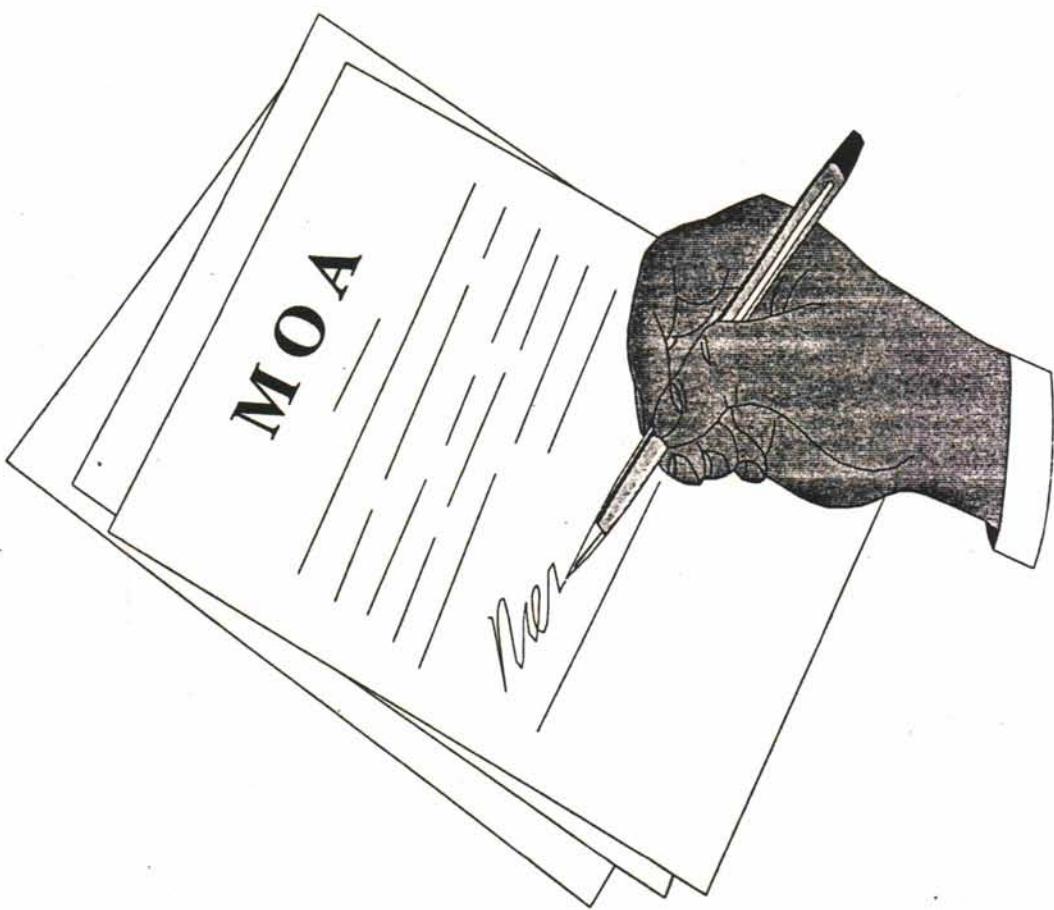


8/15/2000

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**MODERN OPERATING AGREEMENT
 BETWEEN
 THE ADJUTANT GENERAL OF
 MICHIGAN
 AND
 LOCAL 2132
 NATIONAL FEDERATION OF FEDERAL
 EMPLOYEES
 PARTNERSHIP**



Adjutant General of Michigan

**Expires
 15 August 2000**

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PREAMBLE

This is a living agreement between the Adjutant General of Michigan and The National Federation of Federal Employees (NFFE) Local 2132. We recognize that change is inevitable and beneficial in order to maintain a dynamic and ever improving Michigan National Guard. We embrace the following philosophy and mission.

PHILOSOPHY

We believe that all people want to be involved in decisions that affect them, care about their job, take pride in themselves and in their contributions, and want to share in the success of their efforts.

By creating an atmosphere of mutual trust and respect, recognizing and utilizing individual expertise and knowledge in innovative ways, and providing the technologies and education for each individual, we will enjoy a successful relationship and a sense of belonging to an integrated system capable to achieving success for our organization, our communities, and our people.

