

COLLECTIVE BARGAINING
AGREEMENT

BETWEEN

NAVY EXCHANGE
NAVAL WEAPONS STATION
CHARLESTON, S.C.

AND

AMERICAN FEDERATION
OF
GOVERNMENT EMPLOYEES
LOCAL 2298

MAY 2005

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INTRODUCTION

I. Pursuant to policy set forth in the Civil Service Reform Act of 1978 (P.L. 95-454), hereinafter referred to as the Statute, and subject to all applicable Executive Orders, laws and other statutes, the following Articles constitute an agreement by and between the Commanding Officer, Naval Weapons Station, Charleston, SC, hereinafter referred to as the EXCHANGE, and American Federation of Government Employees, Local 2298, hereinafter referred to as the UNION.

II. The Parties recognize that experience in both private and public employment indicates that the statutory protection of the rights of employees to organize, bargain collectively, and participate through labor organizations of their own choosing in decisions which affect them safeguards the public interest, contributes to the effective conduct of public business and facilitates and encourages the amicable settlement of disputes between employees and employers involving conditions of employment; and the public interest demands the highest standards of employee performance and the continued development and implementation of modern and progressive work practices to facilitate and improve employee performance and the efficient accomplishment of the operations of the Government.

III. Therefore, the Parties recognize that labor organizations and collective bargaining in the Federal Service are in the public interest. The Parties further recognize the purpose of the Statute is to prescribe certain rights and obligations of the employees of the Federal Government, and to establish procedures, which are designed to meet the special requirements and needs of the Government. Such provisions shall be interpreted in a manner consistent with the requirements of an effective and efficient government. In recognition of the respective rights and obligations of the Parties, the UNION and the EXCHANGE agree as follows:

ARTICLE I

RECOGNITION AND UNIT DESIGNATION

Section 1. The EXCHANGE recognizes that the UNION is the exclusive representative of all employees (hereinafter "Associates") in the Unit, as defined in Section 2 below, and the UNION recognizes the responsibility of representing the interests of all such Associates without discrimination and without regard to organization membership with respect to grievances, personnel policies, practices, and procedures, or other matters affecting conditions of employment.

Section 2. The Unit to which this Agreement is applicable is composed of all non-supervisory personnel, including temporary employees at the EXCHANGE. Excluded are management officials, supervisors, Associates engaged in Federal personnel work, in other than a purely clerical capacity, confidential employees, Loss Prevention personnel, professionals and temporary employees of 90 days or less with not expectation of continued employment.

Section 3. Definitions.

a. For the purpose of this Agreement, types of employment are defined as follows:

(1) Regular full-time associates serve in continuing positions on a regularly scheduled workweek of 35 hours or more.

(2) Regular part-time associates serve in continuing positions for a minimum of 20 hours per week but fewer than 35 hours per week on a regularly scheduled basis.

(3) Flexible associates serve in either continuing or temporary positions of up to 40 hours per week. The work may be scheduled in advance or may be on an as-needed, intermittent, basis. Flexible associates do not participate in the insurance and retirement programs.

b. Reference to "Officials" shall mean officials and/or officers of both the EXCHANGE and the UNION, unless otherwise specified.

ARTICLE II

PRECEDENCE OF LAW AND REGULATIONS

Section 1. In the administration of matters covered by this Agreement and the unit described in Article 1 (Recognition and Unit Designation), the Parties and associates will be governed by applicable federal laws; applicable government-wide regulations; and Exchange policies, procedures, and practices in existence at the time this Agreement is approved and which are not otherwise in conflict with this Agreement.

Section 2. Except as provided by Section 1, to the extent that any provision of any future regulation conflicts with this Agreement, such provision will not be applied in the Unit. The bargaining rights of the Parties regarding future regulations which do not conflict with an effective collective bargaining agreement will be exercised in accordance with 5 USC 71.

Section 3. The Exchange shall comply with all applicable agency regulations governing personnel policies and practices, and general conditions of employment. This Section shall not be construed to require Management to issue, change, or retain a regulation, but is intended to effectuate stability and fairness in implementing regulations.

ARTICLE III

COLLECTIVE BARGAINING

Section 1. Representatives of the EXCHANGE and the UNION will meet at reasonable times to consult and/or bargain/negotiate in a good faith effort to reach agreement with respect to the conditions of employment affecting associates in the Unit. The obligation referred to herein does not compel either party to agree to a proposal or to make a concession. Excluded are Government-wide regulation, agency regulations for which a compelling need exists, matters relating to political activities, position classification, and those specifically prescribed by law. The duty to bargain in good faith shall to the extent not inconsistent with Federal law or any Government-wide rule or regulation extend to matters which are the subject of an agency rule or regulation. The obligation to consult or negotiate does not include matters with respect to the mission of the EXCHANGE; its budget; its organization; the number of associates; and the numbers, types and grades of positions or associates assigned to an organizational unit, work project or tour of duty; the technology of performing work; or internal security practices.

Section 2. For purpose of this Agreement, consultation is defined as mutual discussion of personnel policies, programs, and procedures in an effort to reach mutual understanding or agreements related to conditions of employment of members in the Unit. Consultation, unlike negotiation, does not involve joint decision-making and the consultation process need not necessarily result in agreement between management officials and representatives of the UNION.

Section 3. The term “negotiation” means the performance of the mutual obligation of the EXCHANGE and the UNION to meet at reasonable times and to bargain in a good faith effort to reach agreement with respect to matters affecting conditions of employment affecting associates in the appropriate Unit and to execute, if requested by either party, a written document incorporating any collective bargaining agreement reached.

Section 4. Either party desiring or having a requirement to consult and/or negotiate with the other shall normally give advance notice to the other party. Such notice shall include a statement of the subject matter to be discussed and situation, which generated the cause for discussion. Consultation will not set aside the negotiation process where negotiation is appropriate.

Section 5. It is agreed that the UNION will be provided with an advance copy of any proposed directive which effects changes to policy, programs and procedures relating to conditions of employment currently in effect and covered by written directives or which are original directives affecting such matters. The EXCHANGE agrees to consult and/or negotiate with the UNION regarding proposed changes, providing timely request is made by the UNION after receipt of an advance copy of the proposed directive.

ARTICLE IV

RIGHTS OF EXCHANGE

Section 1. Nothing in this Agreement shall affect the authority of any management official of the EXCHANGE to determine the mission, budget, organization, number of associates and internal security practices of the EXCHANGE. In accordance with applicable laws, nothing shall affect the authority of any management official:

a. To hire, assign, direct, lay-off and retain associates, or to suspend, remove, reduce in grade or pay or take other disciplinary action against such associates;

b. To assign work, to make determinations with respect to contracting out and to determine the personnel by which its operations are to be carried out;

c. With respect to filling positions, to make selections for appointments from:

(1) Among properly ranked and certified candidates for promotion;

or

(2) Any other appropriate source; and

d. To take whatever actions may be necessary to carry out the EXCHANGE's mission during emergencies.

Section 2. The EXCHANGE shall retain the right to take whatever actions are considered necessary or desirable to carry out its mission during an emergency situation. For purposes of this Agreement, an emergency is defined as an unforeseen combination of circumstances or an unexpected situation calling for immediate action. It may be declared by the EXCHANGE or by higher authority. Consistent with security and legal requirements, the UNION shall upon request in each instance, be furnished an explanation by the EXCHANGE as to the nature and reasons for the emergency.

Section 3. The right to make rules and regulations is an acknowledged function of the EXCHANGE. In making rules and regulations relating to personnel policy, procedures and other matters affecting conditions of employment, the EXCHANGE shall be governed by Article III of this Agreement.

Section 4. The EXCHANGE is not required to negotiate on the numbers, types and grades of associates or positions assigned to any organizational subdivision, work project or tour of duty or on the technology, methods and means of performing work.

