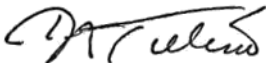


**MEMORANDUM OF UNDERSTANDING
BETWEEN THE
UNITED STATES POSTAL SERVICE
AND THE
AMERICAN POSTAL WORKERS UNION, AFL-CIO**

Re: Additional Function 1 Staffing

The parties agree to the following:

1. The Postal Service will convert 5,524 PSEs to career status in 192 installations as identified by the Postal Service, consistent with the attached table. The conversions will occur no later than March 13, 2021.
2. The parties agree to extend the exception period for the hiring and continued employment of Function 1 PSEs in excess of the 20% district cap as set forth below:
 - A. Peak Function 1 PSE hires (i.e., Function 1 PSEs hired for reasons unrelated to COVID-19) employed in installations other than those on the attached table who are in excess of the 20% district cap will be separated on January 22, 2021.
 - B. Installations that plan to convert five or fewer non-career employees to career status in accordance with the attached table will be permitted to retain the number of Peak Function 1 PSE hires above the 20% district cap equal to the amount of conversions listed in the table beyond January 22, 2021. After the above-referenced conversions are completed and accounted for in the PSE cap, those retained Peak Function 1 PSE hires above the 20% district cap will be separated on or before March 27, 2021. All other non-COVID related PSEs in these installations will be separated on January 22, 2021.
 - C. In installations that plan to convert more than five non-career employees to career status in accordance with the attached table, after the above-referenced conversions are completed and accounted for in the PSE cap, any non-COVID related PSEs above the 20% district cap will be separated. All such separations will be completed on or before March 27, 2021. The number of non-COVID related PSEs retained in the facilities in the attached table through March 27, 2021 will not exceed the number of PSEs on the rolls as of the date of the signing of this MOU.
3. All conversions to career and separations of PSEs in accordance with this MOU will be done pursuant to the National Agreement.
4. The hiring of COVID related PSEs is covered in the MOU: *Re: Temporary Exception Period—Clerk Craft Function 1 & Function 4—COVID-19.*



Doug A. Tulino
Chief Human Resources Officer
and Executive Vice President
United States Postal Service



Mark Dimondstein
President
American Postal Workers Union, AFL-CIO

Date: December 24, 2020