



**MEMORANDUM
OF UNDERSTANDING
BETWEEN**



HQ USAFE (Represented by HQ USAFE/A1C)

AND

**HQ USAREUR & 7th Army, Office of the Deputy Chief of Staff, G1,
Civilian Personnel Directorate**

In recognition of the two component Headquarters' (HQ United States Army in Europe and HQ United States Air Forces in Europe) status and responsibility as one legal employer of Local National (LN) employees in Germany, this agreement establishes procedures for mutual outplacement assistance for LN personnel that will be affected by reduction in force (RIF) due to organizational changes/downsizing.

Part I outlines terms and conditions for mandatory placement into vacant positions outside the commuting area. Part II establishes policy and provisions for the expanded application of the USAREUR Enhanced Indemnity Pay for Employees Eligible for Early Retirement.

PART I

Upon exhaustion of available placement sources IAW tariff provisions, and provided there are no higher priorities of RIF candidates within the respective component (Verwaltungszweig), surplus employees will be granted mandatory priority placement rights for continued employment to vacant positions outside the commuting area, and prior to initiating normal competitive procedures.

Assignments will be made based on the employee's retention standing determined IAW the jointly agreed upon retention-credit factors.

The employee must meet the qualification requirements established for the vacant position. Disagreements regarding the qualification of a potential placement candidate will be resolved jointly on the basis of the USAREUR/USAFE agreement on "Application of USAREUR LN Qualification Standards for Placement of Surplus Employees across Agencies", 8 Apr 05.

The employee must be willing and available to transfer to the new position immediately, unless the gaining and the losing organization agree on a later release date.

The respective losing organization will pay for necessary relocation costs in accordance with governing Army in Europe or USAFE policy directives.

PART II

Current USAFE employees are eligible to participate in the USAREUR program on "Enhanced Indemnity Pay for Employees Eligible for Early Retirement" under the conditions outlined below:

This program is not an employee entitlement, and will be strictly determined by the need for placing Army in Europe RIF candidates. Eligibility for participation in the program is dependent on the corresponding availability and placement of an Army in Europe RIF candidate for the position to be vacated.

USAFE positions vacated through the Enhanced Indemnity Pay Program must be used for placement of surplus Army in Europe employees identified in advance.

Army in Europe employees will be identified and placed into USAFE vacancies based on their retention standing.

Army in Europe employees must meet the established qualification requirements for the position.

HQ USAFE/A1C and USAREUR CPD must approve each contract in consideration of local management interest and organizational mission requirements. Final approval of contract for purposes of compensation rests with USAREUR CPD.

The specific eligibility criteria and conditions are as outlined in USAREUR CPD Policy Memorandum, 30 Sep 05, LN-GE-EMP 3, *Enhanced Indemnity Pay for Employees Eligible for Early Retirement*, which is attached to this Memorandum of Understanding.

Costs associated with this program will be borne/reimbursed by the losing Army in Europe organization, i.e. the Army in Europe organization that was successful in placing a RIF candidate pays/reimburses USAFE the amount paid under this program. The pay/reimbursement conditions will be separately agreed upon.

DATE 19 JUL 2006


ROBERT C. MAIER


RICHARD J. BERESFORD