



2013 NAPS Fall Executive Board Meeting October 20-24, 2013 Official Minutes

The 2013 Fall Executive Board meeting was called to order by Chairman, Larry Ewing at 9:01 a.m. on Sunday, October 20, 2013. Ivan Butts, Eastern Region VP, gave the invocation. Brian Wagner, Secretary/Treasurer, conducted the Roll Call of Officers; Atkins, Killackey, Wagner, Roma, Butts, Johnson, Ford, Walton, Warden, Aglidian, Dumas, Mulidore, R. Green, Moreno, Trayer, Baker, Ewing, Sebastian, Beaudoin, S. Green, Elizondo, McCracken, Aceves, and Cherry were present.

Welcoming remarks were made by the three Resident Officers. President Atkins welcomed the board. NAPS HQ has been involved in many issues that would make the life of EAS more tolerable. NAPS continues to meet with all of the top leadership of the Postal Service. While the USPS has pledged to work with NAPS and our leadership team, NAPS is still having some of the same problems. NAPS and the USPS did resolve the representation issue in the Customer Care Service Centers. NAPS HQ is still hearing from members who are not being compensated for total hours worked. Exempt employees are working excessive hours, involuntary assignments are continuing, and the USPS has implemented in some areas 4-10 hour workdays.

President Atkins stated NAPS hired a new parliamentarian, Mr. Bruce Bishop, to oversee our National Convention. Mr. Bishop's resume' can be found at www.parliamentaryprocedureinstitute.com. NAPS has scheduled to review the re-ranking of plants with the USPS on October 30 and has requested information concerning the re-rankings; such as formulas and the process involved. NAPS is expecting answers to the previously submitted questions on the re-ranking.

Executive Vice President, James F. Killackey III, welcomed the board to NAPS headquarters and explained that difficult times continued in Washington with postal legislation always being supplanted by another crisis, most recently the government shut down and the debt ceiling debates. Jay advised the board that there would be a complete legislative and SPAC presentation on Wednesday and that he had other business concerning representation and the DDF that would be discussed during the meeting based on the agenda schedule.

Secretary/Treasurer, Brian Wagner, welcomed the Board and stated that there are a few recommendations to consider when clarifying many of the Executive Board Duties & Responsibilities. Brian also thanked the Board and the entire NAPS membership for their thoughts and prayers during the unexpected passing of his father this past May. Brian was very appreciative of the support he received from his NAPS family during that difficult time.

Craig Johnson, Central Region VP, moved and it was seconded by Neil Baker, North Central Area VP, to adopt the NAPS agenda and program. Motion passed. Jaime Elizondo, Texas Area VP, moved and it was seconded by John Aceves, Rocky Mountain Area VP, to approve the 2013 Spring Board minutes. Motion passed.

Secretary/Treasurer Wagner presented the financial report. NAPS' FY 4th quarter financials (March 1 – May 31, 2013) showed NAPS Revenue in Excess of Expenses of \$113,030.27. At the start of NAPS new Fiscal Year, June 1, 2013 through to October 1, 2013, NAPS' PNC Investment portfolio value increased by \$149,424.21. In July 2013, NAPS completed its 2012-2013 Annual Financial Audit by Watkins-Meegan. The auditors did not identify any deficiencies regarding internal controls that would be considered material weaknesses. As of May 31, 2013, NAPS' overall assets were \$17,706,420. This was an increase of \$819,431 from its total asset value of \$16,886,989 on May 31, 2012.

NAPS' FY 2012-2013 ended with actual expenses of \$3,027,767. This was \$22,747 below NAPS' budgeted expenses of \$3,050,514. NAPS' 2013 LTS experienced a net loss of approximately \$36,554. Due to cost efficiencies and elimination of non-essential expenses by NAPS headquarters and additional registration fees collected, the 2012 Reno National Convention was under budget by approximately \$4,247.

In August 2013, NAPS did not renew its five-year postage meter and machine rental agreement. NAPS is now using USPS Click-N-Ship, postage stamps and Stamps.com for its mailing needs. This is an estimated savings of \$300 a month or \$3,600 annually in leasing costs. NAPS is not renewing its copier lease agreement on December 1, 2013. NAPS will purchase a new copier to include a monthly maintenance agreement that will save NAPS approximately \$30,000 over the next five years. The NAPS building is 100% leased due to Stoladi Property Group leasing the vacant space on the 3rd floor that was vacated by the Veterans Administration. The new 3rd floor tenant signed a 10-year lease. Construction has begun to convert the former leased space by BB&T Bank on the garage level into revenue generating parking spaces.