ARTICLE V

RIGHTS OF ASSOCIATES

Section 1. Associates have the right to form, join or assist any labor organization, or to refrain from any such activity, freely and without fear of penalty or reprisal, and each associate shall be protected in the exercise of such right. Except as otherwise provided in the Statute, such right includes the right:

a. To act for a labor organization in the capacity of a representative and in that capacity to present the views of the labor organization to officials of the EXCHANGE and other officials of the executive branch of the Government, the Congress or other appropriate authorities;

b. To engage in collective bargaining with respect to conditions of employment through representatives chosen by associates under the Statute;

c. To bring matters of personal concern to the attention of appropriate management officials in accordance with applicable laws, rules, regulations and established policies, regardless of UNION membership, and is not precluded from:

(1) Being represented by an attorney or other representative, other than the UNION, of the associate's own choosing in any grievance or appeal action; or

(2) Exercising grievance or appellate rights established by law, rule, or regulation, except in the case of a negotiated grievance or appeal procedure; and

d. The UNION agrees that it will not ask or require an associate to participate in any activity, if such activity would result in a conflict or apparent conflict of interest or otherwise be incompatible with law or with the official duties of the associate. Nothing in this Agreement shall require an associate to become or to remain a member of the UNION, or to pay money to the UNION except pursuant to a voluntary, written authorization for the payment of his dues through payroll deductions.

Section 2. The EXCHANGE agrees that in the treatment of associates, all provisions of this Agreement and the provisions of applicable laws, executive orders and regulations shall be applied fairly and equitably with due regard for each associate's personal dignity and privacy. It is recognized that associates shall have access to all rights, privileges and protection that are afforded by applicable law, regulation and this Agreement and that the exercise of such rights by the associate will not adversely reflect on the associate.

Section 3. While associates are encouraged to voluntarily support recognized charities, no employee will be required or coerced to contribute and no discrimination or reprisal will be taken for failure to so contribute. In any case, confidentiality of an associate's decision shall be respected.

Section 4. An associate will be permitted to contact his/her EXCHANGE Steward during work hours to request representation under this Agreement as follows:

- a. The associate will notify the supervisor in advance that the associate wishes to exercise this right and the supervisor will make a determination whether the associate can be released based on the workload.
- b. The associate will be informed of the supervisor's determination within 30 minutes.
- c. If the supervisor cannot release the associate, the supervisor will, as soon as possible, give the associate a "time and date certain" when the associate will be released to meet with the steward.
- d. In the event that the EXCHANGE Steward needs to consult with a Union official on base, concerning a matter presented by an associate, he/she will be granted official time to do so.

Section 5. The EXCHANGE agrees that it will not knowingly direct or require and associate to take an action that would violate this Agreement or a law, statute, regulation, or executive order applicable to the EXCHANGE.

Section 6. Where an associate is the subject of a security investigation conducted by the EXCHANGE, upon completion of the investigation, or that portion of the investigation involving the associate, that results in a charge of misconduct, the associate is entitled to receive, upon request, all documentation pertaining to that investigation which concerns that associate. Portions of documentation or entire documents, which the EXCHANGE cannot disclose because of the Privacy Act of 1974, or because it does not control the release of the documents, are not subject to this Section. Personally identifiable information will not be released with the EXCHANGES organization except to persons having a bona fide operational need to know. Where a request for such information is made by a source outside the EXCHANGE, the information will not be released unless prior written approval is obtained from the associate, or unless the EXCHANGE is required by law or regulation to provide the information, or unless the request is made by a law enforcement agency. The EXCHANGE will adhere to the Privacy Act and the Freedom of Information Act.

Section 7. An associate, of the Unit, who is the subject of an investigation by a supervisor or a representative of the EXCHANGE shall be given the opportunity to have representation if the associate reasonably believes that the examination may result in disciplinary action against the associate and if the associate requests representation during this examination. Should these developments occur, no further questioning will take place until a representative is present. A notice of this right of representation will be posted annually on the associate bulletin board.

Section 8. Associate interviews:

- a. When an associate is to be interviewed as a subject of an investigation, the associate will be advised of the substance and nature of the investigation.
- b. The associate has the obligation to answer the EXCHANGE's questions concerning the associate's scope of employment and any misconduct witnessed or engaged in by the associate.
- c. Associate will not be interviewed except under circumstances that, to the extent possible, protect their right to privacy. The EXCHANGE will not disclose the nature of the investigation except to persons with a bona fide operational need to know.
- d. An associate has the right to receive a copy of his interview statement when completed.
- e. EXCHANGE investigators may not:
 - (1) Offer immunity from criminal prosecution in return for cooperation with an investigation.
 - (2) Make or imply any promises, the effect of which, would be to limit the EXCHANGE's authority to determine discipline in return for specific information or cooperation.
 - (3) Involuntarily detain associates. Associates may take breaks during lengthy interviews and/or request representational advice.

Section 9. Unless there is reason to suspect an individual associate, and search of an associate's person or possessions (personal property, assigned desk/locker/vehicle, etc.) must be part of a generally applied security check.

Section 10. An associate is under no requirement to report off-duty activities, not in conflict with their EXCHANGE duties, to the EXCHANGE. Associates who regularly drive a motor vehicle as part of their employment must report any moving violations, whether on or off duty.

Section 11. Whistle-blower Protection: Associates have the right to disclose information, which they reasonably believe evidences a violation of any law, rule, or regulation; mismanagement; waste of funds; an abuse of authority; or a danger to public health or safety. Associates shall not be subject to reprisal for the lawful disclosure of such information.

Section 12. Promissory Notes and Last Chance Agreements: When a promissory note or a "Last Chance Agreement" is used the following shall apply:

- a. The associate being interviewed and/or requested to sign or agree to a promissory note, or a "last chance" agreement shall have the right to have a representative present. If the EXCHANGE Steward is not available, the associate will be allowed to contact the Union office.
- b. No promissory note will be issued for more than the actual amount determined to be due from the associate.

ARTICLE VI
RIGHTS OF UNION

Section 1. The UNION, having been accorded exclusive recognition, is the exclusive representative of the associates in the Unit and is entitled to act for and negotiate collective bargaining agreements covering all associates in the Unit. The UNION is responsible for representing the interests of all associates in the Unit without discrimination and without regard to labor organization membership.

Section 2. The UNION shall have the right to discuss with the EXCHANGE any dispute or complaint concerning the interpretation of application of this Agreement.

Section 3. As exclusive representative, the UNION shall be given the opportunity to be represented at:

a. Any formal discussion between one or more representatives of the EXCHANGE and one or more associates in the Unit or their representatives concerning any grievance or any personnel policy or practice or other general conditions of employment; or

b. Any examination of an associate in the Unit by a representative of the EXCHANGE in connection with an investigation if:

(1) The associate reasonably believes that the examination may result in disciplinary action against him;

(2) The associate requests representation.

c. The right of the UNION to be present during such discussions shall be subject to the necessary requirements as to security and confidentiality of information. Exercise of this right may not interfere with legitimate management prerogatives. The EXCHANGE may carry on his inquiry without interviewing the associate. The EXCHANGE has no duty to bargain with any UNION representative who may be permitted to attend the investigatory interview.

d. The right of the UNION to be present does not extend to informal discussions between the associate and his supervisor in matters not involving grievances, investigations and examinations.

ARTICLE VII

PROMOTIONS AND DETAILS

Section 1. In order to assure the selection of the best-qualified applicants, the EXCHANGE will consider applicants from within and without the Navy Exchange. The EXCHANGE will make maximum effort to utilize the skills, talents, and experience of associates in order to achieve high morale and reduce turnover. Vacancy announcements for regular positions in the unit will be posted for a minimum of five (5) calendar days prior to the closing date given on the announcement. Announcements will provide a summary statement of duties, a statement of required qualifications and, if appropriate, a statement of any special knowledge, skills, and abilities determined essential for effective job performance and for identifying the best qualified candidates. The UNION President shall be provided with a copy of vacancy announcements pertaining to the positions in the Unit.

Section 2. The EXCHANGE agrees to give proper consideration to all applications.

Section 3. The term "detail" means a temporary work assignment to a higher or lower level position than that encumbered by the associate being so assigned. An associate will not be detailed to a regular vacancy or to a new position of a comparable or lesser grade in excess of 120 calendar days. Selections for details will be made from those associates considered having an appropriate background required for performing the duties of the detail. Details will not be used primarily for giving an associate training and experience to qualify for higher-level work.

Section 4. The EXCHANGE agrees that when it can be reasonably expected that a detail will exceed thirty (30) days duration temporary promotion will be used instead. Selections for temporary promotions will normally be made from among qualified associates.

Section 5. The EXCHANGE agrees that an associate detailed in writing to perform the duties of a position other than his regular position will continue to receive pay of his regular position.

Section 6. The EXCHANGE will record all details made under Sections 3 and 4 of this Article in the associate's personnel file.

Section 7. Any associate detailed to perform the duties of a higher pay level position under Sections 3 and 4 of this Article shall revert to his normal position on the expiration of the detail.