MISSION

The Mission of the Michigan Army National Guard and the full time work force is to assure that our military units, individual members and equipment are all ready for worldwide or state deployment. An additional mission is to continuously improve our procedures, service to our customers, and our readiness, allowing us to maintain our position as a formidable and progressive organization.

PARTNERSHIP AGREEMENT

The Adjutant General of Michigan and NFFE Local 2132 do hereby enter into this Partnership Agreement in accordance with Executive Order 12871. The goal of the Partnership is to create an atmosphere of mutual trust and respect which will further the agency mission, and foster a more productive and cost effective service to the agency customer. This will be accomplished by recognizing and utilizing each individual's ideas and knowledge in innovative ways, thus enhancing the working conditions and morale of all members. The parties agree to establish a Partnership Council consisting of equal numbers which will meet regularly to:

- * Administer the Labor Agreement
- * Resolve disputes as required
- * Negotiate, as required, over subjects to include 5 USC 7106(b)(1)
- * Further Total Quality implementation and institutionalization
- * Promote training and education to meet the needs of the Partnership

The Partners will pursue solutions and decisions utilizing Interest Based Bargaining (IBB) techniques and consensus decision making. Decisions pursued by the Partnership Council will promote the following points while considering the legitimate interests of both partners.

Increase quality and productivity
Customer service
Mission accomplishment
Efficiency
Quality of work life
Member empowerment
Organization performance
Military readiness
Community relations

TOTAL QUALITY

Commitment to quality is the foundation of our organization and extends from the Adjutant General to every member of the Department of Military Affairs. The shared belief that meeting the needs of people, customers, our full time force members and the community is paramount to fulfilling the mission.

Total Quality is defined as:

- * Specified by the customer
- * A system of continuous improvement and evaluation designed to exceed customer expectations
- * Achieved through teamwork and mutual trust
- * An operational environment created to produce the best results
- * An environment that encourages risk taking

The structure of the Michigan Army National Guard should reflect certain basic principles

- * Recognition of the stakes and equities of everyone in the organization
- * Full participation by the Labor partner
- * Use of the consensus decision making process
- * Encouragement of the placement of authority and decision making at the most appropriate part of the organization with emphasis on the team.
- * The free flow of information and a clear definition of the decision making process

***** ***** *****

MEMBER ORIENTATION

The Partnership Council will jointly develop and administer orientation programs for new and present members.

QUALITY BILL OF RIGHTS

The Partnership Council hereby establishes this Quality Bill of Rights.

**EACH MEMBER OF THE MICHIGAN ARMY NATIONAL GUARD
SHALL HAVE THE FOLLOWING QUALITY RIGHTS:**

- * **The RIGHT to challenge business as usual**
- * **The RIGHT to be heard**
- * **The RIGHT to expect commitment to quality**
- * **The RIGHT to place quality before production**
- * **The RIGHT to feel genuine pride in products and services**

T.E.A.M. = Together Everyone Achieves More

***** ***** *****

LEARNING ORGANIZATION

A Total Quality culture is dependent upon the realization that the individual, the team, and the organization must continually develop and implement new tools, methods and cutting edge technology. Education provides the tools and programs necessary for members to meet these ongoing challenges. To insure that the Michigan Army National Guard full-time support force succeeds, jointly developed learning programs for all members is the priority of the Partnership.

PARTNERSHIP EMPLOYMENT OPPORTUNITIES

The Partnership will require people who can fully commit to the philosophy and effectively contribute to the mission. We recognize the critical importance of a process for recruitment and selection which will accurately and objectively evaluate a candidate's qualifications. This process empowers teams to recommend members while providing employment opportunities to existing qualified members first, as well as, reinforcing our commitment to equal opportunity.

Competitive employment guidelines, to include temporary employment, are outlined as regulated by DOD.

Responsibilities of the individuals involved in the Merit Promotion process are as follows:

Team and coach or supervisor	Identify the need and request vacancy fill
Local Partnership Council or senior supervisor	Verify need and review packet for compliance with agency rules and regulations.
Optional Partnership Council	Same as local partnership council
Human Resource Office	Advertise the vacancy Receive all applications Send entire package to team
Team	Qualify applicants Interview and recommend Justify selection (EEO) Process review Send recommendation through the full-time support staff <ul style="list-style-type: none">- Prepare SF 52- Prepare certifying form- Prepare EEO form
Human Resource Office	Maintains all job files EEO Review Review qualifications of selectee Notifies non-selectee Validate/approve selection Notify team of selectee approval through the full-time support staff

Team

Notifies the selected individual
Negotiates start date with selectee and
losing office

The Partnership realizes the importance of maintaining trust between the labor and management partners. Thus, when the supervisor reviews the recommendation from the Team for compliance with rules and regulations and reverses the Team's recommendation without consent from the Team, Alternative Dispute Resolution process will be utilized. It is the intent of the State Partnership Council that the local or optional partnership council will serve as the neutral party to resolve the matter. If the dispute cannot be resolved it will be forwarded to the State Partnership Council for review.

