/s/ Cathy Harris  
CATHY HARRIS
SUGGESTED PERFORMANCE ELEMENTS BY JOB TITLES

PROGRAM SPECIALIST
*Public Information Activities
*Personal Contacts – EO/CR
Customer Service
Execution of Duties
Marketing for Non-Supervisory Employees

AREA SPECIALIST
*Public Information Activities
*Personal Contacts – EO/CR
Customer Service
Execution of Duties
Marketing for Non-Supervisory Employees

RURAL DEV SPECLST
*Public Information Activities
*Personal Contacts – EO/CR
Customer Service
Execution of Duties
Marketing for Non-Supervisory Employees

PROGRAM TECHNICIAN
*Personal Contacts – EO/CR
Customer Service
Execution of Duties
Communications

AREA TECHNICIAN/ASSISTANT
*Public Information Activities
*Personal Contacts – EO/CR
Customer Service
Execution of Duties
Marketing for Non-Supervisory Employees

RURAL DEV TECHNCN/ASST
*Public Information Activities
*Personal Contacts – EO/CR
Customer Service
Execution of Duties
Marketing for Non-Supervisory Employees

*MANDATORY/Critical
Mandatory for all non-rating officials

**Personal Contacts – EO/CR.** Routinely displays courteous and tactful behavior towards internal and external customers, supervisors, co-workers, and/or team members. Projects a positive and professional image of USDA. Performs all duties in a manner which consistently demonstrates fairness, cooperation, and respect toward co-workers, office visitors, and all others in the performance of official business. Demonstrates an awareness of EO/CR policies and responsibilities of Agency and Departmental goals of valuing a diverse, yet unified workforce.

Mandatory for all Rural Development Managers, Rural Development Specialists, and Area Directors, and with some modification, all other positions that have public contact as a major portion of their work

Mandatory for all State, Area, and Local employees in localities where the State Director determines the performance standard and performance element are appropriate.

**Management of Inventory Property.** Properties in inventory are managed to protect the interest of the Government and disposed of in an expeditious manner.

Mandatory for all Rural Development Loan Specialist, and professionals, such as Engineers and Architects, where the State Director determines the performance standard and performance element are appropriate if the position has Marketing duties as a major portion of their work.

**Marketing for Non-supervisory Employees.** Assists in the development and implementation of Rural Development’s marketing program for the service area. Develops and maintains relationships with community officials, organizations, and individuals to assist in marketing Rural Development programs and services.

Mandatory for all Rural Development Loan Specialist, and professionals, such as Engineers and Architects, where the State Director determines the performance standard and performance element are appropriate if the position has Community Development duties as a major portion of their work.

**Community Development for Non-rating Officials.** Implements community development principles of the Rural Development mission area. Actively participates in efforts to coordinate Rural Development programs at the local level and to ensure there is a cohesive system of service delivery to rural America.

**NON-MANDATORY CRITICAL OR NON-CRITICAL GENERIC PERFORMANCE ELEMENTS.**

**Execution of Duties.** Completed work assignments are routinely performed in a timely manner, assuring a quality of work that meets the needs of the organization. Solutions developed demonstrate improvements in work methods. Work products do not require substantive revisions. Assignments are completed in accordance with applicable agency guidelines, including timeframes.

**Communication.** As a rule, oral and written communications are clear, correct, timely, and presented in an understandable manner. Supervisor and co-workers are informed of issues and problems when necessary. Information and guidance provided are timely and accurate.
Team Leadership. Routinely leads individuals and team members toward specific goals and accomplishments. Provides encouragement, guidance and direction as needed. Adjusts style to fit situation. Delegates appropriate authority in an effective manner. Coordinates functions of the team members. Demonstrates a sincere interest in employees’ activities, abilities, etc.

Program Management. Manages program(s) resolving issues and problems within the employee’s control. Monitors all aspects of program(s) for quality, effectiveness, and consistency. Program plans and guidance are responsive to objectives and requirements of the Agency. Policy instructions are appropriately issued and are accurate. Evaluates effectiveness of work and adjusts plans accordingly.

Special Projects. Special projects are regularly completed on time in a competent, accurate, and thorough manner. Completed projects comply with regulations and procedures. Special projects are completed independently, or reflect research and collaboration with others as required.

Research and Analysis. Thoroughly and accurately researches issues in a timely manner, using available reference sources (e.g. USDA manuals, or applicable law or regulations). Makes reasonable recommendations or decisions based on available guidance.

Customer Service. Provides advice that is timely, responsive, and accurate. Maintains appropriate rapport with internal and external customers. Develops and establishes working relationships with external organizations as required. Keeps supervisor and/or team leader informed of difficult and/or controversial issues and unique problems. Takes action to effectively solve problems before they have an adverse impact on the organization or other employees.

Individual Contributions to the Team. Ordinarily displays dependability and reliability. Promotes open communication. Contributes creative ideas and actively participates in team meetings resulting in added value to the team’s products and services. When a problem arises, explores causes and assists in resolving them. Works with team members to appropriately implement decisions. Is usually open-minded to new ideas and resolving them. Willingly accepts and acts on constructive criticism.
MEMORANDUM OF AGREEMENT  
EMPLOYEE RECOGNITION PROGRAM - RD Instruction 2063-B  
September 12, 2006

**TYPE OF AWARDS:**

**Extra Effort:**  
Employee performed a one-time job, service, or special project in a manner substantially beyond expectations while maintaining own workload.  
Includes:  
- **Spot** - Written justification is necessary.  
- **Time Off** – Written justification is necessary.  
- **Keepsake** – No written justification necessary.