Section 8. If a temporary vacancy is changed to a permanent vacancy by the resignation, retirement, or other separation of the incumbent, an associate who has been temporarily assigned to the position will revert to his normal position, and the vacancy shall be filled on a permanent basis in accordance with Section 1.

Section 9. The EXCHANGE agrees that an associate who is given a promotion from one position to another and had a good employment record in his previous position, shall be entitled to consideration to revert to his former position, if vacant, or to a similar position in the former pay grade upon his request.

Section 10. Associates who have been demoted from a position within the Unit, as result of reduction in force actions, and without personal cause, will be given priority consideration in inverse order for promotion to the position from which last demoted prior to recruitment or promotion of other persons to the same positions.

Section 11. Disputes arising out of the application of the promotion plan shall be processed in accordance with the negotiated grievance procedure. When a written grievance is filed, the President of the UNION, or his designee, if representing the grievant, will be permitted to review all pertinent records used as a basis for ranking and selecting in the case, subject to the provisions of applicable laws and regulations.

Section 12. The EXCHANGE agrees that any documents in the associate's file or on file with the EXCHANGE, used in the evaluation for promotion or assignment will be made available to the associates upon request. In reviewing such information, the associate may be accompanied by a UNION representative.

Section 13. Selection decisions for posted positions will likewise be posted within 15 days of the selection decision.

Section 14. The EXCHANGE agrees that failure to comply with the provisions of Section I of this Article may be brought to the attention of the EXCHANGE by the associate prior to the selection being made. In all instances so reported and found to be valid, the name of the associate involved will be included for consideration.

ARTICLE VIII

BASIC WORKWEEK AND HOURS OF WORK

Section 1. It is agreed that the mission of the Navy Exchange requires a high degree of responsiveness on the part of officials and associates to the needs of the patrons whose support makes possible the operation of the Navy Exchange. In this regard, the EXCHANGE retains the right to change individual associates' schedules on short notice, 24 hours when possible, if an unforeseen event arises which precludes the EXCHANGE from effectively carrying out his assigned function.

Section 2. The basic workweek for all full-time associates will normally consist of 35 hours or more. The basic workweek of part-time associates will normally consist of a minimum of 20 hours but less than 35 hours. The hours of work will be posted for those associates in individual departments, or work sections whose work hours vary frequently. The occurrence of holidays shall not affect the basic workweek.

Section 3. The EXCHANGE agrees to change hours of work of associates only to promote the efficient and economical operation of the Navy Exchange.

Section 4. The EXCHANGE further agrees to consult with the UNION when any significant change in work hours is contemplated. Due consideration will be given to the UNION's views in making such changes. The EXCHANGE agrees to bargain with the UNION on the impact and implementation concerning the procedure for implementing the decision and the impact of the decision on the associates.

Section 5. Changes in work shifts shall normally be posted in the work area three (3) days in advance of the change, if practicable. This notice shall contain the following information:

- a. New hours of the work shift.
- b. Identification of affected associates
- c. Signature of approving or authorizing official

Copies of such notices shall be retained for a period of at least sixty (60) days during which time they will be made available to the UNION on request.

Section 6. The EXCHANGE will provide a reasonable amount of time, consistent with the nature of the work performed, for associates to change clothes at the beginning and end of the workday and to clean up prior to lunch period and at the end of the workday

Section 7. The EXCHANGE agrees that associates working shift assignments may be permitted to exchange duty assignments, when practicable, within their departments, subject to the approval of the cognizant supervisor(s) and consistent with applicable regulations.

Section 8. The EXCHANGE agrees to give consideration to modifying the tours of duty for associates enrolled in accredited institutions of higher learning on a noninterference basis with work requirements. The EXCHANGE will notify the individual associate in writing when a determination is made.

Section 9. The EXCHANGE agrees to notify the UNION whenever it is necessary to transfer a steward from one shift to another.

Section 10. The EXCHANGE agrees that when the regular hours of work of a full-time or part-time associate are to be reduced that results in a change of category, that BBA procedure will be used.

Section 11. The administrative workweek shall consist of seven (7) consecutive calendar days extending from 0001 hours Sunday to 2400 hours the following Saturday.

Section 12. Within the administrative workweek, the regularly scheduled workweek will not exceed 40 hours, exclusive of meal times, and will consist of specific hours during the administrative workweek that the associate is scheduled to work.

Section 13. The hours scheduled will not normally exceed eight (8) hours per workday, nor be scheduled for more than five (5) days in a workweek. Except in cases of emergency, or when acceptable to the associate, no associate will be required to work a shift with a break or division between scheduled hours of more than one hour and fifteen minutes. Under normal circumstances no associate will be required to report to work earlier than 10 hours after completion of a scheduled shift. The EXCHANGE will make every effort to give two consecutive days off.

ARTICLE IX

OVERTIME

Section 1. The EXCHANGE agrees to comply with current Department of Defense (DoD), Office of Personnel Management (OPM) and NEXCOM regulations and guidelines concerning the payment of overtime.

Section 2. The EXCHANGE will make every reasonable effort to effect fair distribution of overtime among associates qualified to perform the work.

Section 3. The EXCHANGE shall notify affected associates of the requirements for overtime work promptly after establishing firm overtime requirements. Every reasonable effort will be made to provide this notice at least twenty-four (24) hours prior to the requirement. This Section does not apply to emergency situations requiring immediate action outside and/or beyond regular shifts that must be kept on duty on an overtime basis to accomplish the emergency requirements.

Section 4. No associate will be required to work more than six (6) consecutive hours without a meal period.

Section 5. At least two hours of work will be provided an associate who is required to perform irregular or occasional work on an overtime basis on a nonscheduled workday.

Section 6. Opportunity to work overtime will not be denied to an associate because he has been on annual or sick leave.

Section 7. Associates shall not be required to perform any work or duty before or after their scheduled work hours without being compensated for such work or duty.

Section 8. When associates are loaned from one work area to another for the purpose of supplementing the work force on a continuing basis, and overtime is required of the associates, the associate loaned will be given equitable consideration for the overtime.

Section 9. Overtime is a valuable management tool. The assignment of overtime is made at the election of management. An associate assigned overtime may be allowed to provide a qualified relief in his stead subject to the approval of the supervisor who directed the overtime.

Section 10. Associates will be compensated for overtime in accordance with the Fair Labor Standards Act. It is understood that any associate who is called in before his scheduled starting time, and works on to his scheduled quitting time, is entitled to be paid at the regular overtime rate for any time worked in excess of eight hours per day. Associates utilizing accrued sick or annual leave shall not be denied the payment of overtime when the total of such accrued leave and work exceed forty (40) hours in a workweek

ARTICLE X

WAGE AND CLASSIFICATION

Section 1. The Wage and Classification Program shall be conducted within the guidelines issued and authority delegated by the Office of Personnel Management, Department of Defense, and higher Naval authority. All positions in the Unit will be described by accurate written job descriptions. Job descriptions will be filed in the Navy Exchange Personnel Office. Each associate will be given a copy of his current job description at the time of his annual review.

Section 2. An associate in the Unit who feels that his job is improperly classified may file a job-grading or classification appeal at any time, except as agreed to in Section 4 below. Associates must utilize the job grading and classification appeals procedures as set forth in the Navy Exchange Manual, Volume 3, Publication 145, Chapter 3.

Section 3. The EXCHANGE agrees to grant the UNION the right to review job descriptions of associates when requested by the associates and copies will be given to the UNION.

Section 4. A job-grading or classification appeal cannot be processed where the associate maintains that his position description is inaccurate. In such a case, the associate may submit to his supervisor a request that the supervisor review the duties assigned and the position description. Where the problem is not resolved in this manner, the issue must be resolved through the grievance procedure before the associate can file a job-grading or classification appeal.

Section 5. The parties agree that wage surveys will be in accordance with laws, current directives and regulations. The following provisions will apply:

a. For associates covered by P.L. 92-392, wage surveys will be conducted in accordance with DOD or OPM procedures.

b. For associates not covered by P.L. 92-392, wage surveys will be conducted in accordance with the rules established by the Department of Defense Nonappropriated Fund Salary and Wage Fixing Authority.

Section 6. The EXCHANGE agrees to notify the UNION President not later than the first workday following notification that the Navy Department has directed the start of an official full-scale wage survey for the Naval Weapons Station, Charleston, South Carolina, which involves associates in the Unit.