USE OF MATRIXES

Matrixes may be used as a guide. However, only job-related KSA's will be used to determine the qualifications of an applicant. The Team's recommendation should be based on a combination of subjective and objective criteria and not solely on point totals.

TEMPORARY EMPLOYMENT

For the purpose of Temporary Employment, if a request to fill a needed vacancy exceeds 180 days, the Merit Principles will apply utilizing the aforementioned process. The area of consideration will be at the appropriate organizational level.

Details can still be used for lower grade and same grade, but details to higher grade positions have been eliminated to allow those persons to be temporarily promoted so they can receive pay at the higher grade. Temporary promotion over 60 days will be filled through the merit promotion process.

Special circumstances or project needs will be addressed through the State Partnership Council prior to implementation.

***** ***** *****

TEAM BASED WORK SCHEDULES

To fulfill the objectives of the Partnership philosophy and mission, it will be advantageous to have flexible hours of work that meet the needs of the individual member as well as the organization. Teams are empowered to choose flexible work schedules from the options lists below. Local Partnership Councils (in the absence of Directors/MACOM AOs) will approve team schedules.

NOTE: Monday through Friday coverage is necessary in major facilities to provide customer service.

Schedule Options

5/8 hr days

5/4/9

4/10 hr days

LEAVE

Our Partnership Philosophy emphasizes equality among all members and the shared sense of belonging to a successful operation in which everyone has common needs and goals. Absenteeism affects the commitment to the organization and places an unnecessary burden on fellow members. Leave is authorized by statute and administrated by Department of Defense directives. Personal management of leave is encouraged. Official time is available for community enhancement activities that are supported by the organization and add value to our relationships. Members are encouraged to pursue their respective interests in community volunteer activities on personal time.

TEAM BASED PERFORMANCE MANAGEMENT SYSTEM

The Partnership's philosophy, mission, and Total Quality - Learning Organization journey require a new approach in performance management which recognizes the following:

- * A team based system for all members
- * Specific training for teams and coaches
- * Performance ratings not linked to awards actions

Each member is required to become a member of a team that is organized around Total Quality concepts designed to accomplish the mission and pursue continuous improvement in work processes and customer satisfaction.

Teams and Coaches will use consensus decision making to develop goals (defined as outcomes) expectations, and standards in two critical elements.

- * Total Quality Standards (based on customer satisfaction and process improvements)
- * Individual member's team job responsibilities

Teams will continuously monitor and evaluate performance related to identified outcomes necessary to ensure mission accomplishment and success for the team.

Individual team members will be rated by team consensus, based upon the two identified critical elements utilizing the following levels of performance.

Fully Successful - Member meets or exceeds team expectations

Less Than Fully Successful - Member does not meet team expectations

Less than fully successful performance will result in the development of a Performance Improvement Plan (PIP). Continued less than fully successful performance may result in reassignment, change to lower grade, or separation.

RECOGNITION AND AWARDS PROGRAMS

Total Quality assumes continuous improvement of processes. The Michigan Army National Guard depends on the members for all of its successes. The people who make Total Quality a reality are to be recognized and rewarded for their insight, initiative, and desire to generate improvement and, ultimately, satisfy the organizations highest expectations. The organization encourages recognition at all levels and will reward appropriately by using monetary and non-monetary awards. The recognition may be given to any individual, team, or organization/activity. The awards or recognition may be recommended by any individual, team, customer, or organization/activity. Some of the possible options are listed below, but are not all inclusive:

Non-Monetary

- Certificate
- Plaques
- Public acknowledgment
- Time Off Award

Monetary

- Equally distributed team award
- Team based Individual award

If it meets or exceeds its goal, an organization/activity may receive an award to be equally distributed to its members. Non-performing members may be excluded from this organizational award. Members in process of adverse action must have any award suspended pending resolution of the action.

