

## FEDERAL MEDIATION AND CONCILIATION SERVICE

In the matter of:

AMERICAN FEDERATION OF  
GOVERNMENT EMPLOYEES,  
LOCAL 525

Union,

and

UNITED STATES  
DEPARTMENT OF JUSTICE,  
FEDERAL BUREAU OF PRISONS  
FCI WILLIAMSBURG

Agency.

FMCS Case Nos.: 08-56529 (Portal) and  
10-02743-6 (Meal Period)

### SETTLEMENT AGREEMENT

This Settlement Agreement ("Agreement") is made by and between the U.S. Department of Justice, Federal Bureau of Prisons, Federal Correctional Institution ("FCI") Williamsburg ("Agency") and the American Federation of Government Employees ("AFGE") Local 525 ("Union") in resolution of the Portal to Portal grievance filed by the Union on March 11, 2008 concerning the Agency's alleged failure to pay overtime compensation pursuant to the Fair Labor Standards Act ("FLSA") for time spent performing work before scheduled shift start times and/or after scheduled shift end times and the Meal Period grievance filed by the Union on February 17, 2010 concerning the Agency's alleged failure to pay overtime compensation pursuant to the FLSA for time spent performing work during uncompensated 30-minute meal periods. In full and complete settlement of the above-referenced grievances (Case Nos. 08-56529 (Portal) and 10-02743-6 (Meal Period)), the parties by and through their undersigned representatives, freely and voluntarily agree to the terms outlined in this Agreement.

1. Coverage

The Grievant is AFGE Local 525. The Union is the certified representative of all bargaining unit employees represented by AFGE Local 525. The Grievant warrants and represents that no other action or suit with respect to the claims that are set forth in the grievances covered by this Agreement will be filed in, or submitted to, any court or any administrative forum including, but not limited to, the General Accounting Office or the Office of Personnel Management for the time period that the grievances cover (for the Portal grievance, the time period from March 11, 2005 through the date this Agreement is fully executed and for the Meal Period grievance, the time period from February 17, 2007 through the date this Agreement is fully executed). By agreeing to accept payment under this Agreement, the Grievant agrees to waive any right or entitlement to pursue or collect payment for any current or former bargaining unit member for any FLSA overtime pay claim asserted in the instant Portal grievance for the time period from March 11, 2005 through the date this Agreement is fully executed, and for any FLSA overtime pay claim asserted in the instant Meal Period grievance for the time period from February 17, 2007 through the date this Agreement is fully executed. This Agreement is fully executed on the date of the last signature.

2. Lump Sum Payment.

Without constituting an admission of liability or any wrongdoing upon the part of either the Agency or the Grievant, the Agency agrees to pay, through the Grievant's attorneys, Woodley & McGillivray, the lump sum settlement amount of \$2,950,000.00 (Two Million, Nine Hundred Fifty Thousand dollars) to resolve any and all claims for FLSA overtime pay for pre-shift and post-shift work performed by all bargaining unit employees represented by

AFGE Local 525 from March 11, 2005 through the date this Agreement is executed and any and all claims for FLSA overtime pay for work performed by all bargaining unit employees during their uncompensated 30 minute meal periods from February 17, 2007 through the date this Agreement is executed. This lump sum covers all back pay, liquidated damages, interest and attorneys' fees and costs, which may have been claimed by the Grievant on behalf of all current and former bargaining unit members represented by AFGE Local 525 with respect to the matters asserted in these grievances up to the date this Agreement is executed. For those current and former bargaining unit members who have identified themselves as performing uncompensated work either during their unpaid meal periods and/or prior to scheduled shift start times and/or after scheduled shift end times by completing the paperwork required by the Union ("participating damages recipients"), the Union shall determine how to distribute the lump sum amount among those participating damages recipients.