Charlie Scialla, Scialla Associates, and Executive Vice President Killackey reported on the NAPS Disciplinary Defense Fund (DDF). Charlie stated NAPS has a very positive win rate at Merit System Protection Board (MSPB). Due to the recent government shutdown, the MSPB board is behind schedule. Charlie stated that he has 41 cases waiting a decision and 43 cases waiting to be scheduled. Jay and Charlie discussed with the board NAPS the issue of the excessive work hours exempt EAS are being required to work. NAPS along with Scialla Associates is reviewing its options to address what may be considered Fair Labor Standards Act violation by the USPS of exempt EAS. There is a six hour rule on FLSA that says you have to have a lunch. Charlie stated many members are violating the law by working

through lunch rather than taking their lunch. Also discussed was NAPS' current Non-Disciplinary Tracking System and the need for members to document such action to get issues resolve.

Scialla continues to ask that branches send him all the files related to an MSPB case. Charlie is still amazed that he continues to receive blank MSPB forms. In the training sessions, he asked the Executive Board needs to do NAPS Area training on RIF. Charlie also stated that with all the training that is being done, some representatives still do not know how to file a grievance in accordance with ELM 650.

Secretary/Treasurer Wagner reported on NAPS membership, website and social media. As of the August 2013 DCO, NAPS had 25,948 members, an overall one-year decline of 1,755 or 6.76% from August 2012. As of October 1, there are 7,190 eligible non-members and NAPS has 2,771 members with the title of *Postmaster*. Eleven branches were dissolved due to membership remaining below the constitutional requirement of 10 members to maintain a charter. The branches were merged into a local or state per instructions of the respective NAPS Area Vice President. As of October 1, NAPS has 299 chartered branches.

The NAPS new member incentive, where new members received a \$25 PNC NAPS Gift Card, expired after September 30, 2013. NAPS has initiated a new sponsor incentive until May 31, 2014. Each month a sponsor's name will be drawn to receive a \$25 PNC Gift Card. After May 31, 2014 there will be a grand prize drawing where one sponsor will win a \$100 worth of PNC NAPS Gift Cards and their branch a free registration and hotel stay for one delegate at the 2014 San Diego National Convention.

Since November 2012, NAPS HQ has mailed out 1,950 letters and 1187-A's to retiring NAPS members encouraging them to join NAPS as an associate member. Associate membership has actually declined since the associate mailing began. Effective with the September 2013 DCO, NAPS will stop the associate member mailing promotion as it is not providing positive results.

NAPS completed the new voting strength calculation process (1 vote per 10 members). The new calculation is based on the average number of monthly active and associate members a branch has over the two-year convention period. The calculation is handled through MemberMax and the process has been audited and approved by the NAPS's auditors of Watkins-Meegan as valid.

The new NAPS *Change Summary Report* has been completed and is being received monthly along with the non-member and DCO reports. On October 3, the NAPS Officer Training Manual (OTM) was updated and sent to the board and posted on the NAPS website. The last OTM update was 2005.

As of October 1, 2013, NAPS had 3,565 members registered on its www.naps.org website. *NAPSHQ2U* continues to provide a bi-weekly issue and special issues when necessary. NAPS Facebook page is being regularly updated and "tweets" made on NAPS' *Twitter* account. NAPS HQ Social Media results are as follows; *NAPSHQ2U* –7,263 member subscriptions; *Facebook* "Likes" are 339 and NAPS has

202 *Twitter* followers. NAPS HQ has made a total of 539 “tweets” since the implementation of its Twitter account.

During the SPAC Report & LTS review Executive Vice President, Jay Killackey; Bruce Moyer, NAPS Legislative Counsel; and Elliot Friedman, NAPS PAC Manager & Legislative Assistant, provided an overview of NAPS’ legislative activities for 2013, which included pending legislation and the amount of SPAC funds collected and distributed during the current election cycle. Bruce talked about how the last decade has seen an increase in a dysfunctional Congress. It is a Commuter Congress, where Congressional Representatives are only in DC a few days a week then they go back to their districts. This type of schedule allows for very little time for Congress to get anything accomplished. The lack of legitimate earmarks has hurt Congress to get any funding bills passed. There was also discussion on NAPS’ initiative to get MSPB rights for all EAS employees, even with the APWU’s unwarranted objections. Bruce talked about his November 2013 *The Postal Supervisor* article regarding the Postal Service’s health plan proposal and how the USPS is seeking support from NAPS and all USPS stakeholders to get the USPS back to financial solvency. Bruce stated that the chance of postal reform by the end of 2013 is very slim.

The NAPS Board heard various vendor and contractor presentations. Dillard Financial Solutions from South Carolina presented to the board the types of investment services they provide for federal employees. Dillard is listed as a vendor on the United States Federal Registry. A packet was handed out to executive board members. Dillard Financial was promoting being the primary retirement provider for NAPS and its members; in return NAPS would receive royalty payments for products sold by Dillard. Dillard explained they provide annuity type products. The board discussed that NAPS needs to see a written proposal to what Dillard Financial Solutions is offering before a decision could be made. It was stated that what Dillard financial is proposing would be great for the members and it does not appear to lock anyone out and NAPS would receive financial benefit. There were still questions on whether Dillard Financial was advocating being the exclusive retirement provider for NAPS and if there would be any conflicts with other federal retirement type vendors that branches or states use.