All awards should be recommended and approved at the lowest possible level. Documentation for monetary awards shall be forwarded through the Human Resource Office (HRO)/Payroll as required.

The ultimate goal of the Partnership Council is to receive and manage available award funds at the organization/activity level. These funds should be based on the authorized number of funded positions at a given organization/activity. An additional goal is to develop a gain sharing program based on value added, creativity, improvement processes, and cost savings.

REDUCTION IN FORCE (RIF)

The Partners believe that people are our most important resource. Unfortunately, RIF may become a necessary process in a climate of declining budgets. We affirm the following fundamental principles in the event that a RIF must be conducted.

- * The Partnership Council will use TPR 351 as a guide in determining the process mechanics of a RIF
 - * RIF's will be based on the technician performance appraisals and the service computation date (SCD) will be used as a tie-breaker
 - * Attrition will be utilized where possible
 - * Voluntary "early out" incentives will be offered if possible
 - * Members qualified for an unreduced annuity may be separated involuntarily prior to RIF proceedings.
-

SAFETY

The Partners are committed to providing and promoting a quality, safe work place which emphasizes the member's responsibility in the following areas:

- * Any member may stop and/or report an unsafe act or condition
- * Members are responsible for the proper wear and care of their issued Personnel Protection Equipment
- * Members will promptly report work related injuries in accordance with the Office of Worker's Compensation time-frames
- * Members will be assigned light duty upon concurrence of Employer's physician

The Employer partner will endeavor to protect members' health and correct identified safety concerns. Solutions may include commercial contracts or existing National Guard resources in administering the following:

- * Health Evaluations (Pre-employment, Periodic, and Post Employment)
 - * Ergonomics and video display terminal programs
 - * Environmental Differential Pay
 - * Providing members with Personnel Protection Equipment.
-

HEALTH AND WELLNESS

A healthy work environment is contingent upon all members pursuing a healthy life style which will enhance their personal and professional well being. The Partners offer the following programs in pursuit of a healthy, safe and harmonious work environment.

* Physical Training (PT) within these parameters:

1. A voluntary exercise program consisting of aerobic activities which begin and end at the work site.
2. Members may choose an exercise period which takes place either one hour - 3 times a week, or 30 minutes - 5 times a week in conjunction with lunch.
3. Coaches and/or teams must approve the member's chosen exercise period.

NOTE: The intent of the PT program is to promote fitness while minimizing the possibility of personal injury. Therefore, participation in team sports is not authorized at any organization or activity during a member's approved PT program. Participation in team sports is authorized during lunch period.

- * Tobacco/Smoking cessation
 - * Stress education
 - * Nutrition
 - * Employee Assistance Program (EAP)
-

CODE OF CONDUCT

The basic operating principles upon which this Code of Conduct for the Partnership is based are established in the Mission and Philosophy statements. Actions or behavior that are contrary to these principles may be subject to the disciplinary procedures established in TPR 752. If counseling and attempts to modify behavior prove ineffective, or in instances of severe misconduct, the Employer partner may initiate disciplinary action or discharge. In situations where any member's conduct or attitude is adversely affecting the organization or work unit, initial corrective action will concentrate on documented consultation, guidance and review.

DISPUTE RESOLUTION

A dispute is a request by any member for personal relief in a matter of concern or dissatisfaction relating to their employment. The process listed below is the sole procedure for dispute resolution in all matters except Equal Employment Opportunity (EEO) complaints and Performance Rating appeals. These exceptions will be handled using current procedures. Upon completion of Alternate Dispute Resolution training, this Dispute Resolution process may be modified.

INFORMAL

Step 1. - Verbal resolution attempt between the member, the first line supervisor and a Labor partner representative.

Step 2. - If not resolved informally, it may be presented in writing to the designated intermediate supervisor.

FORMAL

Step 1. - If not resolved at the intermediate level, it may be presented in writing to the local Partnership Council.

Step 2. - If not resolved at local Partnership Council, it will be presented in writing to the State Partnership Council.

Step 3. - If not resolved by the State Partnership Council, it will be presented to the Adjutant General.

NOTE: All decisions by the Adjutant General in matters concerning 709(e) and RIF are final. All other matters may be referred to binding arbitration by either party. Arbitration costs will be borne equally.

VOLUNTARY UNION DUES CHECKOFF

Union dues payment will be coordinated through the Technician Payroll office. Dues are deducted biweekly.

