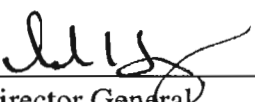


**MEMORANDUM OF UNDERSTANDING
BETWEEN
THE U.S. DEPARTMENT OF COMMERCE,
UNITED STATES FOREIGN & COMMERCIAL SERVICE [USFCS]
AND
THE AMERICAN FOREIGN SERVICE ASSOCIATION [AFSA]**

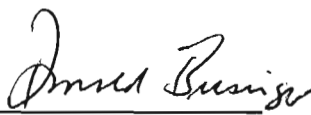
The parties to this memorandum, the American Foreign Service Association, herein after referred to as AFSA, and the U.S. Department of Commerce's Foreign Commercial Service, herein referred to as FCS, enter into this agreement for the purpose of allowing for language testing for language incentive pay at the Diplomatic Language Service, LLC:.

1. This memorandum is subject to and governed by Chapter 10, Labor-Management Relations, of the Foreign Service Act of 1980, as amended, and the Collective Bargaining Agreement (CBA) between AFSA and FCS, as amended. This agreement will be modified as necessary by any future amendments to the documents mentioned above, or to rules, regulations or laws impacting this agreement.
2. The attached policies and amended language to the collective bargaining agreement (CBA) will govern the procedures for guidance on non-FSI testing for Language Incentive Pay. Changes to the SOP will be negotiated without impact to this memorandum.
3. This memorandum will be reviewed and open for renegotiation during the next Full Term CBA negotiations between the parties.



Director General
U.S. and Foreign Commercial Service

5/10/07
Date



Vice President
AFSA

5-10-07
Date

The following changes are herein agreed to the Foreign Service Personnel Manual Subchapter 800-1, Language Incentive Program

Section 4. Policy

.04 Test Score Validity – Language proficiency tests administered by the Foreign Service Institute or Diplomatic Language Service, LLC are the only proficiency tests acceptable for language incentive payments. To qualify for payment, the certified test score must have been achieved within one year prior to arrival at the incentive language post, or during the assignment. A test rating of S-5, R-5 is valid indefinitely.

Section .07 Testing to Qualify for Language Incentive Payments

- a. Tests for language incentive payment must be administered by testers certified by the Foreign Service Institute or Diplomatic Language Service, LLC. *However the test must be administered by FSI if the Officer is enrolled in language training at FSI.*
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