Section 7. Reasonable time off during working hours will be authorized without loss of pay or benefits to permit not more than two members of the UNION to appear before the Area Wage Survey Committee for the purpose of making representations.

ARTICLE XI

ANNUAL LEAVE

Section 1. Regular full-time and regular part-time Associates will accrue leave while in a pay status at the following rates excluding overtime hours:

- a. Less than 3 years service, 5% of the total hours in the basic workweek.
- b. Three but less than 15 years service, 7 1/2% of the total hours in the basic workweek - except for the final biweekly pay period of the leave year which shall be 12 1/2% of the total hours in that basic workweek.
- c. More than 15 years service, 10% of the total hours in that basic workweek.

Section 2. All annual leave will be handled on a "first come, first served" basis. All approved leave is subject to rescheduling or cancellation by the EXCHANGE due to unforeseen conditions or unexpected changes in workload.

Section 3. Vacation leave may be accumulated from year to year, provided that the accumulation of leave does not exceed thirty days (240 hours) as of the end of the established leave year.

Section 4. The EXCHANGE will schedule annual leave for vacation when the Associate, subject to the reasonable requirements of the EXCHANGE, makes adequate advance request. Every reasonable effort will be made by the EXCHANGE to adhere to the established vacation schedule; however, the UNION recognizes that all approved leave is subject to rescheduling or cancellation due to unforeseen conditions or unexpected changes in workload. The EXCHANGE agrees to notify the associate, in writing, as soon as possible on all rescheduled or cancelled leave.

Section 5. Any Associate having annual leave to his credit may apply in advance for leave and such leave with pay shall be approved for any workday, which occurs on the Associate's birthday, or a religious holiday associated with the religious faith of the Associate, unless the granting of such leave would adversely affect the operation of the department.

Section 6. The EXCHANGE may, when considered necessary and the Associate has been given opportunity to use annual leave throughout the leave year, schedule annual leave to assure that the Associate will not forfeit annual leave at the end of the leave year.

Section 7. Supervisors will return all disapproved leave requests to the Associate with a notation in writing as to the reason for disapproval as soon as possible.

ARTICLE XII

ADMINISTRATIVE LEAVE

Section 1. When excused absence is authorized by the EXCHANGE because of breakdown of equipment, extreme weather conditions, or other emergency situations, where advance notice cannot be given as provided in this Agreement, all eligible associates who are in a full duty status will be excused without charge to leave for the remainder of that work shift, provided their services are not essential. When excused absence is authorized at the beginning of the shift, all associates who report for work will be excused without charge to leave for that portion of the shift for which excusal is authorized, provided their services are not essential. Those associates scheduled to report for work and not reporting for work may be granted excused absence if their failure to report was caused by the emergency condition as determined by the EXCHANGE. All other absences will be charged to the appropriate leave, depending on the circumstances involved.

Section 2. The EXCHANGE agrees to grant excused absence, not to exceed four hours duration, to associates who participate in the Naval Base Blood Donor Program.

ARTICLE XIII

SICK LEAVE

Section 1. Regular full-time and regular part-time associates shall accrue sick leave at the rate of 5% of the total hours in the basic workweek while in a pay status.

Section 2. The EXCHANGE and the UNION agree to emphasize to each associate the importance of conserving his sick leave.

Section 3. Official sick leave records maintained by the EXCHANGE shall be made available to supervisors of the associate, the associate, officials that review these records for official purposes, and the associate's UNION representative, if requested by the associate.

Section 4. Sick leave shall be granted to associates when:

- a. They are incapacitated for the performance of their duties, or
- b. An associate is scheduled for medical, dental or optical examination or treatment; or
- c. An associate's presence would jeopardize the health of others at the duty station because of exposure to a contagious disease normally subject to isolation or quarantine by an appropriate health authority; or

d. An associate is to participate in an alcohol or drug abuse program with a member of his immediate household.

e. Associates not reporting for work due to incapacitation for duty will follow the established procedures in the department.

Section 5. Except as hereinafter provided, associates shall not be required to furnish a medical certificate to substantiate requests for sick leave unless such sick leave exceeds three (3) working days continuous duration. It is agreed that the EXCHANGE has the right to require that an associate furnish a medical certificate for each absence which he claims was due to incapacitation for duty on the following basis:

a. There is a discernible pattern of unannounced sick leave absence.

b. The EXCHANGE has counseled the associate in respect to the use of his sick leave, a record of such counseling is on file, and the associate's record subsequent to the counseling does not indicate improvement

ARTICLE XIV

FAMILY MEDICAL LEAVE

Section 1. Eligible associates who have completed at least twelve months of service and have worked 1250 hours during that year, may be granted up to twelve weeks of unpaid leave during a twelve month period for one or more of the following:

a. Birth and care of a newborn;

b. Placement of a child with associate for adoption or foster care;

c. Care of a spouse, son, daughter (under 18) or parent with a serious health condition

d. Serious health condition of the associate that makes the associate unable to perform the essential functions of his or her position.

Section 2. Eligible associates under the same conditions that such leave is normally provided can use sick and annual leave. Otherwise, the associate will be placed in an authorized leave without pay status.

Section 3. Associates will apply for Family Medical Leave at least 30 calendar days before the date leave is to commence, when the leave is foreseeable. In emergency situations, notice from the associate's spouse, family member, or other responsible party will suffice until the associate is able to contact the supervisor or EXCHANGE to provide additional information. This request shall include the type(s) of leave (annual, sick, leave without pay) desired, approximate dates and anticipated duration. Application forms are available at the

Human Resources Office. Appropriate certification will accompany the application form.

Section 4. Upon return from leave, eligible associates must be restored to their original position or equivalent position with equivalent pay, benefits and employment terms.

Section 5. Provisions of this article and administration of Family Medical Leave will be carried out consistent with the Family Medical Leave Act and appropriate regulations.

ARTICLE XV

LEAVE WITHOUT PAY

Section 1. Associates may be granted leave without pay provided provisions of applicable regulations are met. Such leaves of absence without pay shall not exceed one year.

Section 2. The EXCHANGE recognizes that employees in the Unit may be elected or appointed as delegates to a UNION convention or other such function, which necessitates an absence from the Exchange. In this regard, the EXCHANGE will make every reasonable effort to authorize annual leave when accrued and due or otherwise leave without pay for such associates, provided reasonable advance notice is given and the associates' services can be spared.

Section 3. Associates who are elected as officers of the UNION may be granted leave without pay up to one year.

Section 4. Associates returning to duty from approved leave without pay will be granted such rights, privileges and seniorities to which they may be entitled at that time in accordance with appropriate regulations.

Section 5. The EXCHANGE agrees to grant LWOP consistent with the NEXCOM Continuity Program for spouses of military personnel. Military personnel are not included in the Continuity Program.

ARTICLE XVI

MILITARY LEAVE

Section 1. The EXCHANGE agrees that regular, civilian associates who are members of a reserve component of the Armed Forces of the United States and who request a leave of absence will a will be granted time off with pay when required for the customary annual two week tour of training. If such an associate requests additional time to fulfill training or duty requirements, including drill meetings, leave without pay or annual leave will be granted. Military leave will be fifteen (15) calendar days per calendar year. The associate will request upon presentation of competent military orders. Upon completion of such tour of training or duty, the associate is required to submit a certified copy of the completed military orders to the EXCHANGE for filing in the associate's jacket.

Section 2. The accrual of military leave to regular part-time (RPT) associates shall be determined by dividing the number of hours in the RPT associate's regular scheduled work week by the total number of hours that constitute a normal full-time work week of the EXCHANGE.

ARTICLE XVII

HOLIDAYS

Section 1. The EXCHANGE and the UNION agree to recognized the following legal holidays:

New Year's Day	Labor Day
Martin Luther King's Birthday	Columbus Day
President's Day	Veterans' Day
Memorial Day	Thanksgiving Day
Independence Day	Christmas Day

Any other day proclaimed by Federal Law or Executive Order.

Section 2. All eligible associates as described below, except those on leave without pay, will receive holiday pay (plus shift differential) if they are in a pay status for their last schedule work day before the holiday or the next scheduled work day after the holiday.

a. Regular full time –Regular full time associates will be granted holiday pay.

b. Regular part time -Regular part time associates who work a minimum of five days a week will be granted holiday pay. Regular part time associates who work less than five days per week will be granted holiday pay only if the holiday falls on a day that the associate is scheduled to work.

c. Flex -Flex associates who have been employed for at least 90 calendar days, or are expected to have a tour of duty that exceeds 90 calendar days, are eligible for holiday pay. Flex associates who work less that 5 days per week will be granted holiday pay only if the holiday falls on a day that the associate is scheduled to work. Flex associates who work a minimum of five days a week will be granted holiday pay.

