

MEMORANDUM OF UNDERSTANDING  
BETWEEN THE DEPARTMENT OF COMMERCE (DOC), UNITED STATES (US) AND  
FOREIGN COMMERCIAL SERVICE (FCS)  
AND  
AMERICAN FOREIGN SERVICE ASSOCIATION (AFSA)

This memorandum constitutes the full understanding and agreement between the parties with regard to mid-term bargaining proposals submitted by AFSA, and satisfies any statutory bargaining obligations.

January 30, 2002 Proposal #3, Members of Annual Selection Boards:

Management agrees that prior to the Assistant Secretary and General Director deciding which members will serve on the annual selection boards, a list of proposed Department of Commerce members will be given in confidence to the AFSA Vice President. The AFSA Vice President will be given three (3) work days to submit any comments, in writing, for consideration only to the Assistant Secretary and the Director General. Such comments will not be binding. If the confidentiality of the list is compromised by AFSA, this agreement shall be null and void.

February 4, 2003 Proposal #1, Long Term Full Time Training:

Management agrees that the employees assigned to long term full time language training for over six months, but less than one years should have the option to select reassignment or TDY, based on their individual circumstances. However, the employee must make his/her decision prior to issuance of travel orders. Once the decision is made, it is irreversible. The all-inclusive listing of expenses/allowances that will and will not be authorized as contained in the May 14, 2003 memorandum to AFSA from the Program Manager for Employee and Labor Relations is hereby incorporated into this agreement. Management will issue updated lists as necessary due to changed in per diem rates, travel regulations, or allowances, and further agrees to consider converting the dollar amounts listed to the appropriate percentage of per diem in future issuances.

February 4, 2003 Proposal #2, Appointment of Commissioning and Tenure Board Members:

Management agrees that prior to the Assistant Secretary and Director General deciding which members will serve on the Commissioning and Tenure Board, a list of proposed Department of Commerce members will be given in confidence to the AFSA Vice President. The AFSA Vice President will be given five (5) work days to submit any comments, in writing, for consideration only to the Assistant Secretary and Director General. Such comments will not be binding. If the confidentiality of the list is compromised by AFSA, this agreement shall be null and void.

February 4, 2003 Proposal #3, Maintenance of Hard Language Skills:

After discussion and exploration of the underlying issues and intent of the AFSA proposal, the parties agreed to discuss this issue further as part of the Long Term Language Training Pilot

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June 2003

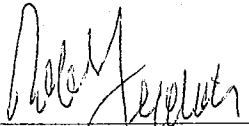
Page 1 of 2


Program, but that the discussion would not hold up the implementation of the Pilot Program. Specifically, it was agreed to pursue a rewards rather than an incentive program for employees who maintain hard language skills proficiency which results in a diminished need for re-training and cost savings to the FCS. Details about piloting such a program will be addressed during further discussion.

Management agrees to add "if available" to paragraph 4.a) with regard to the need to obtain solicitation quotes from at least three (3) vendors.

It was agreed that the issues related to FSI testing and requiring all language training be conducted in the United States, while not negotiable, would be the subject of further discussion as the results of the pilot program become known.

The parties agreed to implement the provisions of this memorandum immediately upon the signatures of the representatives of each party and to make any language or other changes that result from agency head review, upon receipt of those changes.

 6/18/03  
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PETER G. FREDERICK      Date  
Chief Negotiator, AFSA

 6/18/03  
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FRAN CORCORAN WHITE      Date  
Chief Negotiator, US&FCS