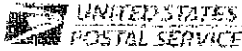


DREW T. ALPERNO  
VICE PRESIDENT, PACIFIC AREA OPERATIONS



November 6, 2009

**PACIFIC AREA EXECUTIVES**

**SUBJECT** Authority Limits and Procedures for Settlement of Employment Disputes and Collective Bargaining Grievance Settlements

This letter establishes the maximum dollar amounts that managers and supervisors may authorize as relief when settling employment and collective bargaining agreement (CBA) disputes. For the purposes of this directive, employment disputes are defined as EEO complaints, MSPB appeals, ELM Chapter 650 appeals, employment-based District court litigation, including Fair Labor Standards Act, or 39 U.S.C. 1206(b) claims, and grievances.

This letter also defines the components that must be included in calculating the overall dollar value of a settlement and does not apply to the Inspection Service or the Office of Inspector General.

Authority Limits for Employment Disputes (EEO, MSPB, ELM 650 and Tort Claims)

The following chart sets the maximum dollar amounts that field Executives, Postmasters, managers and supervisors assigned in non-headquarters units may authorize to resolve employment disputes.

<u>Dollar Limit</u>	<u>Position</u>
\$100,000	PCES Executives*
\$20,000	District HR Managers**
\$2,000	Postmasters, CAGs A-J
\$1,000	Postmasters CAGs K-L
\$1,000	EAS Managers & Supervisors

\* When a PCES Executive is proposing settlements greater than \$25,000 or personally accused of discrimination, higher-level authority must approve.

\*\* When human resources professionals are personally accused of discrimination, higher-level authority must approve settlements greater than \$10,000.

Authority Limits for Collective Bargaining Disputes (Grievances)

The following chart sets the maximum dollar amounts that field Executives, Postmasters, Managers and Supervisors assigned in non-headquarters units may authorize to resolve Collective Bargaining Agreement (CBA) disputes (grievances)

11255 Pacific Center Dr  
San Diego, CA 92197-4100  
856-674-3100  
Fax: 856-674-3101  
www.usps.com

<u>Dollar Limit</u>	<u>Position</u>
\$50,000	PCES Executives*
\$10,000	District HR Managers
\$1,000	Postmasters, CAGs A-J
\$500.00	Postmasters, CAGs K-L
\$500.00	EAS Managers & Supervisors

\* When a PCES Executive is proposing settlement of a grievance for \$25,000 or more, there must be concurrence by the Area HR Manager

A manager may designate his or her monetary settlement authority to a subordinate manager; however, such designation of settlement authority must be in writing and only provided on an individual case basis.

#### Components to Include in Calculating the Monetary Value of Settlements

To determine whether a potential settlement falls within established dollar limits for managers and supervisors, the monetary value of all tangible components of the settlement must be considered. The management official must include in the calculation of the monetary value of the settlement both lump sum payments and the approximate dollar value of all other material benefits provided in the settlement. Other such tangible benefits might include but are not limited to:

- Back pay
- Attorney's fees (EEO/MSPB only)
- Compensatory damages (usually a lump sum payment – EEO/MSPB only)
- Reimbursement for medical expenses
- Payment or reimbursement for training or other educational courses
- Reimbursement or restoration of sick or annual leave
- Administrative leave
- Payment or reimbursement for other expenses (e.g. mileage, travel, expenses, clothing allowance, etc.)

Questions regarding this policy should be directed to Mike Thomas, Manager Labor Relations, Pacific Area, at 558-674-3184

*Drew T. Aliparto*

Drew T. Aliparto

cc: David E. Stowe  
Rizza Hambric  
Mike Thomas

**GRIEVANCE SETTLEMENT  
MONETARY AUTHORIZATION**

Grievance #: \_\_\_\_\_  
Union #: \_\_\_\_\_  
Grievant: \_\_\_\_\_  
Post Office: \_\_\_\_\_  
Local Union Branch: \_\_\_\_\_

The above caption Collective Bargaining Agreement grievance requires a monetary settlement that exceeds the maximum dollar amount that I have been assigned for grievance handling. The issue in the case is \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

After review of the case I have determined that management has violated the cited provisions of the Collective Bargaining Agreement and requires the payment of a monetary settlement.

The dollar amount that I am requesting to settle this grievance is: \$ \_\_\_\_\_

\_\_\_\_\_  
Grievance Designee (Requester)  
Date:

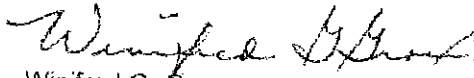
\_\_\_\_\_  
Higher-Level Approver

cc: Manager Labor Relations  
File

Supervisors meeting at "Informal A" must contact Labor Relations prior to the initial meeting. The same information as stated above must be available when you call Labor Relations.

Compliance with this directive is mandated. Labor Relations will review all grievances that are appealed to Step 2/A, and identify which grievances were appealed without their counsel and also note which grievances should have been resolved at Step 1/Informal A. Labor Relations will then take the appropriate action to either remand the grievance or resolve the grievance at the lowest level. EAS employees engaging in the grievance process are AD HOC LR Representatives while engaged in such activity and subject to corrective action for failure to follow the above requirement.

If you have any questions please contact Labor Relations at (415) 550-5510.

  
Winifred G. Groux

cc: Mgr, H/R  
Mgr, L/R