Karen Young briefed the Board on *The Postal Supervisor (TPS)* on behalf of Ray Martin, Martin Communication. Karen expects the 2014 LTS and National Convention registration forms to be in the 2014 January issue of TPS. Production wise, NAPS is in compliance for the USPS Intelligent Mail Barcode (IMB). Karen explained she has worked with Ray Martin for 24-years. TPS has an art director/graphic designer and along with that Ray Martin, Maureen Martin and Karen proof read the magazine along with the Resident Officers. There are editorial changes to reflect publishing styles and having USPS knowledge helps with the publishing. The art director makes the article fit in the magazine on other pages. New article schedule for 2014 deadline will be published in upcoming TPS issues.

Ray Martin provided a written 2014 Convention Report that Karen Young shared with the Board. The report reviewed the convention dates, August 25-29, 2014 in San Diego, CA at the Town & Country Resort Hotel. Delegate room rate is \$119, plus applicable taxes and city assessments which is currently 12.5%. The report stated that candidates for NAPS office and cities vying to host the 2018 NAPS National Convention are welcome to host receptions on Thursday evening, August 28, 2014, of the convention week.

NAPS PNC Investment Advisor, Phil Brown, informed the Board that NAPS' investment allocation was 60% stocks, 38.9% bonds and the remaining 1.1% in cash, which is within NAPS' written investment strategy profile. NAPS' investment portfolio just exceeded \$11 million which would trigger NAPS to sweep funds to the dividend fund. However, Mr. Brown stated that the investment portfolio is returning approximately 12% where the dividends are returning 6.7% and suggested not to do a sweep at this time. The board agreed. Mr. Brown stated the federal government would reduce the amount of Treasury Bonds they are purchasing each month by the end of the year and will stop buying Treasury Bonds when the unemployment rate gets to 6.5%. PNC does not see the current stock market as a wild bull type market, but one a general healthy trending market.

Sheri Davies, Director of Global Accounts, Conference Direct gave a presentation to the Board on the 2014 LTS that will be held at the Crystal Gateway Marriott. Ms. Davies provided examples of various 2014 LTS messaging ideas and asked for Board ideas. Davies further reviewed the potential 2018 National Convention cities interesting in hosting. Two have already received a site visit by her and President Atkins. One is in Mohegan Suns, CT the other is a Hilton property in Hawaii. Ms. Davies stated the hotel industry talks to each other and many hotels are reluctant in holding rooms for two years with the 25% chance of winning the convention city vote. There are opportunities and cost in having to vote at a national convention on a convention city that the best hotel loses out. The hotel industry is changing so hotels don't have to hold rooms for 14 months on the chance of winning a bid. Franchise hotels are getting other groups picking the space. Independent hotels will work with the bidding schedule, but there are less opportunities to receive comps and ways to save money. Any hotel that meets the specifications for a NAPS national convention will receive a convention questionnaire.

Ms. Davies also briefed the board on future Executive Board meeting housing since the contract with the Old Town Hilton will expire in March 2015. NAPS HQ needs to look at locking in pricing. A quote was sent out to hotels in the Alexandria area and the Residence Inn on Duke Street came back with the best pricing that could save NAPS approximately \$88,000 over 5 years.

CEO Jim Stokes and Director of Property Management Stephanie Rahnama from Stoladi Property Group addressed the board regarding NAPS' building activities. Jim stated the NAPS building is 100% leased. This is good news since the Alexandria area has a 16.2% vacancy rate at this time. Mr.

Stokes stated the NAPS building is showing its age. He stated NAPS income is ahead of budget by \$24,000; however expenses are over budget due to outside repairs to fix a water issue on the first floor, elevator door repairs and updating the building's sprinkler system and Life Safety repairs required by the City of Alexandria. In addition, NAPS needs to update its fire alarm system this coming year. Stoladi's preventative maintenance plan has not experienced any unplanned HVAC replacements for 2013.

The Executive Board did view a presentation, provided by Michiana Area VP, Kevin Trayer on OSHA Safety. Kevin explained the various areas in an office that requires monthly, semi-annual or annual inspections and reviews to maintain OSHA compliance. Kevin reviewed the areas of the workroom and office where OSHA will review and possibly fine the USPS for any and all violations. One area of concern was electrical safety where the USPS had received OSHA fines in the millions of dollars. Much of the safety inspections are the responsibility of the postmaster or manager of the unit. Kevin will be providing his OSHA Safety presentation at the November Central Region Training Symposium.

NAPS held its monthly NAPS/USPS Consultative meeting during the Fall Board Meeting. Minutes to the monthly consultative will be published separate from the executive board minutes. Outside the consultative meeting NAPS heard from three USPS HQ executives; Megan Brennan, Chief Operating Officer (COO); Doug Tulino, Vice President Labor Relations; and Cliff Rucker, Vice President Sales.

