

## AFGE Council 222

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**From:** AFGE Council 222  
**Sent:** Tuesday, February 4, 2025 12:27 PM  
**Subject:** HUD's Proposed Deferred Resignation Offer Violates Collective Bargaining Agreement  
**Attachments:** afgecontract810a.pdf



### National Council of HUD Locals - Council 222

AMERICAN FEDERATION OF GOVERNMENT EMPLOYEES AFFILIATED WITH AFL-CIO  
WE ARE COMPRISED OF HUD LOCALS THROUGHOUT THE U.S.

<https://afgecouncil222.com>

**February 4, 2025**

### **HUD's Proposed Deferred Resignation Offer Violates Collective Bargaining Agreement**

**Dear AFGE National Council 222 Members,**

In response to today's presentation on the proposed Deferred Resignation Offer, we want to inform you that our further review of this proposed offer does not change our previous guidance. Rather, it reinforces our position that the agency is violating our Collective Bargaining Agreement (CBA). We strongly recommend that you do not resign.

**Key points:**

1. The issues of resignations and buyouts are covered by our CBA, specifically in Articles 33 and 36.
2. Article 33, entitled "Reduction-in-Force and/or Transfer of Function," outlines the proper procedures for any reduction in force (RIF) actions.
3. Article 36, entitled "VERA/VSIP (Buyouts)," details the process for voluntary separations.
4. We have provided excerpts from these articles to demonstrate how the process is supposed to proceed according to our CBA.
5. For more information, please access the full Collective Bargaining Agreement attached. As a matter of professional courtesy, we have provided a copy for your detailed review.
6. We have also attached our recent communication to Ms. Michalski, of OCHCO, regarding this matter.

We urge all members to carefully review these provisions and be aware of your rights under the CBA. We will continue to advocate for the proper implementation of these articles and protect your interests.

If you have any questions or concerns, please contact your local union representative.

Sincerely,  
Antonio F. Gaines  
President  
AFGE National Council 222

## **ARTICLE 33**

### **REDUCTION-IN-FORCE AND/OR TRANSFER OF FUNCTION**

Section 33.01 - Reference. The policy, procedures, and terminology established in this Article are in conformance with:

- (1) 5 U.S.C. 3501-3504
- (2) 5 CFR Part 351

A reduction in force (RIF) will comply with all government-wide regulations in effect as of the effective date of this Agreement, and the provisions of this Agreement.

Section 33.02 - Policy. Nothing in this Article shall diminish the rights of employees which are specifically provided by law. Where a provision of this Article conflicts with a provision of law which provides greater legal rights for employees than that provided by this Article, the provision of law shall apply.

Section 33.03 - Definitions.

(1) Reduction- In-Force (RIF) - The release of an employee from their competitive level by:

- (a) separation,
- (b) demotion,
- (c) furlough for more than thirty (30) days, or
- (d) reassignment requiring displacement

When the release is required because of:

- (e) lack of work or shortage of funds,
- (f) insufficient personnel ceiling,
- (g) reorganization,
- (h) reclassification due to an erosion of duties only if action shall take affect after the RIF has been formally announced in the employee's competitive area and when the RIF shall take effect within one hundred eighty (180) days, or
- (i) the need to replace a person exercising reemployment or restoration rights requires Management to release the employee from their competitive level.

## **ARTICLE 36**

### **VERA/VSIP (BUYOUTS)**

Section 36.01 – General.

(1) Voluntary Separation Incentive Payments (VSIP) and Voluntary Early Retirement Authority (VERA) are two (2) provisions authorized by OPM that an agency may request for the purpose of: VERA – substantial restructuring, reshaping, downsizing, transfer of function or reorganization of an agency to temporarily lower the age and service requirements in order to increase the number of employees who are eligible to retire; VSIP - provides a lump sum payment of up to \$25,000 to employees as an incentive to voluntarily separate from federal service.

(2) Buyouts are voluntary. No adverse action will be taken against an employee for not accepting a buyout offer. The identity of any employee applying for a buyout will be held confidential. The Office of Human Resources (OHR) is the only office authorized to have access to the buyout applications and the identity of any employee requesting a buyout. The employee's identity will be released to Management, only after the employee has submitted a retirement package to OHR, Payroll, Benefits, and Retirement Division (PBRD).

Section 36.02 - Application Process.

(a) Announcement: All employees being offered the buyout within the specific program area will receive simultaneous electronic notification, which includes the buyout plan that will outline the parameters of eligibility and the process for application.

(b) Application Window: The application window will be no less than fourteen (14) calendar days, unless extended by the Agency.

(c) Submission: Employees may submit buyout applications by either of two transmission methods: electronic mail or facsimile. All applications must be submitted within the appropriate consideration period, irrespective of the transmission method. Applicants are authorized to use an appropriate amount of time and government equipment to prepare and submit the application.

(d) Notification of Receipt: Employees will receive notification of receipt of the application by OHR within one (1) business day by electronic mail.