Section 3. It is agreed that associates will not be assigned to perform work on a holiday to avoid the payment of overtime but may be assigned to perform work on a holiday when essential to meet a necessary workload commitment.

Section 4. Eligible associates working on a holiday within their basic workweek shall receive their basic hourly rate and appropriate shift differential for all hours worked not to exceed eight, plus their basic hourly rate (including differentials) for the number of regularly scheduled hours of work, not to exceed eight. Overtime performed on a holiday shall be compensated for as overtime work performed on any day in accordance with applicable law or regulation.

Section 5. If a holiday falls on an associate's regularly assigned work day and the place of employment is closed by the EXCHANGE, the associate will receive holiday pay for the hours that they would have worked on that day, not to exceed eight hours.

Section 6. The EXCHANGE agrees to continue to follow instructions in NEXCOM Manual 145, concerning the granting of time off if a paid holiday occurs on the eligible associate's normally scheduled time off.

Section 7. Insofar as practicable, the EXCHANGE will, from among associates who volunteer, make assignments to Holiday work.

ARTICLE XVII

COURT LEAVE

Section 1. Upon advance submission of a court order, subpoena, summons or any other judicial notification, all regular associates will be granted paid court leave for jury duty; to appear in court in an unofficial capacity as a witness in behalf of the U.S. Government or the Government of the State of South Carolina; and to appear in court in an unofficial capacity as a witness in behalf of private parties where the U.S., State or a local government is a party to the proceedings. The court may be a Federal, District of Columbia, state or local governmental unit court. This provision does not apply to an associate appearing as a witness in a judicial proceeding, which involves only private parties.

Section 2. All eligible associates on court leave will receive their regular pay for such time off or will retain the court fees received from the court, whichever is the greater amount. If the court fees are the lesser amount, such fees (exclusive of transportation where separately identified or otherwise identifiable) will be turned over to the EXCHANGE.

Section 3. In the event a private party for civil litigation subpoenas an associate, the EXCHANGE will follow a liberal leave policy to allow the associate to comply with the subpoena. The associate shall give the EXCHANGE advance notice of the request for leave and submit a copy of the subpoena with the leave request.

ARTICLE XIX

DISCIPLINARY ACTIONS

Section 1. This Article shall pertain to both adverse and non-adverse disciplinary actions as described below.

Section 2. The EXCHANGE recognizes that it is the policy of the Department of the Navy to impose the minimum penalty that can reasonably be expected to correct offending associates and maintain discipline and morale. It is further recognized that non-disciplinary action such as oral admonition may effectively correct deficiencies in an associate's conduct or work performance. With the exception of witnesses, if deemed necessary by the counseling or correcting official, the counseling and correcting of associates normally shall not be in the presence of others or customers.

Section 3. Disciplinary actions shall be taken only for just cause and the associate will be notified of his rights and appropriate procedure for grieving/appealing such action.

Section 4. The EXCHANGE agrees that prior to taking disciplinary action, a thorough investigation will be conducted to determine and document the facts. Before disciplinary action is contemplated, it is the EXCHANGE's responsibility to ascertain all pertinent facts. Pertinent facts shall include factors supporting the associate's position, such as performance, conduct record, character and potential in determining the severity of the penalty. The most important aspect is the nature and seriousness of the offense.

Section 5. At any examination of an associate in the Unit by a representative of the EXCHANGE, including officials of outside agencies performing on behalf of the EXCHANGE, in connection with an investigation where the associate reasonably believes that the examination may result in disciplinary action being taken against him, the associate may have his UNION steward present providing he requests such representation. Exercise of that right shall not interfere with the legitimate prerogatives of the EXCHANGE.

Section 6. If an associate is to be served with a warrant or subpoena, it will be done with as much discretion as practicable.

Section 7. Non-Adverse Actions.

a. Non-adverse disciplinary actions are defined as written reprimands and suspensions of 30 calendar days or less.

b. Associates against whom non-adverse disciplinary actions are proposed are entitled to:

(1) Seven calendar days advance written notice of the proposed action, stating the charge(s) and supporting evidence,

(2) Five calendar days to reply in writing to the proposed action.
Extensions of time to reply may be granted by mutual agreement of the parties.

(3) To be represented by the UNION or other representative.

Section 8. Adverse Actions

a. Disciplinary, adverse actions are defined as termination, demotions, reduction in pay and suspensions of more than thirty (30) calendar days.

b. Associates against whom adverse disciplinary actions are proposed are entitled to:

(1) Fourteen calendar days advance written notice of the proposed action outlining specifically and in detail the charges(s) and supporting evidence;

(2) Ten calendar days to reply in writing to the proposed action;

(3) To be represented by the UNION or other representative.

Section 9. The EXCHANGE agrees to furnish the associate an extra copy of all proposals and decision letters on adverse actions for delivery to the UNION, if the associate so chooses. Where the associate grieves such action, copies of all correspondence thereafter will be sent to the UNION.

Section 10. The policies and procedures for processing disciplinary actions, for probationary and temporary associates, are set forth in the Navy Exchange Manual.

ARTICLE XX

GRIEVANCE PROCEDURE

Section 1. The purpose of this Article is to provide procedures for the settlement of grievances, including questions of arbitrability. Except as provided in Sections 7121d and 7121e of the Statute, those procedures shall be the exclusive procedures for resolving grievances, which fall within the coverage of this Agreement.

Section 2. A grievance is defined as any complaint:

- a. By an associate concerning any matter relating to his employment;
- b. By any labor organization concerning any matter relating to the employment of an associate; or
- c. By any associate, labor organization, or the EXCHANGE concerning:
 - (1) The effect or interpretation of a claim of breach of this collective bargaining agreement; or
 - (2) Any claimed violation, misinterpretation, or misapplication of any law, rule, or regulation affecting condition of employment.

The following matters are excluded:

- a. Any claimed violation in connection with prohibited political activity.
- b. A physical fitness-for-duty examination decision.
- c. Any action taken under 5 USC 7532 or any statute, which authorizes an agency to take suspension or separation action without regard to the provisions of any other law.
- d. Non-selection for promotion from a group of properly ranked and certified candidates.
- e. Cash performance award, or any other kind of honorary or discretionary award.
- f. Matters concerning retirement, life insurance and health insurance.
- g. Matters concerning any examination, certification or appointment of candidates for Federal employment.
- h. The classification of any position, which does not result in the reduction in grade or pay of an associate.
- i. Failure to qualify during the probationary period

j. Notice of Suspension Without Pay Pending Disciplinary Action, except for the need for or the appropriateness of the suspension. NEXCOM guidelines, including NEXCOM Guidance Letter #2004-01, will be followed in the handling of such grievance.

Section 3. Every effort will be made by management and the aggrieved party/ parties to settle grievances at the lowest possible level. Inasmuch as dissatisfactions and disagreements arise occasionally among people in any work situation, the filing of a grievance shall not be construed as reflecting unfavorably on an associate's good standing, his performance or his loyalty or desirability to the organization. The UNION will discourage disgruntled associates from initiating grievances, which are without merit. Reasonable time during working hours will be allowed for associates and UNION representatives to discuss, prepare, and present grievances including attendance at meetings with management officials. The UNION is assured the right in its own behalf or on behalf of any associate in the Unit to present and process grievances.

Section 3a. Either party at any stage in a grievance proceeding may call witnesses whose testimony has a direct bearing on the matter at hand. Any witness offering direct testimony is subject to cross-examination by the opposing party at that party's election.

Section 4. Step 1. Grievances must be presented within 15 calendar days from the date associate became aware of the action or condition causing the grievance. The grievance shall first be taken up orally by the concerned associate or steward with the appropriate supervisor in an attempt to settle the matter. The supervisor will render a decision within five (5) calendar days. The steward must be present if the associate so desires. It is expected that most problems will be resolved at this level.

Step 2. If the problem is not satisfactorily resolved at Step 1, the

Step 3. If the problem is not satisfactorily resolved at Step 2, the aggrieved may proceed to Step 3. The associate must submit his/her grievance in writing to the EXCHANGE General Manager within ten (10) calendar days after receiving the decision in Step 2. The EXCHANGE General Manager shall meet with the associate and his/her representative within ten (10) calendar days of the receipt of the written grievance and shall render a decision in writing within ten (10) calendar days of completion of that meeting.