Megan Brennan, USPS COO, thanked NAPS and its members for their hard work. Ms. Brennan addressed the current USPS employee mix where the USPS hired approximately 30,000 non-careers. There is a concern of a 23% attrition rate of City Carrier Assistants (CCAs). Some of this could be because employees are not familiar with the areas where they work. Ways to address this should be explored. Ms. Brennan addressed service performance levels of all Priority Mail services, Standard and Periodical mail. She further discussed how the Lean Mail process is saving hours and improving operations and how the USPS will be expanding the Lean process throughout the country. The USPS is also looking for voluntary conversion to centralized deliveries to help enhance efficiency. The USPS work hour stretch is to further reduce work hours by 3.3% by the end of the calendar year.

Ms. Brennan stated that employee engagement is important and that the Postal Service needs involvement of all employees in efforts generate profitable revenue. Last year, employee leads led to approximately \$747 million in new revenue. The USPS is working on many initiatives. This included a one year contract with Staples called Partner Post and a test system called mPOS where SSA's use handheld technology to process customer transactions in the lobby. Much like when a person rents a car and all the information is scanned into a handheld device and the customer receives their receipt immediately. Also, the USPS plans to continue filling EAS vacancies. Currently, there are about 3,900 EAS vacancies, which is a 12.6% vacancy rate and this number does not include about 1,400 vacant EAS 18 or higher postmaster positions.

Ms. Brennan stated that the success of the USPS begins and ends with service. The USPS recognizes that mail in the blue collection boxes is declining, but commercial mail is an opportunity. Package business is also increasing and scanning is critical. Scanning is up and the USPS plans to increase its scanning capabilities next year with additional scanning systems. USPS is also working to have all delivery units with wireless capabilities. Ms. Brennan stressed the need to transform the USPS infrastructure, to include units, routes, and deliveries. As an organization the USPS must focus to achieve all service targets, drive profitable revenue increases, reach and maintain non-career cap levels, capture the expected value of consolidation efforts and drive work hour productivity increases.

Ms. Brennan heard from board members on various topics that included; EAS staffing issues where a plant operation was consolidated leaving the customer service staff to manage the dock operation. Where the SWC process applies, this determines supervisory staffing. The dock operation is being covered by lead employees and not EAS supervisors during the evening dispatch in some locations. Automation is running late resulting in late arrival of mail at the delivery units. Ms. Brennan stated the key is to fix the upstream. She used the analogy that the USPS can't have "dimes waiting on pennies". If customer service can get the mail on time, the mail should be delivered on time by the carriers. It was asked if the USPS is expanding its Leans Six Sigma initiatives to areas other than just plant operations. Besides the South Jersey plant USPS will be expanding Lean Six Sigma to delivery and other areas to improve efficiencies. There was concern that PMR's are being hired to do project work in the district offices and not the work intended as PMR's. Ms. Brennan stated the PMR can do the project work from the office they are the PMR.

Mr. Tulino stated the biggest issue with USPS is securing legislation on postal reform and the new USPS proposed health plan. He stated that Congress needs to fix the USPS health care and funding liability. This will give the USPS some breathing room and help reduce the need for further consolidations. The USPS has a new health care proposal that will be within FEHBP and the USPS is asking NAPS along with all the other USPS organizations to speak with one voice to endorse the new plan. Mr. Tulino stated without legislation to resolve the USPS' \$50 billion health care liability a path toward solvency is not likely. There was prior discussion of development of a single Postal Service health plan outside of the FEHBP. There was significant resistance to this idea, and it is very important to understand that this idea has been dropped. The Postal Service does not propose a plan outside of the FEHBP. The strategy the Postal Service proposes includes staying within the FEHBP.

Mr. Tulino explained how the plan would work with current or future annuitants. Over 90% of Postal employees are covered by 16 health plans in the FEHBP. The USPS' proposal integrates Medicare Parts A, B and D. Medicare, as the primary insurer, pays first for participating retirees' claims. The FEHBP plan pays second as the secondary insurer. The new USPS health care plan is a blended rate

structure. Mr. Tulino explained that since the FEHB insurers would see a reduction in the claims and the costs of claims that they process, this would have a lowering effect on the premiums they charge. Mr. Tulino stated that as part of the legislative change, penalty waiver would be sought for those retirees who did not sign up for Medicare coverage when they reached 65 (a penalty applies to those who do not sign up within a certain period after reaching 65 years of age). Current employees could join one of the 16 USPS FEHBP plans at the time of retirement and apply for Medicare A, B and D at age 65.