(e) Application Corrections: Employees will be notified by electronic mail within two (2) business days if their application can be processed. If the application is incorrect and/or incomplete, the employee will be notified of the reason(s), and will be given an opportunity to submit a corrected application.

(f) Approval Period: Within five (5) business days after receipt of the application, Management will advise each applicant if: a) the application is approved or disapproved and the reason(s); or b) application will be temporarily deferred, upon the determination of other eligible employees applying for the buyout and the approval of a buyout.

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**From:** Gaines, Antonio <[Antonio.Gaines@hud.gov](mailto:Antonio.Gaines@hud.gov)>

**Sent:** Tuesday, February 4, 2025 9:14 AM

**To:** Michalski, Lori A <[Lori.A.Michalski@hud.gov](mailto:Lori.A.Michalski@hud.gov)>; Bohling, Gayle E <[Gayle.E.Bohling@hud.gov](mailto:Gayle.E.Bohling@hud.gov)>; Huth, Virginia A <[Virginia.A.Huth@hud.gov](mailto:Virginia.A.Huth@hud.gov)>; Ammon, Matthew E <[Matthew.E.Ammon@hud.gov](mailto:Matthew.E.Ammon@hud.gov)>; Cowan Jr., Chad <[Charles.D.CowanJr@hud.gov](mailto:Charles.D.CowanJr@hud.gov)>

**Cc:** OliverDavis, Rae <[ROliverDavis@hudoig.gov](mailto:ROliverDavis@hudoig.gov)>; Begg, Stephen <[SBegg@hudoig.gov](mailto:SBegg@hudoig.gov)>; Simmons, Ventura A <[ventura.a.simmons@hud.gov](mailto:ventura.a.simmons@hud.gov)>; Hughes, Andrew D <[Andrew.Hughes@hud.gov](mailto:Andrew.Hughes@hud.gov)>

**Subject:** Cease and Desist: Formal Notice Regarding Violation of CBA and Anti-Deficiency Act as it Relates to "Fork in the road" Details Communicated to AFGE Bargaining Unit Employees

Dear Ms. Michalski,

This letter/email serves as **formal notice that you are in violation of both our Collective Bargaining Agreement (CBA) and federal law**. As President of AFGE National Council 222, representing 5,300 of the 8,000 HUD employees, I am writing to address very serious concerns regarding the recent "buyout/resignation" offer as part of the "Fork in the road" details communicated directly to bargaining unit employees (BUE's).

HUD's actions (hereafter referred to as the "agency" and "department" ) violate our Collective Bargaining Agreement (CBA) and federal law in several ways:

#### **1. Violation of CBA Articles:**

**Article 33** - Reduction in Force and/or Transfer of Function (p. 161) states:

*"The Department shall notify the Union of any reduction-in-force (RIF) as far in advance as possible, but no less than 90 calendar days prior to the effective date."*

**Article 36** - VERA/VSIP (Buyouts) (p. 181) outlines:

*"The Department will notify the Union as soon as it decides to request VERA and/or VSIP authority... The Department will provide the Union with a copy of the VERA/VSIP plan."*

The agency has failed to engage the union as required by these articles.

#### **2. Violation of Anti-Deficiency Act:**

The agencies offer to pay federal employees through September 30, 2025, violates the Anti-Deficiency Act, which prohibits:

- Making or authorizing expenditures or obligations exceeding available appropriations
- Involving the government in contracts or obligations for payment before an appropriation is made

As an agent of HUD, you are knowingly engaging in violations of this Act by offering payments beyond the current appropriation period.

**We demand that you immediately cease and desist from furthering this unlawful offer without proper engagement with the union and appropriate congressional funding.**

We are the sole and exclusive representative for bargaining unit employees on matters involving working conditions and associated impacts. This includes the above-mentioned matters in this correspondence.

We continue to strongly recommend bargaining unit employees reject this, and all so-called "offers" that are not negotiated in good faith through the bargaining process with the union. This included.

We welcome the opportunity to discuss this matter in greater detail. However, we must emphasize that continued violations of the CBA and federal law will leave us no choice but to refer this matter to the Department of Justice, the Government Accountability Office, and appropriate Congressional oversight committees.

Again, this letter serves as formal notice that you are in violation of both our CBA and federal law. We urge you to take immediate corrective action to avoid further legal consequences. We ask that you **immediately rescind** all offers that have been accepted by BUE's and you refrain from asking for further "buyouts" to BUE's without engaging the union. **We seek confirmation from you, by close of business Wednesday February 5th, 2025.**

Sincerely,

Antonio F. Gaines  
President  
AFGE National Council 222

[Article 33](#)  
[Article 36](#)  
[Collective Bargaining Agreement](#) (CBA)

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**Do Not Reply** to this email as the mailbox is not monitored.

If you have specific questions concerning this e:alert, contact your Local President.

Don't know who your Local President is? Go to: <http://www.afgecouncil222.com/aboutus.htm>.

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This e:alert is for HUD AFGE bargaining unit employees