Step 4. If the problem is not resolved at Step 3, the associate may grieve the decision to the Commanding Officer within ten (10) calendar days of receipt of the decision at Step 3. The Commanding Officer or his designee shall arrange to meet with the associate within ten (10) calendar days of receipt of the complaint and shall render a written decision within ten (10) calendar days of completion of the meeting.

Step 5. If no satisfactory settlement is reached between the parties in Step 4, the UNION or EXCHANGE in accordance with Article XXI may refer the grievance/complaint to arbitration.

Section 5. All time limits in this Article may be extended by mutual consent. Failure of the EXCHANGE to observe the time limits shall entitle the associate to advance the grievance to the next step. Failure of the associate or UNION to observe the time limits shall entitle the EXCHANGE to terminate the grievance.

Section 6. Grievances originated by the UNION will be submitted in writing by the UNION directly to the EXCHANGE if not settled after discussions with the EXCHANGE General Manager. Grievances originated by the EXCHANGE will be submitted directly to the UNION. The EXCHANGE and the UNION will meet within ten (10) calendar days after the receipt of the grievance to discuss the grievance. The EXCHANGE, or UNION as appropriate, shall render a written answer within ten (10) calendar days after the meeting. If the grievance is not settled by this method, the UNION or the EXCHANGE may refer the matter to arbitration. Nothing herein will preclude either party from attempting to settle such grievances informally at the appropriate level.

Section 7. It is the intent of the parties that any dispute subject to this grievance procedure shall be fully discussed at each step of the procedure, with the view toward effecting an equitable permanent settlement. In this regard, every effort should be made to arrange and conduct all grievance discussions in an atmosphere free of hostility and personal attack. Such discussions may provide for the presence of representatives from both parties with direct knowledge of the issues involved, confrontation of the accused and the accuser and cross-examination of all witnesses.

Section 8. If the basis for the associate's grievance is an action or decision of an official of the EXCHANGE at or above the immediate supervisor level, the grievance shall begin at the appropriate level where a decision can be made and the grievance resolved.

Section 9. Nothing in this Article shall preclude the right of the EXCHANGE to have present at the negotiated grievance discussions, at the EXCHANGE General Manager level, additional representative(s). The EXCHANGE or the UNION may duly designate additional representatives. Local representative(s) may designate the UNION representative(s). The attendance of Local or National representatives shall be upon the request of the UNION and shall not result in any additional cost or time to the EXCHANGE.

Section 10. A Unit associate may exercise his right in a timely manner to present a grievance in his own behalf under Section 7121(a)(2)(B) of 5 USC.

Section 11. One associate's grievance shall be selected by the parties for processing when several associates have identical grievances (as agreed to by the parties). The decision on that case shall be binding on all other cases of associates involved in the identical grievances.

Section 12. Grievances against non-disciplinary adverse actions may be filed only on the basis of alleged procedural error. Complaints against those actions alleging discrimination must be processed under the regulations of the Equal Employment Opportunity Commission and implementing rules and regulations of the EXCHANGE.

Section 13. In "disciplinary adverse action cases" and "unacceptable performance cases involving only demotion or termination", an associate may choose either the negotiated grievance or the administrative appeals procedure but not both. An associate shall be deemed to have exercised his option to raise the matter under either a statutory or negotiated procedure at such time as he timely initiates an action under one of those procedures, whichever comes first. The associate's choice in procedures must be made clear at initial filing time. Demotion and termination actions based on unacceptable performance will be sustained if the decision to take the action is supported by substantial evidence on the record considered as a whole.

ARTICLE XXI

ARBITRATION

Section 1. If the parties hereto fail to reach a satisfactory settlement of any complaint, dispute or grievance processed -in accordance with the provisions of this Agreement, such complaint, dispute or grievance shall be referred to arbitration provided either party serves written notice to the other within thirty (30) calendar days after issuance of the other's final decision.

Section 2. Within seven (7) calendar days from the date of receipt of the arbitration request, the parties shall meet for the purpose of endeavoring to agree on the selection of an Arbitrator. If agreement cannot be reached, then either party may request the Federal Mediation and Conciliation Service to submit a list of five (5) impartial persons qualified to act as Arbitrators, then the UNION and the EXCHANGE will each strike one Arbitrator's name from the list of five (5) and shall then repeat this procedure. The remaining name shall be the duly selected Arbitrator.

Section 3. The Arbitrator's fee and expenses shall be borne equally by the EXCHANGE and the UNION except that per them cost of the Arbitrators expenses shall not exceed that authorized by Joint Travel Regulations. Normally, a joint stipulation define the issue(s) will be filed with the Arbitrator. Where the parties disagree on defining the issue(s), each of the parties may stipulate to the Arbitrator the issue(s) as seen by that party. The Arbitrator will hear all issues so defined. A verbatim transcript will be made all hearings. In the event hearings are held in facilities not under the administrative control of the EXCHANGE, the cost of such facilities shall be borne equally by the EXCHANGE and the UNION. The EXCHANGE and the UNION shall share equally the expense of any mutually agreed upon services considered desirable or necessary in connection with the arbitration proceedings.

Section 4. The arbitration hearings shall normally be held during the regular day shift hours of the normal basic workweek. Associates serving as UNION representatives and appellants in the minimum number considered necessary for the purpose shall be excused from duty to participate in the arbitration proceedings without loss of pay or charge to annual leave. The excusal will include associate's witnesses who have direct knowledge of the circumstances and factors bearing on the case.

Section 5. The Arbitrator will be required to render his decision as quickly as possible. The Arbitrator's decision shall not change, modify, alter, delete or add to the provisions of this Agreement, such right belong to the parties only.

Section 6. Expedited Arbitration. When the parties mutually agree in writing, an unresolved complaint, dispute or grievance may be referred to expedited arbitration as follows:

a. The requirements of Section XXI-1 must have been met. Either party may then request agreement in writing for submission to expedited arbitration.

b. The Arbitrator will be selected in accordance with Section XXI-2

c. The Arbitrator's fee and expenses will be borne equally by the parties. No verbatim transcript of the hearing is required. The parties will equally share the expenses of any other services agreed to in connection with the arbitration proceedings.

d. The arbitration hearings shall normally be held during the regular day shift hours of the normal basic workweek. Associates serving as UNION representatives and appellants in the minimum number considered necessary for the purpose shall be excused from duty to participate in the arbitration proceedings without loss of pay or charge to annual leave. The excusal will include associate's witnesses who have direct knowledge of the circumstances and factors bearing on the case.

e. If the parties fail to agree on the submission of a joint stipulation of the issues, each shall submit a separate statement of position regarding the issues involved. The Arbitrator shall then hear all issues submitted by each of the parties.

e. The Arbitrator will render a bench decision, which shall be confirmed in writing as soon as possible. The Arbitrator's award will become effective within 30 days of the date of the written award except where one of the parties takes exception to the award under the Regulations of the Federal Labor Relations Authority.

ARTICLE XXII

CONTRACTING-OUT OF BARGAINING UNIT WORK

Section 1. The EXCHANGE agrees to comply with all applicable laws and regulations pertaining to the contracting of work out of the bargaining unit.

Section 2. The EXCHANGE will give the UNION as much notice as practicable in advance of contracting actions which may adversely affect associates in the bargaining unit. The EXCHANGE agrees to minimize displacement action through realignment, and retraining where practicable. The EXCHANGE further agrees to discuss with the UNION in order to minimize the effects of displacement action

ARTICLE XXIII

BUSINESS BASED ACTIONS

Section 1. a. A business-based action (BBA) is a reduction in employment category or pay rate, a furlough of a regular associate for eight calendar days or more, or separation. action initiated by management for non-disciplinary reasons.

b. BBAs are used to adjust human resources in response to changes in business revenue, budget, workload, organization or mission. They are not used to address performance or conduct deficiencies.

Section 2. Prior to the decision to conduct a BBA, except for unforeseen circumstances, the EXCHANGE will attempt to advise the Union of the contemplated action, the reasons for it and when available, the departments, the number of associates affected and their names. The UNION will be allowed to provide input for consideration. If it is decided to conduct the BBA, the UNION will be afforded the opportunity to negotiate impact and implementation, in accordance with Article III (Collective Bargaining). Normally, initial notification will be provided to the UNION at least 30 days prior to a possible BBA becoming effective in cases of separating BBAs and 14 calendar days for all other types of BBAs.