Mr. Tulino also discussed the 2014 PFP and how it incorporates Corporate and Unit scores. There are no more core requirements. A manager should discuss with an individual employee the degree to which the employee is working to support achievement of unit and corporate NPA indicators. NAPS asked Mr. Tulino to reconsider the suspension of performance awards for nonbargaining unit employees. Mr. Tulino understood the significance of this matter and restated that this is an effect of the unprecedented financial challenges the Postal Service faces. As the Postal Service is allowed to reach solvency, this is among important concerns that may be revisited. The Postal Service's strategy toward fixing the retiree health care issue will go a long way toward achieving solvency and enabling the USPS to address this and other concerns NAPS has raised. Mr. Tulino emphasized that it is vital that the Postal Service and its important stakeholder organizations message Congress and make it clear that constructive legislation is needed to ensure proper health care for Postal Service retirees and for the financial solvency of the Postal Service.

The board heard from Vice President of Sales, Cliff Rucker, about growing the business and face-to-face selling. The USPS is closing sales quicker from 258 days to 66. Mr. Rucker explained that his 1,000 -1,200 sales force is trying to generate \$5.2 billion in sales for 2014 or \$100 million a week. He talked about small business growth of \$1 billion in the next two years, extending bandwidth with affiliations and focusing on large growth opportunities with a major account sales structure and retention of current business. Mr. Rucker stated that every revenue dollar is one less dollar to be cut. He personally sends a letter to each employee whose lead generates a sale. Sales is promoting Every Door Direct Mail (EDDM).

Board member suggested giving seminars to small business printers on EDDM. These printers could be the biggest advocate for the USPS on EDDM. There was concern by the board that some EAS are not getting the chance to get promoted in Sales and the USPS is hiring from the outside. Mr. Rucker views vacant sales positions a loss in revenue because the Postal Service doesn't have someone selling. Mr. Rucker is trying to get every current EAS in Sales promoted from within. If a person is not getting promoted, that EAS sales person should be told of their shortcomings. Sales needs to coach and train sales people for promotional opportunity. Before discipline is issued in Sales, we discuss the issue first along with their NAPS representative present. The bottom line is that Sales is hiring.

Old Business was the discussion of NAPS contracting with the Carolina Postal Credit Union (CPCU) for a NAPS credit card for NAPS to receive a royalty from the credit union when members apply and purchase items. The one caveat is that in order to apply for the CPCU credit card, you must become a member of the credit union. The contract is extensive and NAPS will have it reviewed by its legal counsel before a decision is made to move forward.

Under New Business the following topics, recommendations and motions were discussed. Cy Dumas experienced a medical condition after the roll call of officers. Medical personnel were called and Cy was taken to the hospital as a precautionary measure. Board member, Kevin Trayer, who is an experienced Emergency Medical Technician (EMT), went with Cy to provide any additional medical assistance and NAPS support. Throughout the meeting, a board members were in contact with Cy or attending to Cy at the hospital while his family was traveling from out of state. Cy Dumas was released from the hospital on Tuesday and is recuperating with family.

Secretary/Treasurer Wagner stated that PNC bank increased its fees on the \$25 PNC Visa gift card that NAPS uses to reward sponsors of new members. NAPS is going to see if PNC will reduce the fee to the original amount. If not, NAPS HQ will consider an alternative sponsor award such as a retail gift card with no or minimal fees.

NAPS HQ is receiving solicitations and requests from website companies and some of its contract vendors asking to advertise or provide a web link on NAPS's website for compensation. Board commented that NAPS should not endorse anyone since NAPS is financially secure. NAPS should not profit from its members' information. There were comments not to have advertisement in *The Postal Supervisor*, because it appears NAPS is endorsing the advertisers, when it is not. It was stated that NAPS should not be endorsing anyone for any amount of money. A comment was made that advertising in *The Postal Supervisor* helps cover the expenses of producing the magazine and some of the services offered to our members do benefit them. The board was in general agreement not to allow any type of non-NAPS advertisement on the website. No board motion or recommendation was made for NAPS HQ to take any action on the solicitations presented.

Executive Vice President, Jay Killackey, briefed the board on NAPS's scanning work team that was formed to help resolve issues with End-of-Day (EOD) reporting and provide feedback to the USPS to fix ongoing scanning issues. NAPS teleconferenced with the NAPS scanning work team and received favorable feedback and ideas from the committee to present to the USPS for review.

The Executive Board Restructuring Committee reported as information only that the committee is considering a formula based calculation to realign the Areas and Regions. The committee will report again at the 2014 Spring Board meeting on its progress.

NAPS HQ signed a contract with Bruce Moyer to be its legal counsel in addition to being NAPS' legislative counsel. Along with his USPS and Congressional knowledge, Bruce Moyer is a licensed attorney with litigation experience in the event NAPS requires legal action as it pertains to the Postal Service or Congress. NAPS terminated the services of another individual attorney, formerly with the law firm of DiMuro Ginsberg. NAPS' legal agreement with DiMuro Ginsberg remains active in the event additional legal services are required. NAPS does not pay a monthly retainer to either DiMuro Ginsberg or Bruce Moyer. Legal fees are paid only when services are rendered. There was some discussion that the hiring of Bruce Moyer for legal services should have been approved by the executive board first.

