

Date: November 12, 2010

FMCS Case Number: 10-58362

Issue: Unofficial 2009 Production Standards

This Settlement Agreement is entered into and between the United States Department of State, Passport Services ("Agency" or "Management") and the National Federation of Federal Employees, Local 1998 ("Union"), collectively referred to as the "Parties." In accordance with Article 20 of the collective bargaining agreement (CBA, or "Master Agreement") between the Parties, on October 8, 2009, the Union filed a Final Step Grievance regarding the use of unofficial production standards at the National Passport Center (NPC).

The Parties do now wish to fully and finally resolve this grievance, without the need for arbitration.

Therefore, the Parties Mutually Agree as Follows:

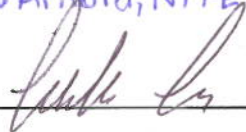
1. The agency will conduct a new Time and Motion study of passport adjudication for the purpose of helping determine the production standard for Passport Specialists. The study will occur in 2011 under existing adjudication conditions, taking into account any changes in technology and methods of adjudicating passports that have occurred since the last time and motion study. The timing of the study will be determined by the addition of new adjudication requirements and/or technologies, but will not be unnecessarily delayed.
2. For purposes of this Agreement, if the results of the new Time and Motion study that are used to develop the new production standards results in a lower production standard, that will be called the "New Standards." If, during 2011, an employee had not been meeting the current production standard in effect prior to the implementation of the New Standards, but during that same time period, the employee would have been meeting the New Standards if those standards had been in place, such employee will not be adversely impacted for previously failing to meet the current standards. Individual employees always have the option of disputing their performance rating through the grievance process.
3. The study will cover all types of passport applications (DS-11's, DS-82's, DS-4085's, and DS-5504's).
4. Passport Services will implement the same quality assurance safeguards for the 2011 Time and Motion study as the procedures it announced for the 2009 Time and Motion study.

5. In cases where a participating office has multiple shifts operating during normal business hours (i.e. employees with start times earlier than 3:00 p.m.), employees of both shifts will be observed.
6. Selection of employees participating in the study will be random, determined by a drawing of names; a Union representative will observe the selection process at each office. Prior to the study, the Union President will inform Management of any bargaining unit member serving as the Union observer in offices with no Union representatives.
7. The results of the new Time and Motion Study will be broken down by each office observed and those results will be shared with the Union
8. Prior to the study, all employees will be reminded of the correct procedures they should follow (i.e., the "right way" to adjudicate), including where they can access the applicable policies and procedures. The hours employees are observed for the study will be exempted from their performance production statistics.
9. The Union agrees to withdraw the grievance with prejudice. The grievance will not be submitted to arbitration.
10. Management agrees that no employee or Union official will suffer any retaliation in any manner (including disciplinary or performance based actions) for participating in the case and that the Union as an entity will suffer no retaliation.
11. The Parties agree that this Agreement does not constitute an admission or concession by either Party regarding the merits of the respective positions and may not be considered by either Party as setting precedent on any matter contained herein. The Parties acknowledge that this Agreement does not affect the Union's ability to move forward on its March 30, 2009 grievances.
12. The Parties agree that if there are any disputes over the application or interpretation of this agreement that cannot be settled by the Parties, then either Party can submit a grievance in accordance with Article 20 of the Master Agreement.

For the Union:



Rob Arnold, NFFE 1998



Michelle Salisbury, NFFE 1998

For Management:

