

Memorandum of Understanding

Between

U. S. Department of Housing and Urban Development

And

American Federation of Government Employees

National Council of HUD Locals 222

SUBJECT: Department-Wide Administrative Furloughs of Less Than 30 Days

SCOPE: This Memorandum of Understanding encompasses the implementation of Department-wide bargaining unit employee furloughs as a result of severe reductions in the Department's budget or sequestration in Fiscal Year 2013.

PURPOSE: The parties agree that it is essential for the Department to avoid a deficit of funds that might result if the present rate of spending is not curtailed. Both parties will endeavor to carry out HUD's essential functions while minimizing the adverse impact that these furloughs will have on employees.

Section 1. No Waiver of Rights. This implementation of the Department's budget cuts or sequestration does not diminish any contractual and/or statutory rights the union or bargaining unit employees may have under the HUD/AFGE Master Agreement, law, rule or regulation. All provisions of the Agreement and its Supplements remain in force.

Section 2. Financial and Budget Reviews.

(1) HUD has reviewed its budget and expenditures, and is reducing costs through all possible means, while not compromising the mission of the Department.

(1 a) During the furlough period, performance awards based on delayed ratings for Fiscal Year 2012 will

be paid.

(2) HUD shall not use contracts to provide services to compensate for or supplement reduced employee productivity due to furloughs.

(3) The Department will review and provide periodic summaries of the budget status and budgetary impacts of the furlough. The Department shall determine if the remaining furlough time can be eliminated or reduced. Should the Department's situation change so that furloughs can be shortened, the Department shall act promptly to cancel additional furlough time. If a determination is made to reduce the number of furlough days, the Union and the employees will be notified.

(4) The Department will consider suggestions from the Union regarding cost savings that may alleviate the need for furlough.

Section 3. Furlough Time to Be Served.

(1) Furlough time shall be expressed in hours.

(2) HUD shall take all reasonable steps to ensure that no more than 56 hours of furlough time shall be required of each full time employee in FY 2013. If HUD concludes that more than 56 hours under the sequestration, it will provide the Union with an Article 5 notice.

(3) Part-time employees shall be required to take furlough hours that are equivalent on a prorated basis to the furlough imposed on full-time employees, e.g., a 20 hour/weekly employee shall be required to take no more than half the furlough hours of a full-time employee. Part-time employees must ensure that furlough time is used on a scheduled work day. Work schedules for part-time employees will be adjusted so that furlough time occurs on furlough blackout days. Furlough time cannot be applied to scheduled non-work days.

(4) HUD has determined that all employees, including SES employees eligible to be furloughed and all managers, will serve furloughs of equal length. HUD has also determined that Bargaining Unit Employees will have no more furlough days than non-Bargaining Unit Employees.

(5) In the event new Bargaining Unit Employees are hired they will be subject to the remaining furlough

hours scheduled.

(6) To the extent practicable, the Department shall review and strongly consider implementation of all potential cost savings measures in an attempt to reduce the amount of furlough time.

Section 4. Affected Organizations and Personnel.

(1) Union representatives may engage in representational functions during furlough times on a voluntary basis.

Section 5. Official Time. The amount of official time allocated to Union Representatives shall not be affected by a furlough and will be subject to the provisions of Supplement 124.

Section 6. Leave Without Pay. In accordance with Article 24.14, the Department may approve Leave Without Pay (LWOP) during the furlough period. The Department has determined that the use of LWOP shall not count towards meeting the furlough requirement but will factor into additional budget savings that may reduce the amount of additional furlough time for all employees.

Section 7. Hiring Freeze, Merit Promotions and Within-Grade Increases.

(1) HUD began a freeze of new employment offers to external candidates as of Monday, March 4th. As determined by Management, there will be limited exceptions to this freeze based on mission critical needs of the Department. There is no hiring freeze for internal candidates.

(2) The Department shall provide merit promotions for employees in career ladder positions and within-grade increases as employees become eligible during the furlough period.

(3) Promotions and back pay that have been awarded as a legal remedy, a grievance or a third party tribunal proceeding shall be exempt from any freeze resulting from the furlough.

Section 8. Advance Notice. The Department will provide each employee with at least 30 days

advance written notice of a proposed furlough. Management shall be responsible for ensuring that each employee receives the notice. Notices will be sent by electronic mail. The advance notice will include information on how employees may obtain further information on furlough impacts on the HUD@Work and external webpages.

Section 9. Bargaining Unit Briefing. The Department will conduct on going briefings to keep employees informed of the sequestration/furlough impacts and any related changes.

Section 10. Furlough Schedule. In Fiscal Year 2013 no furloughs shall be scheduled before May 24, 2013. The Department has determined the furlough days will occur on May 24, 2013 (Pay Period 10), June 14, 2013 (Pay Period 11), July 5, 2013 (Pay Period 13), July 22, 2013 (Pay Period 14), August 2, 2013 (Pay Period 15), August 16, 2013 (Pay Period 16), and August 30, 2013 (Pay Period 17).

Section 11. Alternative Work Schedules. Employees may continue to work alternative work schedules during the furlough periods. Employees' flexi-tour schedules that consist of five eight-hour days per week shall not be affected by a furlough. Employees may not take compressed days off in lieu of furlough time. Furloughs must be taken in lieu of normal work hours. Employees who work eight nine-hour days and one eight-hour day per pay period will be permitted to adjust their schedule so that their eight-hour day falls on a furlough day. Employees who work four ten-hour days per week will adjust their schedules on a weekly basis as is permitted in training or travel situations so that they work a 4-10 schedule one week of the pay period and a 5-8 schedule the other week in which one eight hour day will be a furlough day. The 6:00 a.m. start time and existing end times shall remain in effect as established by the Agreement and its Supplements.

Section 12. Leave

(1) Employees who have submitted leave requests for time off during a furlough period shall be permitted to retract those requests.

- (2) Employees generally shall continue to accrue leave at the regular rate.
- (3) Furloughs shall be scheduled so that employees receive their regular pay for federal holidays in accordance with applicable law and regulations.
- (4) Previously approved annual and sick leave scheduled for other than a furlough day shall not be rescinded as a result of implementation of this MOU.
- (5) If an employee is placed in furlough status during hours that were previously scheduled to be LWOP under FMLA, those furlough hours will no longer be considered to be LWOP under FMLA. Furlough hours will not count toward the employee's 12-week FMLA leave entitlement. An employee may not later substitute paid leave for furlough hours. An employee may take LWOP under FMLA during the sequestration period subject to the conditions in 5 U.S.C. § 6382.

Section 13. Telework. Telework agreements shall not be rescinded due to planned furloughs. All provisions in the Telework Supplement of March 24, 2011, and the Department's Telework Handbook 625.1 shall remain in effect throughout the furlough period.

Section 14. Reasonable Accommodations. No established reasonable accommodation shall be eliminated or otherwise adversely affected due to planned or implemented furloughs. The Department shall continue to process requested reasonable accommodations as normal during the furlough period. New requests for reasonable accommodations shall not be denied due to the furlough.

Section 15. Use of Departmental Facilities, Equipment, and Systems. Employees may not perform government work on an unpaid basis during furlough time. Both parties recognize that employees rely on and regularly use Departmental e-mail and network systems on non-work days to remain informed about Departmental matters, and that HUD has an established policy (Information Resources Management (IRM) Policies, Handbook 2400.1, Chapter 8) permitting employees to make

limited use of government equipment such as laptops and e-mail during non-work times.

(1) Employees shall be permitted to use Departmental e-mail and access Departmental systems while on furlough to obtain information, communicate with Union representatives, and otherwise make de minimus use of such systems.

(2) The union shall be permitted to use departmental email for representational purposes.

Section 16. Performance Management and Appraisals. Furloughs shall be deemed as a factor beyond an employee's control and will not negatively impact an employee's performance evaluation.

Section 17. Rights & Privileges. Furlough shall not result in the removal of rights and privileges currently afforded under existing policies, handbooks, agreements or practices. Any changes to existing policies or practices shall be subject to negotiation procedures as described in Article 5 of the HUD AFGE agreement.

(1) The imposition of any furlough shall not reduce the amount of the increased transit subsidy up to \$245 per month, which is scheduled for implementation on April 1, or the amount of any child care subsidy currently provided.

Section 18. Other Actions. Internal reorganizations, transfers of function, realignments, Reductions in Force, Voluntary Early Retirement Authority (VERA) and Voluntary Separation Incentive program (VSIP) as a result of any Departmental budgetary reduction or sequestration shall be conducted in accordance with law, rule, regulation and the terms of the Agreement.

(1) Upon request by an employee, the Department shall provide the employee with an explanatory letter to creditors.

(2) The Department shall allow employees additional time to seek advice and assistance through the Employee Assistance Program.

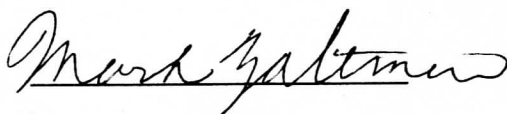
(3) Time limits related to grievances under the negotiated grievance shall be extended by one work day if the last day is a furlough day.

Section 19. Adverse Impact. To the extent permitted by statute or regulation, the furlough time shall not have any adverse impact on employees other than pay reduction.

Approved by:

 3/15/13
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