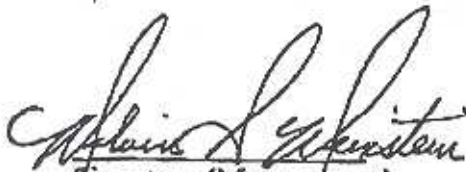


The following constitutes agreement between the Veterans Benefits Administration (VBA) and the AFGE, National VA Council (NVAC) regarding Loan Guaranty Accounting Finance Function Consolidation, Consolidation of Education Claims Processing and Moving Chapter 30 Debt Collection to the St. Paul Debt Management Center:

1. Local Human Resources Management Officers will, upon receipt, provide a copy of this MOU to the local union president.
2. Local management shall meet its labor management obligations at the local level prior to implementation. Ideally this will be accomplished through a local partnership council.
3. Issues relevant and not specifically addressed in the MOU may be addressed in local bargaining. This does not affect local management's right to declare certain union proposals as non-negotiable.
4. No employee will involuntarily lose grade or pay as a result of the consolidation.
5. All employees who are reassigned to new positions shall receive adequate training.
6. Management will recognize that employees have been assigned to new positions when completing the annual performance appraisal.
7. Employees will be given the opportunity to participate in the establishment of performance standards.
8. No employee will be involuntarily geographically relocated.
9. Performance standards for positions at gaining stations will not change as a result of consolidation.


Signature (Management)

7/28/94
Date


Signature (NVAC)