Section 3. All action taken by the EXCHANGE will be in accordance with the Navy Exchange Manual, Volume 3, Publication 145, Appendix V-E, as amended.

ARTICLE XXIV

SEVERANCE PAY

Section 1. Severance pay is authorized for each regular associate who has completed at least 12 months of continuous service as a regular associate with one or more DoD NAFIs immediately preceding involuntary separation from his/her employment because of a BBA.

Section 2. The amount of severance pay will be:

- a. One week of basic pay for each full year of creditable service for the first ten- (10) years of service.
- b. Two weeks of basic pay for each full year of creditable service after the first ten- (10) years.
- c. Severance pay may not exceed 52 weeks of basic pay.

Section 3. NEXCOM policies and procedures for the payment of severance pay will be adhered to.

ARTICLE XXV

FLEX LEAVE

Section 1. Flex associates (other than rehired annuitants) working on a regular schedule accrue leave in a category established for Flex associates, called "annual/sick".

Section 2. Flex associates (other than rehired annuitants) working a regular schedule accrue Annual/Sick Leave at the rate of five percent for each hour worked from 20 to 40 hours in the basic workweek. The EXCHANGE agrees to follow NEXCOM guidelines concerning the administration of Annual/Sick Leave for Flex associates.

Section 3. Subject to workload and operational requirements, Flex associates will be granted leave to be used for personal reasons. When a Flex associate requests leave due to an illness or emergency, he or she is required to follow established procedures for requesting such leave.

ARTICLE XXVI

TRAINING

Section 1. It is agreed that the training and development of associates is mutually beneficial. The UNION may make recommendations to the EXCHANGE relative to the training of associates. The EXCHANGE will consider recommendations and implement any approved recommendations. The parties agree to meet at the request of either party for the purpose of exchanging information concerning the overall training program of all associates within the Unit.

Section 2. When new positions requiring new techniques or abilities are established, the EXCHANGE will consider training interested qualified associates. The parties agree to stress to the associates the need for self-development and training to increase efficiency and output.

Section 3. Whenever technological changes cause abolishment of some jobs and establishment of others, the EXCHANGE agrees to utilize the abilities and skills of the displaced associates by training programs designed to qualify these associates for other jobs to the maximum extent practicable. The EXCHANGE further agrees to bear the expense of this training to the extent permitted by applicable regulations where practicable.

ARTICLE XXVII

BULLETIN BOARD

Section 1. The EXCHANGE agrees to provide adequate and exclusive space on associate bulletin boards, located in buildings where unit members are employed, for posting of UNION notices. The UNION will be responsible for posting, removing, and maintaining its assigned bulletin board space. Bulletin boards located for patron use shall not be used for EXCHANGE and UNION postings.

Section 2. UNION literature shall only be posted on bulletin boards designated pursuant to Section 1. Literature so posted must not violate any law or regulation or the security of the EXCHANGE. Any costs of posting shall be borne by the UNION. The EXCHANGE may suspend the UNION posting privileges if it is determined that the UNION has violated provisions of this Article."

ARTICLE XXVIII

SAFETY, HEALTH AND MEDICAL TREATMENT

Section 1. The EXCHANGE shall make every reasonable effort to provide and maintain safe working conditions for associates. It is agreed between the parties; hereto that safety is a collective effort and the responsibility of both the EXCHANGE and the associate. The UNION will cooperate to that end by encouraging associates to observe all safety rules, requirements, and regulations in the performance of assigned duties, promptly report to their immediate supervisors any observed unsafe practices and conditions; and if injured on the job, also report this to their immediate supervisor as soon as possible.

Section 2. The parties agree that all injuries, regardless of how minor they appear to be, will be reported to the immediate supervisor. The EXCHANGE will furnish prompt and adequate emergency treatment of occupational injuries and occupational illness. As soon as practicable, the injured associate will report to the insurance company physician. This requirement does not preclude an associate from seeking treatment from his/her own physician.

Section 3. The EXCHANGE will determine the minimum physical requirements for each position. Physical examinations, as required, will be given to each prospective associate prior to employment to determine his fitness for the job. If work assignments change, the EXCHANGE will revise the physical requirements, as necessary, and the associate concerned will be reexamined to meet the new physical requirements. An associate who is no longer able to meet the physical requirements for his position will be considered for placement on other suitable work, either temporarily or permanently, provided he is otherwise qualified.

Section 4. An associate injured on the job, and sent home by the treating medical facility, shall be furnished transportation by the EXCHANGE when, in the opinion of the medical official, the associate's condition is such as to preclude travel by either private or public transportation. If the associate's condition is of such serious nature as to require hospitalization, transportation will be provided by ambulance for humanitarian reasons, where practicable.

Section 5. Required safety equipment will be furnished to associates in accordance with established safety regulations.

Section 6. In the course of performing their regularly assigned work, associates are encouraged to report unsafe practices, equipment and conditions as well as environmental conditions in their immediate area, which may constitute industrial health hazards. If any unsafe or unhealthy condition is observed, the associate should report it to his immediate supervisor. If the immediate supervisor does not settle the safety question, the matter may be promptly referred to the cognizant department manager for resolution. In the event resolution is not attained at that level, the associate may submit the issue to the Naval Base Safety Officer.

Section 7. Injury reports will be prepared by the EXCHANGE and submitted promptly to the insurance company and to the associate upon request. The EXCHANGE will also give assistance to the associate in preparation and submission of claims for compensation to alleviate financial hardship.

Section 8. Associates shall not be required to work on or about moving machines or in areas where conditions that are unsafe or detrimental to health without proper precautions, protective equipment, and safety devices. Also, any associate who is engaged in work which is potentially hazardous will not be permitted to work alone or beyond the call or observation of another associate. Should an associate claim that a job to which he has been assigned is not safe or will endanger his health; his immediate supervisor shall inspect the job to ensure that it is safe before requiring the associate to carry out the work assignment. If any reasonable doubt regarding the safety of the job remains, advice shall be obtained from the Exchange Safety Officer before proceeding.

Section 9. The EXCHANGE will assure that each supervisor holds safety meetings with his associates. Safety instructions will be given to each new or reassigned associate as a part of his indoctrination in his work assignment.

Section 10. The Exchange Safety Officer will investigate all injuries and will establish cause and responsibility, and will recommend appropriate remedial action. The report of investigation will be made available to the UNION upon request.

Section 11. The EXCHANGE agrees that an associate released by a Medical Officer to return to work in a light duty status will be so assigned where such light duty is available and possible which will not aggravate his illness or injury.

Section 12. It is agreed that the EXCHANGE will disseminate information to associates on a timely basis involving safety practices and other matters of job related interest.

ARTICLE XXIV

EQUAL EMPLOYMENT OPPORTUNITY

Section 1. The EXCHANGE and the UNION affirm the policy of Equal Employment Opportunity (EEO) and of prohibiting discrimination on the basis of race, color, religion, sex, national origin, age, handicapping condition, martial status or political affiliation. Offensive remarks in the workplace relating to age, sex, race, color, religion, qualified handicap, and/or national origin will not be condoned.

Section 2. An associate alleging discrimination may be accompanied by a representative of choice at any step of the EEO complaint process.

Section 3. An associate alleging discrimination may elect to use either the EEO discrimination complaint procedure or Article XX (Grievance Procedure) within appropriate time frames. The associate may not use both procedures.

Section 4. An associate may use Alternative Dispute Resolution (ADR) to settle a discrimination complaint.

ARTICLE XXX

PERFORMANCE EVALUATION

Section 1. Associate performance will be evaluated fairly and objectively. Associates will be given a copy of the performance evaluation after documentation of the evaluation and at the time the evaluation is discussed.

Section 2. When an associate is performing at less than a fully acceptable level, the associate will be counseled in regard to the shortcomings in their performance and informed as to what they must do in order to bring the performance up to a fully acceptable level and given a reasonable amount of time to do so.

Section 3. An associate may be placed in a trial period of not less than 30 calendar days during which time the associate must demonstrate satisfactory performance or show sufficient improvement to warrant their continued employment. A Letter of Caution shall be issued only after oral counseling has failed to achieve the expected level of performance. The Letter of Caution placing an associate in a trial period will state:

- a. What job requirements the associate is failing to meet.
- b. What the associate must do to bring their performance to a satisfactory level.
- c. That the associate's supervisor will give reasonable assistance to them.
- d. That improvement must be sustained for a period of one (1) year. Failure to sustain improvement may result in termination or demotion.