**Performance Bonus (PBA) –**  
- Employee received a Fully Successful rating or better.  
- Covered a period of at least 6 months.  
- Employee has not received a PBA within the past 52 weeks.  
- Submit a copy of Performance Appraisal  
- Submit a written Justification following criteria in Exhibit D.

**Quality Step Increase (QSI) –**  
(Nominating Official – Recipient’s Supervisor  
Approving Official – Recipient’s 2nd Level Supervisor or State Leader)  
- Employee received an Outstanding Performance Rating  
- Covered a period of at least 6 months.  
- Is likely that performance will continue in the future.  
- Employee has not received a QSI within the past 52 weeks.  
- Submit a copy of Performance Appraisal  
- Submit a written Justification following criteria in Exhibit D.

/s/Karen J. Petrus /s/ Barbara Owens /s/Lawrence McCullough  
KAREN J. PETRUS BARBARA OWENS LAWRENCE McCULLOUGH

/s/ Cherry Smith /s/Bette Vaughn /s/Steve Mosher  
CHERRY SMITH BETTE VAUGHN STEVE MOSHER

/s/Gary Osborne /s/Benjamin Reynolds /s/Cathy Harris  
GARY OSBORNE BENJAMIN REYNOLDS CATHY HARRIS
# EMPLOYEE RECOGNITION

**RD Instruction 2063-B**

**September 12, 2006**

<table>
<thead>
<tr>
<th>VALUE OF BENEFIT</th>
<th>LIMITED MODERATE</th>
<th>BROAD/ SUBSTANTIAL</th>
<th>GENERAL/ HIGH</th>
<th>TIME OFF</th>
<th>RECOMMENDING/ APPROVING OFFICIAL</th>
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<tbody>
<tr>
<td>SMALL/ MODERATE</td>
<td>$100 - $250</td>
<td></td>
<td></td>
<td></td>
<td>RECOMMENDING - Nominating Official</td>
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<tr>
<td></td>
<td>OR Keepsake</td>
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<td>APPROVING – Nominating Official</td>
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<tr>
<td></td>
<td>$251 - $500</td>
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<td></td>
<td></td>
<td>RECOMMENDING - Nominating Official</td>
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<tr>
<td></td>
<td></td>
<td></td>
<td>$501 - $1,000</td>
<td>10 – 20 hours</td>
<td>APPROVING – Recipient's Supervisor</td>
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<tr>
<td>MODERATE/ SUBSTANTIAL</td>
<td>$251 - $500 Keepsake</td>
<td>$501 - $1,000</td>
<td>$1,001 - $1,500</td>
<td>21 – 40 hours</td>
<td>RECOMMENDING – Recipient's Supervisor</td>
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<td></td>
<td>APPROVING – Recipient’s 2nd Level Supervisor</td>
</tr>
<tr>
<td>SUBSTANTIAL/ EXTENDED</td>
<td>$501 - $1,000 Keepsake</td>
<td>$1,001 - $1,500</td>
<td>10% of Employee's Salary up $3,500</td>
<td>41 – 80 hours</td>
<td>RECOMMENDING – Recipient’s Supervisor</td>
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<td></td>
<td>APPROVING – Recipient’s 2nd Level Supervisor or State Leader</td>
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<tr>
<td>QUALITY STEP INCREASE (QSI)</td>
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<td></td>
<td>RECOMMENDING – Recipient’s Supervisor</td>
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<td></td>
<td>APPROVING – Recipient’s 2nd Level Supervisor</td>
</tr>
</tbody>
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Memorandum of Agreement

Between AFGE Local 108 & USDA - Rural Development

Rural Development Instruction 2051-F
Hours of Duty

December 6, 2006

The parties to this memorandum, the American Federation of Government employees Local 108, Arkansas, hereinafter referred to as AFGE and the U.S. Department of Agriculture Rural Development, hereinafter referred to as USDA-RD, enter into this agreement for the purpose of establishing a mutually beneficial agreement concerning Rural Development Instruction 2051-F Hours of Duty, dated May 31, 2000, and revised April 29, 2004, that established a beginning tour of duty at 6:30 a.m. for all USDA Rural Development employees.

It is further agreed that AFGE Local 108 and USDA Rural Development Arkansas, will implement this Instruction as written effective pay period 1, January 7, 2007.

/s/ Karen J. Petrus
KAREN J. PETRUS

/s/ Barbara Owens
BARBARA OWENS

/s/ Sherry White
SHERRY WHITE

/s/ Cherry Smith
CHERRY SMITH

/s/ Bette Vaughn
BETTE VAUGHN

/s/ Lawrence McCullough
LAWRENCE McCULLOUGH

/s/ Ben Reynolds
BENJAMIN REYNOLDS

/s/ Cathy Harris
CATHY HARRIS

/s/ Lawanna DuVall
LAWANNA DUVALL