



U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
77 West Jackson Boulevard
Chicago, IL 60604

Human Resources Division
Chicago Regional Office

September 5, 2013

MEMORANDUM TO: Perry Casper, Chief Negotiator, AFGE MFRT
Negotiation Team

FROM: Mark Zaltman, Chief Negotiator, Management MFRT Team

SUBJECT: Response to Revised Union Counterproposals for the
Multifamily Housing Reorganization /Transformation (MFRT)

After a review of the Union's updated counterproposals 75, 94, 102, 147, 149 and 150, Management has determined that the proposals remain non-negotiable. The rationale for the non-negotiability determination for each provision is highlighted in the comments below:

75) To minimize the adverse effects on employees who may be separated from service because of inability to relocate due to personal hardships and total costs to the American taxpayer as an appropriate arrangement under 5 U.S.C. § 7106(b)(3), Management agrees to seriously consider to the maximum extent feasible the establishment of additional satellite offices such as offices with large numbers of multifamily housing projects, units, and employees (for example, Houston, Minneapolis, Baltimore, Nashville, etc.), as well as offices outside of the continental United States in Hawaii, Alaska and Puerto Rico given the potential cost savings for travel and per diem.

Comment [PU1]: This proposal restricts Management's discretion regarding how the agency will be structured to accomplish its mission and the geographic locations in which it will conduct operations. Therefore, the proposal excessively interferes with Management's right to determine the agency's organization under § 7106(a)(1).

94) Management agrees that affected MFH employees shall be offered an application period to swap jobs with other HUD employees. Employees shall be permitted to volunteer for a reassignment into MFRT positions which qualify for buyouts. Both job swap candidates must meet the minimum qualifications for the position as determined by management. If management determines that the employee does not meet the minimum qualifications, the employee shall be provided a detailed explanation as to why he/she did not meet the minimum qualifications.

Comment [PU2]: This proposal excessively interferes with Management's right to hire and assign employees under § 7106(a)(1), and to select employees under § 7106(a)(2)(C).

If employees transferring into MFH refuse to separate by the dates certain, the job swap agreement terminates. Upon termination of the job swap, employees return to their original position.

102) For all vacancies arising during implementation of the MFRT which are not filled through reassignment under this agreement, Management agrees to merit staff vacancies to the maximum extent feasible.

Comment [PU3]: This proposal appears to restrict both Management's discretion to refrain from filling certain vacancies at all, and the manner in which Management may fill those vacancies (i.e., only through merit staffing). As such, the proposal excessively interferes with Management's right to hire employees under § 7106(a)(2)(A) and select employees from any appropriate source under § 7106(a)(2)(C)(ii).

147) Any affected MF employee who does not apply for VERA/VSIP and cannot relocate for personal hardship reasons, will be permitted to be outstationed to their current duty location from their directed reassignment location as an appropriate arrangement.

Comment [PU4]: This proposal restricts Management's discretion regarding how the agency will be structured to accomplish its mission and the geographic locations in which it will conduct operations. Therefore, the proposal excessively interferes with Management's right to determine the agency's organization under § 7106(a)(1).

Any affected MF employee who does not apply for VERA/VSIP and cannot relocate for personal hardship reasons, will be permitted to work at an alternative worksite within his/her current local commuting area 5 days per week as an appropriate arrangement under 5 U.S.C. § 7106(b)(3).

This proposal also excessively interferes with Management's right to direct employees and assign work under § 7106(a)(2)(A) and (B), respectively. This is because the proposal would eviscerate Management's ability to: (1) provide any in-person supervision of or engagement with an affected employee; and (2) assign an affected employee any work that requires her presence at her designated duty station.

149) To the maximum extent feasible, approximately half of all MF employees affected by the reorganization will be required to relocate to a new duty station to facilitate redistribution of work. The remaining approximately half of affected MF employees will be out stationed at their current duty location. Using technology such as SKYPE, Virtual Meeting or other electronic means may be used to meet management's objective of team interaction and coordinated project management. Approximately half of affected employees who will be chosen to relocate shall be chosen in the following manner:

Comment [PU5]: This proposal, which limits Management's discretion to determine employees' duty stations, excessively interferes with Management's right to determine the agency's organization under § 7106(a)(1).

A. volunteers will be solicited for relocation

B. seniority will be the basis for the remaining selection, with the most senior employees having the right to remain in place.

This proposal also excessively interferes with Management's right to direct employees and assign work under § 7106(a)(2)(A) and (B), respectively. This is because the proposal would eviscerate Management's ability to: (1) provide any in-person supervision of or engagement with an outstationed employee; and (2) assign an outstationed employee any work that requires her presence at her designated duty station.

If more than half of all MF employees affected by the reorganization shall be required to relocate, management shall provide a detailed analysis and report to the Union and each employee providing legitimate business operating reasons why the agency could not operate with any fewer amounts of employees being relocated to the hubs and satellite offices. The analysis and report will provide the specific criteria and empirical evidence of how management's business model could not efficiently and effectively operate without relocating the specific number of affected employees.

Comment [PU6]: This proposal restricts Management's discretion regarding how the agency will be structured to accomplish its mission and the geographic locations in which it will conduct operations. Therefore, the proposal excessively interferes with Management's right to determine the agency's organization under § 7106(a)(1).

150) To the maximum extent feasible, an affected MF employee who is retirement eligible will be not be involuntarily relocated until the last phase MFRT

is completed. In the event that the retirement-age eligible employee will be required to relocate prior to the last phase of MFRT being completed, management shall provide a detailed analysis and report to the Union and the affected employee identifying legitimate business operating reasons why the agency could not operate without relocating the specific employee to the hub or satellite office. The analysis and report will provide the specific criteria and empirical evidence of how management's business model could not efficiently and effectively operate without relocating the specific affected employee.

If you have any further questions regarding this memo, please contact Jackie Mercer-Hollie in my absence at 678-732-2526.