Dues deduction will be withdrawn for loss of membership due to promotion, retirement, death, or separation from employment.

Members may voluntarily revoke dues withholding on the first pay period in September.

DEFINITIONS

Modern Operating Agreement (MOA):

The labor agreement (contract) between the Adjutant General of Michigan (TAG MI) and the National Federation of Federal Employees (NFFE) Local 2132.

Partnership:

A coalition between TAG MI and the members of NFFE Local 2132.

Partnership Agreement:

A written agreement which has been established in accordance with Executive Order (EO) 12871 between TAG MI and NFFE Local 2132 to work jointly in establishing and maintaining mutual trust, respect and mission completion.

Partnership Council:

An empowered council, established in accordance with EO 12871, consisting of equal numbers from TAG MI and NFFE Local 2132 for the purpose of:

- * Administering the MOA
- * Resolving disputes as required
- * Negotiating, as required, over subjects to include 5 USC 7106(b)(1).
- * Furthering Total Quality implementation and institutionalization
- * Promoting training and education to meet the needs of the Partnership

Labor Partner:

The National Federation of Federal Employees Local 2132.

Employer Partner:

The Adjutant General of Michigan

Partner:

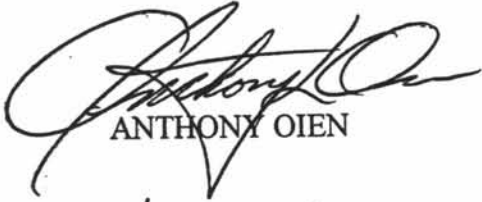
Members of the Partnership Council

Member:

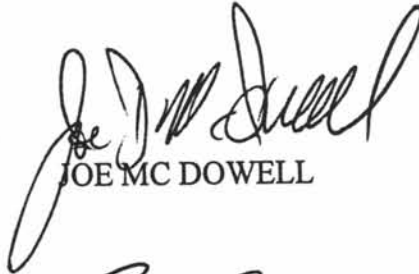
All employees of the Michigan Army National Guard who are covered by the MOA.

This Modern Operating Agreement is in effect upon approval and will remain in effect until 15 August 2000. It is understood that this agreement will terminate at any time that the Union is no longer entitled to exclusive representation under Title 5 USC Chapter 71.

As stated in the Preamble, this is a living agreement which may be reviewed and/or modified upon the consent of both parties.




ANTHONY OIEN



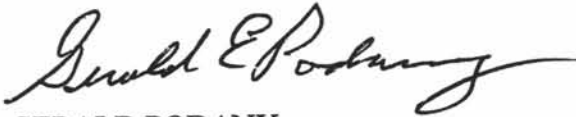
JOE MC DOWELL



STEVE GRASZLER



RANDY RICHARDSON



GERALD PODANY



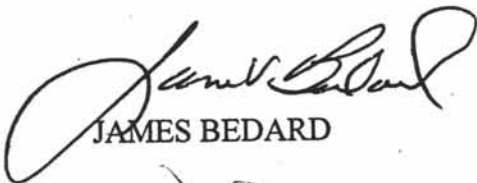
DOROTHEA MARTIN



KEITH BOBENMOYER



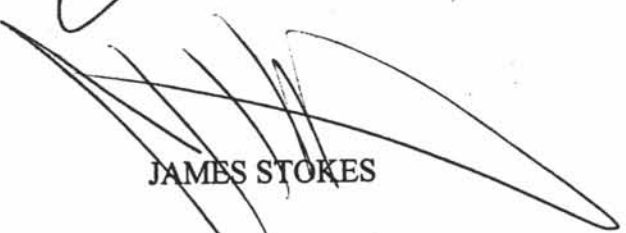
GERY KOSEL



JAMES BEDARD



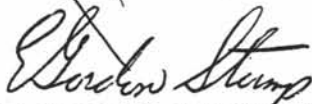
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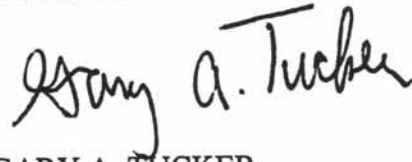
JAMES STOKES



CHARLES MOHUNDRO



E. GORDON STUMP, Maj Gen, MI ANG
The Adjutant General of Michigan



GARY A. TUCKER
President, NFFE Local 2132

Dated: 28 August 1997