The board discussed how board vouchers are handled, including the Resident Officers. The NAPS President can't sign his own checks. NAPS has auditors and accountants to verify checks and balances. As of June 2013, all three resident officers review each other vouchers. Each board member voucher is signed by two resident officers and the President approves final payment.

The following recommendations were submitted by the Resident Officers to clarify the Duties and Responsibilities of the Executive Board and considered for vote.

Recommendation A: John Aceves 2nd. *Recommended the language in the Board Duties and Responsibilities section of Area/Regional Training be changed to clarify what constitutes a coffee break to include snacks along with coffee and soda, to increase the breaks from three in a one-day training seminar to four breaks when training is two-days or longer, and allow board members to substitute two coffee breaks for a full breakfast, lunch or dinner if the value is the same as the breaks.* Discussion: The cost of breaks with drinks and snacks is as much as a full meal at most hotels. If the same amount of funds is going to be spent on breaks then there is no difference in the amount of funds being spent whether on coffee, soda, cookies/brownies or sandwiches. This will help keep registration fees lower if Area VPs can provide lunches instead of breaks. An objection was that training funds should not be used for food. Providing breaks and food is optional for the Area VP, not required. Recommendation passed.

Recommendation B: John Aceves 2nd. Recommended that the following language be added to the Board Duties and Responsibilities section under Expense Allowance; *During a National Convention year, due to the final auditing of the NAPS' ending fiscal year, all board vouchers with expenses occurring on or before May 31 of a national convention year must be received at NAPS HQ no later than June 10 of said year in order for the Executive Board member to receive reimbursement.* Discussion: There is limited time to get vouchers processed before the annual audit begins and the information must be completed in time for the national convention. The time is reasonable. Recommendation passed.

Recommendation C: Jerry Sebastian 2nd. Recommended that the following language be added to the Board Duties and Responsibilities section under Expense Allowance; *Effective June 1, 2014, the NAPS Executive Board Member Duties and Responsibilities under the **Expense Allowance** section be*

changed to reflect that the unused balances of each respective Resident Officer, Regional Vice President and Area Vice President in the first year of the 2-year biennial convention term be carried over to the second year of the convention term, but may not be carried over into the start of a new 2-year term.

Discussion: This is consistent in how the Area training funds are handled. Some state conventions and branch events fall into the second year where Area and Regional VPs have carry over funds but can't use them to represent members in the second year. The balance of the first year is returned to the NAPS general fund. One objection is that a VP may abuse the funds by not attending events in the first year in order to hold funds over for to the second year to attend more events. Some board members use their entire first year allowance, therefore this is a non-issue. Recommendation passed.

Recommendation D: Craig Johnson 2nd. Recommended that the following language be added to the Board Duties and Responsibilities section under Expense Allowance; *When board members are attending regularly scheduled NAPS HQ events, such as LTS, board meetings and national conventions, where expenses are incurred by NAPS HQ; air transportation must be purchased at least 30-days in advance. If airline ticket is purchased less than 30 days in advance from the start of the said NAPS HQ sponsored event, the board member must document air transportation was less expensive. If airline ticket is purchased within the 30-day requirement and the price is higher the difference will be charged to the board member's personal allowance account and not the respective NAPS HQ account. A board member may request from the NAPS President an exception to this rule when there are extenuating circumstances.* Discussion: Currently board members may purchase airline tickets with 14-day notice. Recommendation failed.

Recommendation E: Jaime Elizondo 2nd. That the following language be added to the Board Duties and Responsibilities section under Expense Allowance. *NAPS HQ will not reimburse board members from their allowance account or NAPS HQ's expenses for overnight US postage or other next-day delivery charges associated with the submission of board vouchers.* Discussion: NAPS should not be able to tell a board member how to mail in vouchers. NAPS will reimburse for Priority Mail 2-3 day service, but overnight service appears excessive when vouchers are reimbursed within 2-3 days of when NAPS HQ receives them. Recommendation failed.

Recommendation F: Shri Green 2nd. That the following language be added to the Board Duties and Responsibilities section under Expense Allowance. *That board members provide a cost comparison to renting a car in lieu of flying and provide a cost comparison if electing to drive their personally owned vehicle (POV) instead of renting a car. If the cost of renting a car versus flying or the POV cost per IRS mileage rates versus renting a car is less than \$400, no cost comparison is necessary.* Recommendation failed.

Recommendation G: Luz Moreno 2nd. That the following language be changed to the Board Duties and Responsibilities section under Expense Allowance. *If electing to drive a POV, a cost comparison between driving a POV and flying must be completed whenever the total cost to drive a POV (allowable IRS rate per mile multiplied by the total number of miles driven plus tolls) is expected to be \$400 or more. POV cost per IRS mileage rates to versus renting a car is less than \$400, no cost comparison is necessary.* Discussion: Board rules require a cost comparison whenever a POV is driven to a NAPS event. The passing of the recommendation would only require a comparison if the cost is \$400 or more. Otherwise, a cost comparison has to be done every time a NAPS National Officer drives their POV, even if it is for 10, 50 or 100 miles just to attend a meeting. This was a rule set in place by a previous board. Objection was that NAPS HQ was regulating how board members spend their allowance account. Recommendation failed.

