

Date: June 10, 2011

FMCS Case Number: 11-52102-A

Issue: 2010 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 March 30, 2010, the Union filed a Final Step Grievance regarding the nationwide production standards.

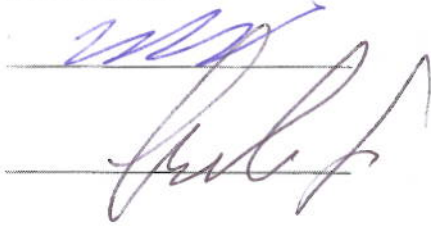
The Parties do now wish to fully and finally resolve this grievance, without the need for arbitration.

Therefore, the Parties Mutually Agree as Follows:

1. Until the standards resulting from the 2011 production standards review are implemented, the Agency agrees that no current agency employee shall be terminated solely due to low production numbers under Work Commitment 1(c). Once the new standards are implemented, employees failing to meet those new standards may be placed on a PIP within the time specified in the Collective Bargaining Agreement. Nothing in this paragraph shall be construed to alter or negate paragraph 2 of the November 12, 2010 settlement agreement.
2. The Production Standards Working Group (PSWG) lead and representatives of PPT/PMO will meet with the national Union leadership in Seattle, prior to formulating final recommendations on the 2011 production standards review. The meeting will afford the Union with the opportunity to provide the PSWG lead with any additional information deemed necessary to be considered in setting production standards. The Agency will provide transportation and per diem for up to three bargaining unit employees as designated by the Union to attend the meeting in Seattle, proposed dates September 1 & 2, 2011. At least 7 calendar days prior to the Seattle meeting, the Agency will provide the Union with the consolidated "Frequency Data" and "Past Performance Data" considered during the 2011 review of production standards.
3. The Agency will include Miami in the sites to be visited for the 2011 Time and Motion study. Additionally, the Agency will conduct a Frequency Analysis at the Western Passport Center (Tucson) as part of the 2011 production standards review.
4. By signing this settlement, the Union agrees to withdraw the grievance.
5. The Agency 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.

6. 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.
7. The Agency shall pay the Arbitrator's cancellation fee.

For the Union:

Two handwritten signatures in blue ink are positioned over two horizontal lines. The top signature is more compact and stylized, while the bottom signature is larger and more fluid.

For Management:

A single handwritten signature in black ink is positioned over a horizontal line. The signature is written in a cursive style.