Section 4. When a within-grade increase has been withheld, a new determination shall be made at least each eight weeks following the original due date of the regular within-grade increase. If an associate receives an official performance rating of satisfactory during the waiting period where a within-grade increase has been withheld, the supervisor will complete a within-grade increase recommendation and the within-grade increase will be granted to become effective on the first pay period after the effective date of the performance rating. A within-grade increase granted under these circumstances is not retroactive.

ARTICLE XXXI

SUGGESTION BOX

Section 1. The EXCHANGE agrees to maintain a suggestion box for receipt of suggestions, or comments, from associates concerning operation of the EXCHANGE.

Section 2. The EXCHANGE agrees to respond to identified associates concerning submitted suggestions, or comments.

Section 3. For those suggestions utilized, or implemented, by the EXCHANGE that result in improvements to the operation of the EXCHANGE, the General Manager will determine the appropriate reward to be issued to the recommending associate.

ARTICLE XXXII

GENERAL PROVISIONS

Section 1. The EXCHANGE agrees to post on official bulletin boards all pertinent notices information concerning the associates in the Unit.

Section 2. The deduction of UNION dues by the EXCHANGE will be handled in accordance with the current effective dues withholding agreement between the EXCHANGE and the UNION.

Section 3. The EXCHANGE agrees to have sufficient copies of this Agreement printed and distributed to all associates in the unit. The EXCHANGE will provide the UNION with (25) twenty-five copies of the Agreement for its internal use. The Agreement shall be printed in a pocket size. The EXCHANGE will furnish a copy of this Agreement to each new associate in the Unit.

Section 4. The EXCHANGE agrees to furnish the UNION on a quarterly basis, a complete and up-to-date personnel listing of all associates in the Unit. Each such list shall include the name, department, and ID number of each associate.

Section 5. The EXCHANGE agrees that the UNION may use a designated room in the activity outside working hours for the purpose of holding UNION meetings.

Section 6. The EXCHANGE agrees to place the UNION on the distribution list to receive copies of all notices, instructions, and bulletins pertinent to associates in the Unit and other matters affecting conditions of employment.

Section 7. The General Manager, if requested one week in advance of the meeting date, will schedule a monthly EXCHANGE-UNION Representative meeting.

Section 8. The EXCHANGE agrees that any associate within the Unit who contemplates retirement in the immediate future shall, upon request, be afforded retirement counseling. A UNION representative may accompany the associate. Any associate who contemplates retirement shall be referred to the Navy Exchange Human Resources Office by his supervisor.

ARTICLE XXXIII

DUES WITHOLDING

Section 1. The EXCHANGE agrees that voluntary payroll deductions for the payment of Union dues shall be made from the pay of all who request such dues deduction and who are bona fide members in good standing with the Union. Dues are defined as the regular periodic payments required from a member to maintain the member in good standing with the Union. In implementing the dues deduction program, the parties shall be governed provisions of this Agreement and applicable laws. It is recognized that changes in the Agreement may be required by future changes in such laws, regulations, and directives of higher authority.

Section 2. Any associate of the Unit desiring to have Union dues deducted from their pay may, at any time, complete and sign the appropriate portions of Standard Form 1187, "Request for Payroll Deductions for Labor Organization Dues." Section A of this form shall be completed and certified by the President of the Union or designee, who shall mail/deliver it to the Human Resources of the EXCHANGE. The form must be received in the Human Resources Office no later than 12:00 noon on the last Monday preceding the pay period during which the initial deduction is to be made. Associates may not request payroll deduction of dues to more than one employee organization.

Section 3. A deduction will be made each bi-weekly pay period from the pay of associates in the Unit who have requested such allotment for dues. The amount to be deducted will be computed by multiplying the associate's regular monthly dues by twelve and dividing the results by twenty-six and rounding to the next higher penny. No deduction for dues will be made by the EXCHANGE in any period for which the associate's net earnings after other deductions are insufficient to cover the full amount of the allotment for dues.

Section 4. The total dues deductions shall be transmitted by the payroll office to the President AFGE, Local 2298, or designee, by check no later than ten (10) workdays after the close of each pay period. With each check, the payroll office will provide the Union with a listing of the names of the associates involved and the amount deducted for each associate. In the event an associate's net earnings after other deductions are insufficient to cover the full amount of the allotment for dues, or should and associate revoke authorization for the withholding of Union dues, the EXCHANGE shall so annotate it on the list. The list shall also show the total amount of dues deducted by the payroll office. There will be no fee charged for the deduction of Union dues.

Section 5. An associate in the Unit who has authorized the withholding of the Union dues may request revocation of such authorization by completing Standard Form 1188, "Cancellation of Payroll Deductions of Labor Organization Dues" and submitting the completed form to the Human Resources Office. These forms may be obtained from the Exchange. An associate who initiates dues deductions and requests revocation of this deduction within the initial year, will have the revocation take effect on the first pay period beginning on or after the first anniversary of the date the dues deduction went into effect. An associate who has completed the initial one-year period and requests revocation of Union dues deductions, will have the revocation take effect on the first pay period of September following their anniversary date provided the revocation is received by the payroll office no earlier than 1 August not later than 31 August. The payroll office shall promptly notify the Union of all such revocation received by transmitting a copy of the form.

Section 6. All deductions of Union dues provided for in this agreement shall be automatically terminated if the Union becomes ineligible as the exclusive bargaining agent through an election under the Statute or for other reasons, including suspension or cancellation of this dues withholding agreement. Any individual allotment for dues shall also be automatically terminated upon separation or transfer of the associates from the rolls of the EXCHANGE or when the associate moves out of the Unit.

Section 7. The Union agrees to give prompt written notification to the EXCHANGE when a member who has authorized dues withholding is suspended or expelled from the Union. The EXCHANGE will post announcement of the withdrawal time period on official bulletin boards during the entire month of January.

Section 8. The Union shall be responsible for insuring that Standard Form 1187 is purchased and made available to the members, and shall further insure that the forms are properly completed and certified before transmitting them to the EXCHANGE. The Union recognizes its responsibility for seeing that the members of the Union are fully informed and educated concerning the program for payroll deduction of Union dues, its voluntary nature, and the uses and availability of the required forms.

Section 9. The Union shall furnish the EXCHANGE, at the earliest practicable date, with a current listing containing the names and signatures of the Union officials designated to certify Section A of Standard Form 1187 on behalf of the President of the Union. The changes in this information and informing Union members of these changes. Changes in the amount of Union dues for payroll deduction purposes shall not be made more frequently than once each twelve (12) months.

ARTICLE XXXIV

DURATION OF CHANGES

Section 1. This Agreement shall remain in full force and effect for a period of three (3) years from the date of approval by the Department of Defense (DoD), and from year to year thereafter, unless either party gives written notice at least sixty (60) calendar days, but not more than one hundred twenty (120) calendar days, before the initial expiration date or a subsequent yearly anniversary date of its desire to terminate or to renegotiate the Agreement. If either party gives such notice, representatives of the EXCHANGE and the UNION will meet and consult as to further negotiations or other courses of action. The agreement shall remain in effect until such time another Agreement is negotiated and signed by the appropriate authorities.

Section 2. The Agreement may be terminated at any time it is established that the UNION is no longer entitled to exclusive recognition under the Act, or by mutual consent of both parties.

Section 3. In the event it is found that any sections of the agreement are unworkable, or that supplements are desired, the Agreement may be opened for amendment or supplement, provided that such request is submitted in writing, and is accompanied by a summary of basis for the request, and provided further, that both parties consent to the opening of the Agreement for the purpose requested. Representatives of the EXCHANGE and the UNION will meet after mutual consent to open the Agreement and negotiate the matter. Agreement shall be evidenced by written amendment, duly approved and executed by both parties, and shall remain in full force and in effect until the termination date of the underlying agreement.

Section 4. Either party may request midterm bargaining by giving written notice to the other party. The timeline for response will remain the same as listed in Section 1 above, or fifteen (15) days.

In witness thereof, the Parties have executed the Agreement of this 4 Day of May 2005

For the EXCHANGE

For the Union

NEX General Manager

AFGE Union, Local 2298

Chief Spokesman

Chief Spokesman

Approved by Department of Defense on June 2, 2005