Reconsideration of Recommendation G: Jim Warden, 2nd by Tommy Roma. Discussion: By rule board members have to do a comparison no matter when they drive their POV. It is a waste of time and over regulation of an allowance account and digging into the weeds. The recommendation is reasonable. If you have the rule use it. The current rule says a comparison is done each time you drive your POV, even if it is for 5 or 10 miles, that is not reasonable. We need to establish limits. It is not reasonable to require a comparison every time a board member drives their POV. This recommendation saves board members time by reducing the amount of paperwork to provide a cost comparison each time they use their POV. The rule was vague and not clear. Recommendation passed on reconsideration.

Recommendation H: Roy Beaudoin 2nd. That the following language be changed to the Board Duties and Responsibilities section under Expense Allowance. *Preliminary vouchers may be submitted for airline tickets, registration fees and/or other required advance payments when such expenses have been incurred and actually paid prior to the respective function.* Discussion: If a board member incurs an expense within the 30 days from the date of a NAPS event, the board member should not have to wait until after the event to be reimbursed especially when they have already incurred the cost. Recommendation passed.

Motion 1: Richard Green made a motion, seconded by Tommy Roma. *That the resident officers request from the USPS documentation that all "potentially impacted" employees have been notified in writing by the USPS. If documentation cannot be provided that all jobs posted on 10/15/2013 be pulled until notification can be documented and jobs then be reposted.* Discussion included that the USPS is unsure who is and is not impacted. Many members have not been notified to their status as an impacted or non-impacted EAS. Many are unsure if they should apply for other EAS positions. Voting: Yes (21) Atkins, Killackey, Wagner, Roma, Butts, Johnson, Ford, Walton, Warden, Aglidian, Mulidore, R.

Green, Moreno, Baker, Sebastian, Beaudoin, S. Green, Elizondo, McCracken, Aceves, and Cherry. Absent (2) Trayer and Dumas. Chairman – Ewing not voting. Motion passed.

After the motion was passed, NAPS sent a letter, signed by President Atkins, to Doug Tulino, Vice President Labor Relations, regarding the motion passed by the executive board and for the USPS to act on the motion.

Motion 2: Chuck Mulidore made a motion, seconded by Marilyn Walton. *That NAPS National Secretary/Treasurer make executive board vouchers available in an online format and develop the necessary rules to ensure compliance with correct recordkeeping requirements.* Discussion included whether hardcopy vouchers needed to be mailed. Current process requires an original signature. The option to file vouchers online is voluntary. Secretary/Treasurer will need to discuss process with NAPS' accountant and auditors to ensure NAPS is in compliance with IRS rules. Voting: Yes (22) Atkins, Killackey, Wagner, Roma, Butts, Johnson, Ford, Walton, Warden, Aglidian, Mulidore, R. Green, Moreno, Baker, Trayer, Sebastian, Beaudoin, S. Green, Elizondo, McCracken, Aceves, and Cherry. Absent (1) Dumas. Chairman-Ewing not voting. Motion passed.

Motion 3: John Aceves submitted a motion, seconded by Tim Ford. *That effective November 1, 2013, the NAPS/USPS monthly consultative agenda items be sent to the Executive Board three days prior to being sent to USPS HQ, so Executive Board members can make inquiries or suggestions to the Resident Officers before sending the final monthly consultative agenda to USPS HQ.* Voting: Yes (22) Atkins, Killackey, Wagner, Roma, Butts, Johnson, Ford, Walton, Warden, Aglidian, Mulidore, R. Green, Moreno, Baker, Trayer, Sebastian, Beaudoin, S. Green, Elizondo, McCracken, Aceves, and Cherry. Absent (1) Dumas. Chairman – Ewing not voting. Motion passed.

Motion 4: James Killackey submitted a motion, seconded by Tommy Roma. Motion withdrawn.

Motion 5: Chuck Mulidore submitted a motion, seconded by Hayes Cherry. *That the NAPS Executive Board Duties and Responsibilities guide be revised that the language under bullet six regarding original receipts be added to say “when practical” after 14-day advance purchase and read as follows: Air transportation must be a 14 – day advance purchase, when practical. First–Class airfare and First–Class upgrades are not reimbursable.* Voting: Yes (22) Atkins, Killackey, Wagner, Roma, Butts, Johnson, Ford, Walton, Warden, Aglidian, Mulidore, R. Green, Moreno, Baker, Trayer, Sebastian, Beaudoin, S. Green, Elizondo, McCracken, Aceves, and Cherry. Absent (1) Dumas. Chairman–Ewing not voting. Motion passed.

Motion 6: James Killackey submitted a motion, seconded by Tim Ford. *Part 1: That the NAPS executive board direct the resident officers to seek the services of an employment agency or a search firm to prepare a job description for a full-time position of a NAPS communications director. This study would include the development of the job requirements, experience and training and salary*

requirements. The resident officers would then present this research to the executive board at the spring 2014 executive board meeting for in-sourcing. Part 2: The resident officers will solicit at least three bids (if available) from qualified vendors to produce the magazine (The Postal Supervisor) upon the completion of the current contract with Martin Communications. Once all of the information from both in-sourcing and out-sourcing has been completed by the resident officers, a comparison of proposals from vendors and in-sourcing proposals will be provided to the executive board. A decision will then be made by the executive board as to how to proceed at the spring 2014 executive board meeting. It was discussed the need to evaluate the situation to determine what is best and provide NAPS with options to review. Other comments included that the motion is comparing “apples and oranges” and there is more to just comparing the lowest cost. It was stated the resident officers needed direction on what to do. The motion says we can have both a communications person and hire a vendor to do the magazine. There was concern that if NAPS hired an in-house communications to develop The Postal Supervisor, what would be the plan to continue it if the person quit. The motion does not preclude anyone, current or new vendors to put in a quote. The motion is asking the resident officers to provide information. It was stated NAPS needs to put out bids for when all contracts come for renewal. Voting: Yes (10) Killackey, Roma, Butts, Johnson, Warden, Aglidian, Mulidore, R. Green, Baker, and McCracken. No (11) Atkins, Wagner, Ford, Walton, Moreno, Trayer, Sebastian, S. Green, Elizondo, Aceves, and Cherry. Absent (2) Beaudoin and Dumas. Chairman—Ewing not voting. Motion failed.

Motion 7: Chuck Mulidore submitted a motion, seconded by Hans Aglidian. *That any current vendor contract that comes up for renewal on or after April 1, 2014 or any new vendor services contract that NAPS may enter on or after April 1, 2014 seek a minimum of three vendor in that particular area or field for bids. That NAPS resident officers will develop a process to implement this motion prior to the Spring 2014 NAPS National Executive Board meeting.* Brian Wagner made motion to amend Motion 7, seconded by Tommy Roma, to add another sentence to Motion 7 to read as follows: *That NAPS HQ also include for consideration with the three vendor quotes the option to include a cost comparison quote of NAPS insourcing such services with current or new staffing.* Discussion to the amendment included giving NAPS the right to consider both the cost to insource and outsource work to be completed and compare the costs. It is the best way to do business. Amendment to Motion 7 passed. **Motion 7 As Amended** read as follows: *That any current vendor contract that comes up for renewal on or after April 1, 2014 or any new vendor services contract that NAPS may enter on or after April 1, 2014 seek a minimum of three vendors in that particular area or field for bids. That NAPS resident officers will develop a process to implement this motion prior to the Spring 2014 NAPS National Executive Board meeting. That NAPS HQ also include for consideration with the three vendor quotes the option to include a cost comparison quote of NAPS insourcing such services with current or new staffing.* Voting: Yes (22) Atkins, Killackey,

Wagner, Roma, Butts, Johnson, Ford, Walton, Warden, Aglidian, Mulidore, R. Green, Moreno, Baker, Trayer, Sebastian, Beaudoin, S. Green, Elizondo, McCracken, Aceves, and Cherry. Absent (1) Dumas. Chairman-Ewing not voting. Motion passed.

Motion 8: Jaime Elizondo made a motion and seconded by Jerry Sebastian. Since the NAPS Executive Board has been presented with information on the significant cost savings to switch to the Residence Inn for Executive Board lodging that the Executive Board select the Old Town Alexandria Residence Inn for their lodging needs for the dates shown by Sheri Davies of Conference Direct. Discussion included the cost savings and shuttle service to and from NAPS HQ is very convenient. Voting: Yes (17) Atkins, Killackey, Wagner, Butts, Johnson, Ford, Warden, Aglidian, Mulidore, R. Green, Moreno, Baker, Trayer, Sebastian, S. Green, Elizondo, and McCracken. No (4) Walton, Beaudoin, Aceves, Cherry. Abstain (1) Roma. Absent (1) Dumas. Chairman-Ewing not voting. Motion passed.

The 2014 Spring Board Meeting will be in conjunction with the 2014 LTS which begins on Sunday, March 9 through March 11, 2014. The board meeting will begin at 8:30 a.m. Wednesday, March 12 and end at Noon on Saturday, March 15, 2014.

For the Good of the Association, Chuck Mulidore stated that this football season the Buckeyes will win the national title. Cy's daughter, Lynn, thanked the executive board for their concern of Cy as he recuperates.

John Aceves moved to adjourn the 2013 Fall Executive Board meeting, seconded by Kevin Trayer. Motion carried and meeting adjourned at 4:36 p.m. on Wednesday, October 23.

Respectfully submitted,

Brian J. Wagner

NAPS Secretary/Treasurer