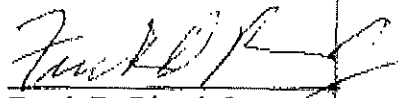


Memorandum of Agreement

1. In the event that an employee's recruitment, relocation or retention incentive service agreement is terminated because of a rating of record below "Fully Successful", the employee must reimburse the agency for the amount of all benefits received under the existing incentive agreement that are in excess of the amount attributable to completed service.
2. At any time during the service agreement, a recruitment, relocation or retention incentive will be terminated if the employee so requests.
3. The reduction or termination of a recruitment, relocation, or retention incentive may not be grieved under the provisions of the Master Labor Agreement, Article 36 or appealed. However, the preceding sentence shall not be construed to extinguish or lessen any right or remedy under sub-chapter II of chapter 12 of title 5, United States Code, or any of the laws referred to in 5 USC 2302(d).
4. Employees receiving a recruitment, relocation, or retention incentive who have been counseled by their supervisor that their performance in one or more elements is minimally successful, and who successfully bring their performance up to "Fully Successful" prior to the next rating of record, will not suffer any loss of their recruitment, relocation, or retention incentive service agreement. However, the parties recognize that certain other circumstances may require terminating an incentive service agreement, as authorized in OPM regulations; examples are: a reduction in force, insufficient funds to continue planned incentive payments, or failure of the employee to fulfill the terms of the service agreement.
5. Employees receiving a recruitment, relocation, or retention incentive who have been counseled by their supervisor that their performance in one or more elements is unacceptable, and who successfully bring their performance up to "Fully Successful" prior to the next rating of record, will not suffer any loss to their recruitment, relocation, or retention incentive service agreement. However, if an employee is removed, or is demoted out of the position for which the recruitment, relocation, or retention incentive was being paid, the incentive will be terminated at the time the employee is taken out of the position. If an employee is reassigned to a different position, the recruitment, relocation or retention incentive will continue, unless management determines that the new position does not warrant payment of the incentive. In addition, the parties recognize that certain other circumstances may require terminating an incentive service agreement, as authorized in OPM regulations; examples are: a reduction in force, insufficient funds to continue planned incentive payments, or failure of the employee to fulfill the terms of the service agreement.


6. If an employee fails to complete the agreed-upon service period, for recruitment incentives he or she must repay the portion of the incentive attributable to the uncompleted period. Exception: No repayment is required if the employee is involuntarily separated (for reasons other than misconduct or performance) For relocation incentives, no repayment is required if the employee is involuntarily separated (for reasons other than misconduct or performance) or if the agency determines, in writing, that it is necessary to relocate the employee to a position in a different commuting area. Other circumstances in which the employee must repay a portion or all of the incentive are provided for in applicable OPM regulations.

FOR THE UNION:


Frank D. Rienti, Jr.
President
AFGE Council 169

Date: 1-30-08

FOR THE EMPLOYER:


Jeffrey R. Neal
Director, Human Resources (J-1)
Defense Logistics Agency

Date: 1-31-08