3. Payment Timetable and Method for Payment of Lump Sum

The Agency shall make the lump sum payment of \$2,950,000.00 (Two Million, Nine Hundred Fifty Thousand dollars) to the law firm of Woodley & McGillivray, 1101 Vermont Avenue, N.W., Suite 1000, Washington, D.C. 20005, by an electronic funds transfer or a single check made payable to "Woodley & McGillivray" on or before December 19, 2012 and will issue Woodley & McGillivray an IRS Form 1099. Woodley & McGillivray will provide, within three days of the execution of this Agreement, the bank account and routing data for the electronic transfer. Woodley & McGillivray on behalf of the Grievant will be responsible for distributing to each participating damages recipient his/her respective share of the lump sum amount. The parties agree that this Agreement does not determine the amount of any income tax



or any other taxes for which the Grievant, participating damages recipients, or beneficiaries may be liable now or in the future as a result of this Agreement. The Union agrees that the participating damages recipients will be responsible for any federal, state, or local tax liability arising from the payment of the amounts set forth in the Agreement, and that they will hold the Agency harmless from any liability for such taxes which may be owed on account of payment from this Agreement. After making any distribution to the Grievant, participating damages recipients, or other beneficiaries, all required forms will be submitted by Woodley & McGillivray on behalf of the Union to the Internal Revenue Service (IRS) for each Grievant, participating damages recipient, or beneficiary. Woodley & McGillivray, on behalf of the Union, will be responsible for distributing all required federal tax forms to the Grievant, participating damages recipients, or beneficiaries. These tax forms must be sent in accordance with Federal tax regulations.

4. Interest

In the event that the Agency fails to pay the amount of \$2,950,000.00 (Two Million, Nine Hundred Fifty Thousand dollars) on or before December 19, 2012, interest shall begin to accrue on the amount owed beginning on December 20, 2012. Interest will accrue in accordance with the formula prescribed under the Back Pay Act, 5 U.S.C. §5596(b)(2)(A), and by the Office of Personnel Management in FPM Letter 550-78. The interest shall be computed at the rate or rates in effect under Section 6621(a)(1) of the Internal Revenue Code of 1986 and shall continue to accrue until the Agency transmits the lump sum amount to Woodley & McGillivray in accordance with paragraph 3 above.

5. Release From Claims Related to This Agreement

The Union and the Agency understand and agree that in consideration for the payment made by the Agency and the Agency's compliance with the terms of this Agreement, the Grievant remises, releases and forever irrevocably discharges the United States Government, the Federal Bureau of Prisons, the Agency and their officers, agents and employees, each of them, separately and collectively, from the claims asserted in the Portal grievance (FMCS Case No.: 08-56529) for the time period from March 11, 2005 through the date that this Agreement is fully executed and from the claims asserted in the Meal Period grievance (FMCS Case No.:10-02743-6) for the time period from February 17, 2007 through the date this Agreement is fully executed.

6. Waiver

In consideration for the payments made and the promises provided herein, the Grievant will not sponsor any arbitration or individual grievances seeking FLSA overtime compensation for the claims asserted in the Portal grievance (FMCS Case No.: 08-56529) for the time period from March 11, 2005 through the date that this Agreement is fully executed and for the claims asserted in the Meal Period grievance (FMCS Case No.:10-02743-6) for the time period from February 17, 2007 through the date this Agreement is fully executed.

7. Extensions

Any of the deadlines set forth in this Agreement may be extended by mutual agreement of the Union and the Agency.

8. Precedent

This Agreement is made solely for the purpose of settling and permitting entry of final resolution of these cases (FMCS Case No.: 08-56529 (Portal); FMCS Case No.:10-02743-6

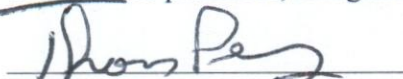
(Meal Period)). The parties agree that this Agreement shall not be cited as precedent, and may not be cited, published, or referenced by either party as justification for their respective positions or referred to in any other proceeding, whether judicial or administrative, for any purpose other than to enforce the terms of this Agreement. The parties recognize that it is in their respective interests to resolve these disputes through this Agreement.

9. Completeness of Agreement


This document constitutes the complete terms of the Agreement and supersedes any and all prior oral or written representations, understanding, or agreements between the parties to this Agreement.

10. Authority of the Parties

The parties agree that they have full authority to enter this Agreement and to make the promises, obligations and considerations contained herein. The Grievant's representative of record represents that he is authorized to enter into this Agreement on behalf of AFGE Local 525, which has full authority to enter into this Agreement and to make the promises, obligations and considerations contained herein. The Agency's representative of record represents that she is authorized to enter into this Agreement on behalf of the U.S. Department of Justice, Federal Bureau of Prisons, FCI Williamsburg, which has full authority to enter into this Agreement and to make the promises, obligations and considerations contained herein.

  
Thomas Peavy  
President AFGE Local 525

Date: 11/20/12

  
Maureen Cruz  
Warden, FCI Williamsburg

Date: 11-20-12