

Memorandum of Understanding
Realignment of Finance, Acquisition and Asset Management

The following constitutes a National Agreement between the Department of Veterans Affairs, Veterans Health Administration (VHA) and the National Association of Government Employees, SEIU, AFL-CIO (NAGE/SEIU), regarding the Realignment of Finance, Acquisition and Asset Management within each VHA Network and NAGE/SEIU VHA facilities of those Networks.

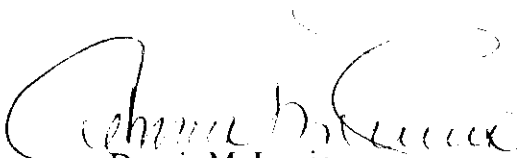
1. The Parties recognize this re-alignment is a reorganization of Finance (payroll, travel, non-MCCF collections, and financial auditing), Acquisition (contracting and logistics oversight), and Asset Management functions in each VHA Network. As such, NAGE shall be afforded its rights under Articles 10 (National Consultation Rights and Mid-term Bargaining) and 26 (Consolidation, Integration and Merger) of VA/NAGE/SEIU Master Agreement dated November 28, 2003 or any successor Collective Bargaining Agreement (Master Agreement). In addition NAGE and the bargaining unit employees shall be afforded their rights under Articles 21 (Details, Reassignments and Temporary Promotions), 22 (Merit Promotion), 27 (Contracting Out) and 28 (Reductions in Force) of the Master Agreement
2. VHA recognizes its' bargaining obligation is with NAGE/SEIU over this re-alignment or any propose changes to this re-alignment. NAGE/SEIU retains its' right to substantive bargain on the procedures and appropriate arrangements of those bargaining unit employees that may be affected by this re-alignment in each VHA Network.
3. The Parties recognize that the realignment is a Department initiative that is being implemented in VHA through the VISNs and that Article 10 Section 4 of the Master Agreement establishes a framework for negotiating the impact and implementation of the realignment.
4. The NAGE/SEIU negotiating team within each Network will be composed of one representative from each local within the Network and one Chief negotiator appointed by NAGE/SEIU. Management agrees to pay travel and any associated per diem cost for those team members and the named chief negotiator consistent with Federal Travel regulations.
5. All prior existing MOUs between a Network and NAGE/SEIU that deal with the consolidation/integration of payroll, contracting, or any other function cover by Finance, Acquisition and Asset Management realignment shall remain in effect so long as there is no conflict with this MOU. Any current existing MOUs that are inconsistent with the approved Network Realignment plan must be revised and negotiated in accordance with Article 10 of the Master Agreement and paragraph 4 of this MOU. Copies of prior existing MOUs will be provided to NAGE/SEIU.

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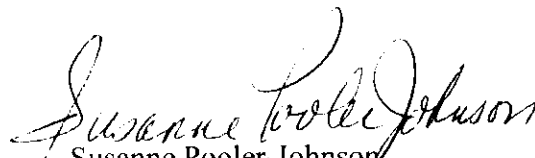
6. VHA shall provide the following data to NAGE/SEIU in accordance with Article 10, Section 8 and Article 60, Section 2 of the Master Agreement:
 - a. Copies of all existing organizational charts for the functions covered by the re-alignment;
 - b. A copy of the proposed organizational charts for Finance, Acquisition and Asset Management in each Network that identifies the physical location and duty station, numbers types and grades of all positions. VHA will provide the Network organizational chart when the Network completes its' design process. The finalized organizational chart will clearly define each employee's supervisory structure as it relates to this re-alignment. This will allow Union representatives to identify appropriate lines of supervision in carrying out their representational duties with the appropriate lines of management official.
 - c. Copies of any and all future changes to an approved Network Re-alignment Plan;
 - d. The physical location and duty station of the proposed consolidated site for those work units that will be consolidated; or statements identifying any work units that will be organized as virtual work units.
7. The parties agree the movement of positions to any consolidated site will be accomplished primarily through attrition. There may be situations, however, where other HR authorities might be used to relocate employees. In any case, the provisions of Articles 21 (Details, Reassignments and Temporary Promotions), 22 (Merit Promotion), 27 (Contracting Out) and 28 (Reductions in Force) of the Master Agreement shall govern those actions. All transfers of function will comply with Article 28 of the Master Agreement.
8. VHA will pay relocation expenses for any bargaining unit employee who is directed to relocate for the convenience of the government. The covered relocation expenses will be paid consistent with all pertinent and applicable Federal Travel Regulations.
9. For those employees who do not wish to relocate to another duty station that is either outside of the local commuting area or in another state that has a higher income tax rate, VHA Management officials at the Network and local levels will make every effort to re-assign affected employees within their current duty station. Where a re-assignment at the same grade is not possible, VHA Management at the Network and local levels will make every effort to retrain affected employees for placement into positions at their current duty stations. Employees who are placed in lower graded positions will be entitled to grade and pay retention consistent with applicable regulations.

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10. The bargaining unit status of all positions impacted in this realignment will be determined based on the physical location of the employee occupying the position.
11. The appropriate management official shall provide each local President a copy of this MOU within 14 calendar days of this agreement being signed by both parties.
12. The VHA chief negotiators within each Network will forward a copy of any signed MOUs to NAGE/SEIU within 14 calendar days of this agreement being signed by both parties.



Dennis M. Lewis



Susanne Pooler-Johnson

For Veterans Health Administration (VHA) For NAGE/SEIU

Dated: 1/12/05

Dated: