



DEPARTMENT OF DEFENSE  
EDUCATION ACTIVITY  
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DoDEA General Counsel

06-GC-001  
May 22, 2006

DEPARTMENT OF DEFENSE EDUCATION ACTIVITY  
POLICY MEMORANDUM

SUBJECT: Settlement Agreements and Administrative Decisions/Orders

It is the policy of the Department of Defense Education Activity (DoDEA) to establish policies and procedures for the negotiation and signature authority for all settlement agreements, including Equal Employment Opportunity (EEO) complaints, Merit Systems Protection Board appeals, Unfair Labor Practice charges and complaints, Office of Special Counsel complaints, grievances and arbitrations.

The DoDEA administrators, managers, and supervisors are encouraged to negotiate and settle employee complaints at all phases. The level of approval and signature authority for such agreements is dependent upon the seriousness of the complaint, the commitments of the parties, and the administrative stage of the complaint or dispute. This policy memorandum addresses resolutions of informal and formal complaints, and establishes the necessary approval and signature authority.

1. Agency Representative. The Agency Representative (attorney in the Office of General Counsel or labor relations representative) has authority to negotiate settlement agreements on behalf of DoDEA. This authority is limited, however, to reaching an agreement in principle. Agency Representatives DO NOT have authority to bind the Agency in settlement and WILL NOT sign settlement agreements on behalf of DoDEA, without first obtaining the approval of the settlement authority. Further, settlement agreements should be coordinated with Resource Management, Human Resources, and/or EEO officials as appropriate.

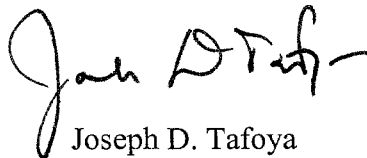
2. Settlement and Signature Authority. DoDEA administrators, managers, and supervisors are encouraged to resolve employee disputes at the lowest appropriate level. All settlements of informal complaints or disputes in which there is an agency commitment must be in writing. These written agreements can range in their degree of formality and detail. Administrators, managers, and supervisors are encouraged to be flexible and creative when devising a resolution of a dispute. At the same time, all settlement agreements must set forth the issues being resolved and the specific actions to be taken by the parties that constitute the terms of the settlement and the timeframe for completion, if any. All such resolutions must be fair and binding on all the parties and legally release the Agency from any future litigation and liability regarding the dispute.

At the early or informal stage, the authority to settle a dispute rests with the manager or supervisor (in coordination with his/her supervisor) who would ordinarily have the authority to

grant the relief that has been agreed to by the parties, if the settlement does not involve monetary consequences over \$2,500. The requirement that all managers or supervisors coordinate settlements with their supervisor does not apply to the Area Directors or Associate Directors. For example, the settlement authority would be the employee's immediate supervisor, if he/she ordinarily has the authority to authorize the desired relief. If the immediate supervisor must receive the authorization of a second-level supervisor to grant the desired relief, then only the second-level supervisor would have the requisite settlement authority. All resolutions that involve the payments of money to an employee, such as back pay, restoration of leave or compensatory damages, must be coordinated with Resource Management, OGC, the EEO Office (for EEO complaints) or Human Resources (for personnel actions) prior to reaching an agreement.

Any settlement, the terms of which have monetary consequences over \$2,500, including but not limited to: training, PCS/reassignment, change of performance rating (resulting in a cash award), back pay, attorney fees, or compensatory damages, must be approved by and/or signed by either the DoDEA Director; the Associate Director for Education and Principal Deputy Director, DoDEA; the Associate Director for Financial and Business Operations; the Director, Domestic Dependent Elementary and Secondary Schools, and Department of Defense Dependents Schools, Cuba; the Director, Department of Defense Dependents Schools, Europe; the Director, Department of Defense Dependents Schools, Pacific, and Domestic Dependent Elementary and Secondary Schools, Guam; District Superintendents; or Headquarters Division Chiefs. Any limits normally placed on the District Superintendents with regard to the commitment of Agency funds will also act to limit their settlement authority. All settlement agreements, which involve the payment of attorney fees, will be coordinated with OGC prior to signature. Settlement agreements that do not result in monetary consequences (for example, reassignments within divisions not resulting in promotions or backpay, changes in performance ratings, training, etc.) may be approved by and/or signed by the appropriate management official who would normally have the authority to take the action agreed to in the settlement, with the proper coordination.

3. Financial Responsibility for Settlements and Adverse Decisions/Orders. Financial responsibility for settlement costs and monetary awards is determined by the location where the complaint, arbitration, or appeal arose. Accordingly, funding will be the responsibility of the Director, DoDEA; the Associate Director for Education and Principal Deputy Director, DoDEA; the Associate Director for Financial and Business Operations; the Director, Domestic Dependent Elementary and Secondary Schools and Department of Defense Dependents Schools, Cuba; the Director, Department of Defense Dependents Schools, Europe; the Director, Department of Defense Dependents Schools, Pacific, and Domestic Dependent Elementary and Secondary Schools, Guam; District Superintendents; or Headquarters Division Chiefs. No central fund will be maintained at DoDEA Headquarters for this purpose.



Joseph D. Tafoya  
Director